

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

DECATUR TOWNSHIP

MARION 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
Trustee:	
Examination Results and Comments:	
Nepotism and Contracting with a Unit Certifications.....	6
Optical Images of Checks	6
Exit Conference	7
Small Claims Court:	
Examination Results and Comments:	
Old Outstanding Checks	10
Outstanding Trust Items.....	10-11
Prescribed Forms	11
Exit Conference	12

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Stephen Rink	01-01-11 to 12-31-18
Chairman of the Township Board	David Knight	01-01-12 to 12-31-17
Judge	The Honorable William L. Fisher, Jr. (deceased) The Honorable Michelle Smith Scott (interim) The Honorable Myron Hockman	01-01-11 to 01-22-12 01-23-12 to 02-15-12 02-16-12 to 12-31-18



STATE OF INDIANA
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TO: THE OFFICIALS OF DECATUR TOWNSHIP, MARION COUNTY, INDIANA

This report is supplemental to our examination report of Decatur Township (Township), 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/.

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

July 31, 2017

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TRUSTEE
DECATUR TOWNSHIP, MARION COUNTY

TRUSTEE
DECATUR TOWNSHIP, MARION COUNTY
EXAMINATION RESULTS AND COMMENTS

NEPOTISM AND CONTRACTING WITH A UNIT CERTIFICATIONS

The elected officials did not certify in writing that they had not violated Indiana Code 36-1-20.2 (Nepotism) and Indiana Code 36-1-21 (Contracting With a Unit) for years 2012, 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."

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."

OPTICAL IMAGES OF CHECKS

The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks. The backside or endorsement side of the checks was not returned.

Indiana Code 5-15-5.1-10(a) states in part:

"Each . . . local government shall:

- (1) Make and preserve records containing adequate and proper documentation of . . . essential transactions of the . . . local government to protect the legal and financial rights of the government . . ."

Indiana Code 26-2-8-111 states in part:

"(a) If a law requires that certain records be retained, that requirement is met by retaining an electronic record of the information in the record that:

- (1) accurately reflects the information set in the record after it was first generated in its final form as an electronic record or otherwise; and
- (2) remains accessible for later reference . . .

(e) If a law requires retention of a check, that requirement is satisfied by retention of an electronic record of the information on the front and back of the check in accordance with subsection (a). . . ."

TRUSTEE
DECATUR TOWNSHIP, MARION COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 31, 2017, with Stephen Rink, Trustee.

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SMALL CLAIMS COURT
DECATUR TOWNSHIP, MARION COUNTY

SMALL CLAIMS COURT
DECATUR TOWNSHIP, MARION COUNTY
EXAMINATION RESULTS AND COMMENTS

OLD OUTSTANDING CHECKS

The bank reconciliation as of December 31, 2016, included 529 checks, totaling \$45,269.32, which were outstanding in excess of two years.

The same comment appeared in prior Report B41303.

A similar comment also appeared in prior Reports B32607 and B37922 entitled *OLD OUTSTANDING TRUST CHECKS*.

A similar comment also appeared in prior Reports B08098, B17643, B24162, and B27442 entitled *UNCLAIMED MONEY OVER FIVE YEARS OLD*.

Indiana Code 5-11-10.5-2 states in part: "All warrants or checks drawn upon public funds of a political subdivision that are outstanding and unpaid for a period of two (2) or more years as of the last day of December of each year are void . . ."

OUTSTANDING TRUST ITEMS

Our review of trust items revealed that many items had been included on the outstanding checklist for a period of five years or longer, dating back to 1991. The court has not implemented policies and procedures for reporting unclaimed property and remitting that property to the Attorney General after the five year holding period.

The same comment appeared in prior Report B41303.

A similar comment also appeared in prior Reports B32607 and B37922 entitled *OLD OUTSTANDING TRUST CHECKS*.

SMALL CLAIMS COURT
DECATUR TOWNSHIP, MARION COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

A similar comment also appeared in prior Reports B08098, B17643, B24162, and B27442 entitled *UNCLAIMED MONEY OVER FIVE YEARS OLD*.

Indiana Code 32-34-1-20(c) states in part:

"Property that is held, issued, or owed in the ordinary course of a holder's business is presumed abandoned if the owner or apparent owner has not communicated in writing with the holder concerning the property or has not otherwise given an indication of interest in the property during the following times: . . .

- (6) For property or proceeds held by a court or a court clerk, five (5) years after the property or proceeds become distributable. The property or proceeds must be treated as unclaimed property under IC 32-34-3. . . ."

PRESCRIBED FORMS

The Indiana State Board of Accounts is responsible for prescribing and/or approving the accounting forms/records for all governmental units. The Small Claims Court did not use the prescribed Register of Trust Funds (General Form 102).

The same comment also appeared in several prior Reports B08098, B17643, B24162, B27442, B32607, B37922, and B41303.

Officials and employees are required to use prescribed and approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

SMALL CLAIMS COURT
DECATUR TOWNSHIP, MARION COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 31, 2017, with Myron Hockman, Judge, and Pamela Ricker, Court Manager.