

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

COMPLIANCE REPORT
OF
MILLCREEK TOWNSHIP
FOUNTAIN COUNTY, INDIANA
January 1, 2010 to December 31, 2016



FILED
06/08/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Sandra H. Dawson	01-01-07 to 12-31-18
Chairman of the Township Board	Mike Jean	01-01-10 to 12-31-13
	Ruth Ann Shoaf	01-01-14 to 12-31-18



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

TO: THE OFFICIALS OF MILLCREEK TOWNSHIP, FOUNTAIN COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Millcreek Township (Township), Fountain County, for the period of January 1, 2010 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 non-compliance 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.

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

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

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

April 26, 2018

MILLCREEK TOWNSHIP, FOUNTAIN COUNTY
RESULTS AND COMMENTS

APPROPRIATIONS

The same comment also appeared in prior Report B37121.

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

Years	Fund	Excess Amount Disbursed
2010	Township	\$ 782.38
2011	Township	1,631.46
2012	Township	5,174.68
2013	Fire Fighting	1,251.31
2014	Township	1,454.21
2015	Township	995.22
2015	Fire Fighting	6,754.29
2016	Township	358.62

Indiana Code 6-1.1-18-4 states in part: ". . . 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."

100-R REPORT

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 the years 2010, 2011, and 2014. The reports were not filed until May 5, 2011, February 10, 2012, and February 13, 2015. In addition, the Township Board members were not included in the 100-R report for any years.

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

"Every . . . township . . . 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 in their respective offices, departments, boards, commissions, and institutions, 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. . . ."

ADOPTION OF INTERNAL CONTROL STANDARDS

The Township Board did not develop or adopt internal control standards and procedures as required by Indiana Code 5-11-1-27(g) after June 30, 2016.

Indiana Code 5-11-1-27(g) states in part:

"After June 30, 2016, the legislative body of a political subdivision shall ensure that:

- (1) the internal control standards and procedures developed under subsection (e) are adopted by the political subdivision; . . ."

MILLCREEK TOWNSHIP, FOUNTAIN COUNTY
RESULTS AND COMMENTS
(Continued)

CERTIFICATION OF INTERNAL CONTROL STANDARDS

The Trustee certified that the Township Board adopted the internal control standards when the Township Board had not adopted them.

Indiana Code 5-11-1-27(h) states in part:

"After June 30, 2016, the fiscal officer of a political subdivision shall certify in writing that:

- (1) the minimum internal control standards and procedures defined under subsection (e) have been adopted by the political subdivision; and . . .

The certification shall be filed with the state board of accounts at the same time as the annual financial report required by section 4(a) of this chapter is filed. The certification shall be filed electronically in the manner prescribed under IC 5-14-3.8-7."

ANNUAL FINANCIAL REPORT

The Annual Financial Report (AFR) filed on the Indiana Gateway for Government Units (Gateway) for 2012, 2013, 2014, 2015, and 2016, did not match the financial activity of the Township.

<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount per Township Ledger</u>	<u>Amount per Gateway</u>	<u>Difference</u>
2012	Township	Beginning Balance	\$ 41,791.19	\$ 43,751.19	\$ (1,960.00)
2012	Township Assistance	Beginning Balance	16,063.23	16,099.44	(36.21)
2012	Fire Fighting	Beginning Balance	20,088.12	20,106.29	(18.17)
2012	Cumulative Fire	Beginning Balance	75,806.44	78,788.40	(2,981.96)
2012	Township	Ending Balance	4,791.19	40,613.89	(35,822.70)
2012	Township Assistance	Ending Balance	6,063.23	15,250.45	(9,187.22)
2012	Fire Fighting	Ending Balance	9,758.46	12,684.38	(2,925.92)
2012	Cumulative Fire	Ending Balance	9,595.51	87,175.97	(77,580.46)
2013	Township	Beginning Balance	1,521.28	40,613.89	(39,092.61)
2013	Township Assistance	Beginning Balance	6,063.23	15,250.45	(9,187.22)
2013	Fire Fighting	Beginning Balance	9,758.46	12,684.38	(2,925.92)
2013	Cumulative Fire	Beginning Balance	9,595.51	87,175.97	(77,580.46)
2013	Rainy Day	Beginning Balance	-	1,142.00	(1,142.00)
2013	Levy Excess	Beginning Balance	-	396.00	(396.00)
2013	Township Assistance	Receipts	4,264.57	4,889.78	(625.21)
2013	Fire Fighting	Receipts	21,796.65	24,245.68	(2,449.03)
2013	Township	Disbursements	14,413.91	14,546.42	(132.51)
2013	Township Assistance	Disbursements	6,090.52	6,476.73	(386.21)
2013	Fire Fighting	Disbursements	23,803.59	23,251.31	552.28
2013	Township	Ending Balance	718.54	39,678.64	(38,960.10)
2013	Township Assistance	Ending Balance	3,338.29	13,663.50	(10,325.21)
2013	Fire Fighting	Ending Balance	2,202.78	13,678.75	(11,475.97)
2013	Cumulative Fire	Ending Balance	-	87,175.97	(87,175.97)
2013	Rainy Day	Ending Balance	-	1,142.00	(1,142.00)
2013	Levy Excess	Ending Balance	-	396.00	(396.00)

