

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

COMPLIANCE REPORT  
OF  
WEST CREEK TOWNSHIP  
LAKE COUNTY, INDIANA  
January 1, 2013 to December 31, 2016



**FILED**  
07/25/2017



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Harold Mussman, Jr.	01-01-11 to 12-31-18
Chairman of the Township Board	Michael R. McIntire	01-01-13 to 12-31-14
	Patricia R. Kopas	01-01-15 to 12-31-15
	Michael R. McIntire	01-01-16 to 12-31-17



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

TO: THE OFFICIALS OF WEST CREEK TOWNSHIP, LAKE COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of West Creek Township (Township), Lake County, for the period January 1, 2013 to December 31, 2016, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

The Results and Comments contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Official Response to the Results and Comments, incorporated within this report, was not verified for accuracy.

The Annual Financial Reports filed by the Township can be found on the Gateway website: <https://gateway.ifionline.org/>.

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

May 18, 2017

WEST CREEK TOWNSHIP, LAKE COUNTY  
RESULTS AND COMMENTS

**APPROPRIATIONS**

The records presented indicated the following disbursements in excess of budgeted appropriations:

<u>Years</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2013	Township	\$ 8,304.70
2013	Fire Fighting	23,627.50
2014	Township Assistance	2,139.91
2014	Fire Fighting	5,924.00
2015	Fire Fighting	7,000.00
2015	Cumulative Fire	7,750.00

Indiana Code 6-1.1-18-4 states: "Except as otherwise provided in this chapter, the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

**SALARY RESOLUTION**

The Township did not adopt establish the salaries of Township officers and employees for 2013, 2014, or 2015.

Indiana Code 36-6-6-10(b) states:

"The township legislative body shall fix the:

- (1) salaries;
- (2) wages;
- (3) rates of hourly pay; and
- (4) remuneration other than statutory allowances;

of all officers and employees of the township."

**CONTRACTS**

Payments made for fire protection were not supported by a written contract for 2014 or 2015.

Payments made or received for contractual services must be supported by a written contract. Each unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

WEST CREEK TOWNSHIP, LAKE COUNTY  
RESULTS AND COMMENTS  
(Continued)

**SUPPORTING DOCUMENTATION**

Several payments were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records. For example, payments made to Lake Dale Volunteer Fire Department for equipment, a fire truck, and improvements to the fire building did not have supporting documentation to support the purchases.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for examination to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

**MILEAGE CLAIM FORMS**

Mileage claims submitted for reimbursement were not sufficiently detailed. The mileage claim did not include the date of travel.

Mileage Claim Form Number 101 shall be properly completed, listing dates of authorized travel, details of travel, miles traveled, nature of business, etc., for reimbursements for mileage before payment is made. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 2)

**TOWNSHIP ASSISTANCE**

The Township established Township Assistance Standards in 2011; however, the standards were not renewed and updated annually in accordance with Indiana Code 12-20-5.5-1.

Indiana Code 12-20-5.5-1(b) states in part:

"The township's standards for the issuance of township assistance and the processing of applications must be: . . .

- (3) reviewed and updated annually to reflect changes in the cost of basic necessities in the township and changes in the law; . . ."

**OFFICIAL BOND**

The Trustee's Surety Bond (\$15,000) was insufficient per the Indiana Code 5-4-1-18 (\$30,000).

Indiana Code 5-4-1-18(e) states in part:

". . . the fiscal bodies of the respective units shall fix the amount of the bond of . . . township trustees . . . as follows:

- (1) The amount must equal thirty thousand dollars (\$30,000) for each one million dollars (\$1,000,000) of receipts of the officer's office during the last complete fiscal year before the purchase of the bond, subject to subdivision (2).

WEST CREEK TOWNSHIP, LAKE COUNTY  
RESULTS AND COMMENTS  
(Continued)

- (2) The amount may not be less than thirty thousand dollars (\$30,000) nor more than three hundred thousand dollars (\$300,000) unless the fiscal body approves a greater amount for the officer or employee. . . ."

***NEPOTISM POLICY CERTIFICATION***

Each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-20.2 (Nepotism) by December 31, 2013, 2014, 2015, or 2016.

Indiana Code 36-1-20.2-16 states: "Each elected officer of the unit shall annually certify in writing, subject to the penalties for perjury, that the officer has not violated this chapter. An officer shall submit the certification to the executive of the unit not later than December 31 of each year."

***CONTRACTING WITH A UNIT POLICY CERTIFICATION***

Each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-21 (Contracting With a Unit) by December 31, 2013, 2014, 2015, or 2016.

Indiana Code 36-1-21-6 states: "Each elected officer of the unit shall annually certify in writing, subject to the penalties for perjury, that the officer is in compliance with this chapter. An officer shall submit the certification to the executive of the unit not later than December 31 of each year."

***INDIANA PUBLIC RETIREMENT SYSTEM (INPRS)***

Tri-Creek Ambulance Service was formed for and by the townships of Cedar Creek, West Creek, and Eagle Creek to provide ambulance service to the three entities. Employees of Tri-Creek Ambulance Service are not considered public employees. Prior reports disclosed that Tri-Creek Ambulance Service receives additional income from private billings, interest, and miscellaneous revenue. The employees are issued W-2s, under a number assigned to Tri-Creek Ambulance Service. Payments to the Indiana Public Retirement System (INPRS) are being provided under the West Creek INPRS Plan Number.

A similar comment has appeared in prior reports.

Indiana Code 5-10.3-7-1(e) states in part: "Any individual . . . who becomes a full-time employee of a political subdivision in a covered position . . . becomes a member of the fund."

Indiana Code 5-10.3-1-6 states: "Political Subdivision. 'Political subdivision' as used in this article means a county, city, town, township, political body corporate, public school corporation, public library, public utility of a county, city, town, township, and any department of, or associated with, a county, city, town, or township, which department receives revenue independently of, or in addition to, funds obtained from taxation."

WEST CREEK TOWNSHIP, LAKE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on May 18, 2017, with Harold Mussman, Jr., Trustee, and Patricia Mussman, Township Clerk.