

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF ROACHDALE

PUTNAM COUNTY, INDIANA

January 1, 2015 to December 31, 2016



FILED
12/21/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Martha Louk Debra Sillery	01-01-15 to 12-31-15 01-01-16 to 12-31-19
President of the Town Council	Barbara Scott J. Zachary Bowers	01-01-15 to 12-31-15 01-01-16 to 12-31-18



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF ROACHDALE, PUTNAM COUNTY, INDIANA

This report is supplemental to our audit report of the Town of Roachdale (Town), for the period from January 1, 2015 to December 31, 2016. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the Town. It should be read in conjunction with our Financial Statement Audit Report of the Town, which provides our opinion on the Town's financial statement and federal program compliance. 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 Audit 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 Audit Results and Comments, incorporated within this report, was not verified for accuracy.

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

November 7, 2018

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CLERK-TREASURER
TOWN OF ROACHDALE

CLERK-TREASURER
TOWN OF ROACHDALE
AUDIT RESULTS AND COMMENTS

RECEIPT ISSUANCE

In 2015, 8 of the 40 days of receipts tested included receipt transactions that were not recorded in a timely manner and 11 days tested included receipt transactions that did not have a receipt issued at the time of the transaction.

Receipts shall be issued and recorded at the time of the transaction. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

ERRORS ON CLAIMS

This same comment also appeared in prior Report B48403.

The Clerk-Treasurer issued checks to pay 12 of 23 Accounts Payable Vouchers (claims) prior to approval by the Town Council. Of the 23 claims, 2 were not presented to the Town Council for approval.

Indiana Code 5-11-10-1.6 states in part:

". . . (b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim. . . ."

ADVANCE PAYMENTS

This same comment also appeared in prior Report B48403.

Of the payroll periods selected for testing in 2015, 100 percent had one or more checks that were dated and cleared the bank in advance or on the pay period ending date. This indicated that payroll checks had been issued in advance of the completion of the pay period

Compensation and any other payments for goods and services must not be paid in advance of receipt 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 Cities and Towns, Chapter 1)

CLERK-TREASURER
TOWN OF ROACHDALE
EXIT CONFERENCE

The contents of this report were discussed on November 7, 2018, with Debra Sillery, Clerk-Treasurer, and J. Zachary Bower, President of the Town Council.