MILLCREEK TOWNSHIP, FOUNTAIN COUNTY
RESULTS AND COMMENTS
(Continued)

Years	Fund	Category	Amount per Township Ledger	Amount per Gateway	Difference
2014	Township	Beginning Balance	718.64	39,678.64	(38,960.00)
2014	Township Assistance	Beginning Balance	3,627.29	13,663.50	(10,036.21)
2014	Fire Fighting	Beginning Balance	2,295.69	13,678.75	(11,383.06)
2014	Cumulative Fire	Beginning Balance	-	87,175.97	(87,175.97)
2014	Rainy Day	Beginning Balance	-	1,142.00	(1,142.00)
2014	Levy Excess	Beginning Balance	-	396.00	(396.00)
2014	Township	Receipts	16,930.90	16,308.13	622.77
2014	Fire Fighting	Receipts	31,813.01	20,695.49	11,117.52
2014	Township Assistance	Disbursements	5,278.22	5,503.22	(225.00)
2014	Fire Fighting	Disbursements	21,875.73	22,375.79	(500.06)
2014	Cumulative Fire	Disbursements	-	3,000.00	(3,000.00)
2014	Rainy Day	Disbursements	-	1,142.00	(1,142.00)
2014	Levy Excess	Disbursements	-	396.00	(396.00)
2014	Township	Ending Balance	3,495.33	40,832.65	(37,337.32)
2014	Township Assistance	Ending Balance	3,554.41	12,839.92	(9,285.51)
2014	Fire Fighting	Ending Balance	11,817.77	11,998.45	(180.68)
2014	Cumulative Fire	Ending Balance	-	84,175.97	(84,175.97)
2015	Township	Beginning Balance	3,495.33	42,832.45	(39,337.12)
2015	Township Assistance	Beginning Balance	3,554.41	15,643.63	(12,089.22)
2015	Fire Fighting	Beginning Balance	11,817.77	11,998.45	(180.68)
2015	Cumulative Fire	Beginning Balance	-	84,175.97	(84,175.97)
2015	Rainy Day	Beginning Balance	-	2,284.00	(2,284.00)
2015	Levy Excess	Beginning Balance	-	792.00	(792.00)
2015	Township	Receipts	16,858.53	10,183.50	6,675.03
2015	Township Assistance	Receipts	11,780.75	9,980.75	1,800.00
2015	Fire Fighting	Receipts	30,864.80	21,131.19	9,733.61
2015	Township	Disbursements	18,005.22	16,563.38	1,441.84
2015	Fire Fighting	Disbursements	32,554.29	32,523.44	30.85
2015	Rainy Day	Disbursements	-	1,142.00	(1,142.00)
2015	Levy Excess	Disbursements	-	396.00	(396.00)
2015	Township	Ending Balance	322.65	36,452.57	(36,129.92)
2015	Township Assistance	Ending Balance	8,140.45	19,180.37	(11,039.92)
2015	Cumulative Fire	Ending Balance	-	84,175.97	(84,175.97)
2015	Rainy Day	Ending Balance	-	1,142.00	(1,142.00)
2015	Levy Excess	Ending Balance	-	396.00	(396.00)
2016	Township	Beginning Balance	322.65	36,452.57	(36,129.92)
2016	Township Assistance	Beginning Balance	8,140.45	16,376.66	(8,236.21)
2016	Cumulative Fire	Beginning Balance	-	84,175.97	(84,175.97)
2016	Rainy Day	Beginning Balance	-	1,142.00	(1,142.00)
2016	Levy Excess	Beginning Balance	-	396.00	(396.00)
2016	Township	Receipts	20,447.87	17,447.87	3,000.00
2016	Fire Fighting	Receipts	24,654.99	25,556.69	(901.70)
2016	Cumulative Fire	Receipts	-	400.00	(400.00)
2016	Township	Disbursements	15,163.62	15,613.62	(450.00)
2016	Township Assistance	Disbursements	7,830.77	7,930.77	(100.00)
2016	Fire Fighting	Disbursements	21,500.23	22,401.93	(901.70)
2016	Cumulative Fire	Disbursements	-	9,612.10	(9,612.10)
2016	Township	Ending Balance	5,156.90	38,286.82	(33,129.92)
2016	Township Assistance	Ending Balance	2,149.81	10,386.02	(8,236.21)
2016	Cumulative Fire	Ending Balance	-	74,963.87	(74,963.87)
2016	Rainy Day	Ending Balance	1,592.51	2,734.00	(1,141.49)
2016	Levy Excess	Ending Balance	-	396.00	(396.00)

MILLCREEK TOWNSHIP, FOUNTAIN COUNTY
RESULTS AND COMMENTS
(Continued)

Units are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, court decisions, and filing requirements concerning reports and other procedural matters of federal and state agencies. Units must file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

COMPENSATION PAID IN ADVANCE

The Township paid the Township Trustee in advance of the actual date the services were provided. The Township Trustee was paid near the first of each month instead of at the end of the month.

Compensation and any other payments for goods and services must not be paid in advance of receipts of the goods or services unless specifically authorized by law. Payments made for goods or services which are not received may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

MILLCREEK TOWNSHIP, FOUNTAIN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 26, 2018, with Sandra H. Dawson, Trustee, and Ruth Ann Shoaf, Chairman of the Township Board.