

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

RIPLEY TOWNSHIP

MONTGOMERY COUNTY, INDIANA

January 1, 2012 to December 31, 2016



**FILED**  
09/29/2017



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Transmittal Letter .....	3
Examination Results and Comments:	
Official Bond Recorded.....	4
Certified Report Filed After Due Date.....	4
Annual Nepotism Certification .....	4
Nepotism Policy.....	4-5
Annual Contracting Certification.....	5
Contracting Policy.....	5
Overdrawn Cash Balance.....	5
Exit Conference.....	6

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	James Spence (deceased)	01-01-11 to 06-14-16
	(Vacant)	06-15-16 to 07-19-16
	Jamie Selby	07-20-16 to 12-31-18
Chairman of the Township Board	Larry Hudson	01-01-12 to 12-31-12
	Dennis Groh	01-01-13 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 RIPLEY TOWNSHIP, MONTGOMERY COUNTY, INDIANA

This report is supplemental to our examination report of Ripley Township (Township), Montgomery County, for the period from January 1, 2012 to December 31, 2016. It has been provided as a separate report so that the reader may easily identify any Examination Results and Comments that pertain to the Township. It should be read in conjunction with our Financial Statements Examination Report of the Township, which provides our opinion on the Township's financial statements. This report may be found at [www.in.gov/sboa](http://www.in.gov/sboa).

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Examination 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 Examination Results and Comments, incorporated within this report, was not verified for accuracy.

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

August 22, 2017

RIPLEY TOWNSHIP, MONTGOMERY COUNTY  
EXAMINATION RESULTS AND COMMENTS

**OFFICIAL BOND RECORDED**

The Trustee's official bond was not filed in the office of the Montgomery County Recorder.

Indiana Code 5-4-1-5.1(b) states in part:

"Every elected or appointed officer, official, deputy, employee, or contractor of a political subdivision who is required . . . to file an official bond for the faithful performance of duty . . . shall file the bond with the fiscal officer of the political subdivision and in the office of the county recorder in the county of office or employment of the officer, official, deputy, employee, or contractor. . . ."

**CERTIFIED REPORT FILED AFTER DUE DATE**

The Township did not timely file a Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R) with the Indiana State Board of Accounts for 2012. The report was filed on February 2, 2013, which was two days past the due date. The 2015 Form 100-R was not complete. The report did not contain the elected officials compensation.

Indiana Code 5-11-13-1(a) states in part:

"Every state, county, city, town, township, or school official . . . shall during the month of January of each year prepare, make, and sign a certified report, correctly and completely showing the names and business addresses of each and all officers, employees, and agents . . . and the respective duties and compensation of each, and shall forthwith file said report in the office of the state examiner of the state board of accounts. . . ."

**ANNUAL NEPOTISM CERTIFICATION**

Each elected official did not annually certify in writing that the officer had not violated Indiana Code 36-1-20.2 (Nepotism) by December 31, 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."

**NEPOTISM POLICY**

The Township did not have a Nepotism Policy for 2012.

RIPLEY TOWNSHIP, MONTGOMERY COUNTY  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

Indiana Code 36-1-20.2-9(a) states in part: "This chapter establishes minimum requirements regarding employment of relatives. The legislative body of the unit shall adopt a policy that includes, at a minimum, the requirements set forth in this chapter. . . ."

**ANNUAL CONTRACTING 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, 2012 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."

**CONTRACTING POLICY**

The Township did not have a Contracting Policy for 2012 or 2013.

Indiana Code 36-1-21-4(a) states in part: "This chapter establishes minimum requirements regarding contracting with a unit. The legislative body of the unit shall adopt a policy that includes, at a minimum, the requirements set forth in this chapter. . . ."

**OVERDRAWN CASH BALANCE**

The financial statements presented in the Financial Statements Examination Report included the following fund with an overdrawn cash balance at December 31, 2016:

<u>Year</u>	<u>Fund</u>	<u>Amount Overdrawn</u>
2016	FIRE EQUIP DEBT	\$ 844

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the unit. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

RIPLEY TOWNSHIP, MONTGOMERY COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on August 22, 2017, with Jamie Selby, Trustee.