

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF FRANKTON

MADISON COUNTY, INDIANA

January 1, 2012 to December 31, 2016



FILED
03/09/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Jack R. Brown	01-01-12 to 12-31-16
	Jerry W. Ehman	01-01-17 to 12-31-19
President of the Town Council	Hobart R. Chandler	01-01-12 to 12-31-12
	Jeff W. Borum	01-01-13 to 12-31-13
	Howard B. Sowers	01-01-14 to 12-31-14
	Katherine G. Hudson	01-01-15 to 12-31-16
	Victoria J. Hart	01-01-17 to 12-31-17
	Joshua M. Davis	01-01-18 to 12-31-18



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF FRANKTON, MADISON COUNTY, INDIANA

This report is supplemental to our examination report of the Town of Frankton (Town), 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 Town. It should be read in conjunction with our Financial Statements Examination Report of the Town, which provides our opinion on the Town'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 Result and Comment contained herein describe the identified reportable instance 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 Result and Comment, incorporated within this report, was not verified for accuracy.

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

January 25, 2018

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CLERK-TREASURER
TOWN OF FRANKTON

CLERK-TREASURER
TOWN OF FRANKTON
EXAMINATION RESULT AND COMMENT

ANNUAL FINANCIAL REPORT

The cash and investment balances for various funds were overstated due to input errors in the Annual Financial Report (AFR) for years 2012, 2013, 2014, 2015, and 2016. Additionally, a new fund in 2016 (LOIT Special Distribution) was not reported in the AFR. Adjustments to the financial statements were proposed and approved by the Town. In addition, the AFRs for each year were corrected by management for these input errors.

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7."

CLERK-TREASURER
TOWN OF FRANKTON
EXIT CONFERENCE

The contents of this report were discussed on January 25, 2018, with Jack R. Brown, former Clerk-Treasurer; Jerry W. Ehman, Clerk-Treasurer; and Joshua M. Davis, President of the Town Council.