

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

COMPLIANCE REPORT  
OF  
JEFFERSON TOWNSHIP  
MIAMI COUNTY, INDIANA  
January 1, 2014 to December 31, 2017



**FILED**  
12/29/2018



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Reginald Wolfe	01-01-11 to 12-31-18
Chairman of the Township Board	Jean Conner	01-01-14 to 12-31-18



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF JEFFERSON TOWNSHIP, MIAMI COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Jefferson Township (Township), Miami County, for the period of January 1, 2014 to December 31, 2017, 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 Schedule of Cash and Investment Balances - Regulatory Basis, as listed in the Table of Contents, is presented as other information. It has not been subjected to any auditing procedures and, accordingly, we do not express an opinion or provide any assurance on it.

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

November 16, 2018

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#### OTHER INFORMATION - UNAUDITED

The Township's Annual Financial Reports information can be found on the Indiana Gateway for Government Units (Gateway) website: <https://gateway.ifionline.org/>. The schedule presented herein is presented as other information and is derived from the Township's Annual Financial Reports information and has not been subjected to any audit procedures. No adjustments have been made to the information as reported in Gateway and, as such, balances may differ.

JEFFERSON TOWNSHIP, MIAMI COUNTY  
 SCHEDULE OF CASH AND INVESTMENT  
 BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

Fund	Cash and Investments 12-31-17
Township	\$ 3,515
Park And Recreation	8,147
Township Assistance	10,907
Fire Fighting	18,977
Rainy day	<u>3,381</u>
Total	<u>\$ 44,927</u>

JEFFERSON TOWNSHIP, MIAMI COUNTY  
RESULTS AND COMMENTS

**ADVANCE PAYMENTS**

A similar comment has appeared in prior Reports, including B32965 and B43950.

Compensation was paid to Township employees in advance of the actual date the services were performed throughout the engagement 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 good or services which are not received may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines for Townships, Chapter 1)

**FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS**

A similar comment has appeared in several prior Reports, including B32965 and B43950.

Township employees were paid without the Township withholding Social Security or Medicare taxes. Internal Revenue Service Forms W-2, Wage and Tax Statements, were not presented for evaluation to show compensation paid to employees was reported to the Internal Revenue Service.

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)

**ADOPTION OF INTERNAL CONTROL STANDARDS**

The Township had not adopted the acceptable minimum level of internal control standards as defined by the Indiana State Board of Accounts.

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. . . ."

**TRAINING ON INTERNAL CONTROL STANDARDS**

Township employees whose official duties included receiving, processing, depositing, disbursing, or otherwise having access to funds that belonged to the Township, had not received training over internal control standards developed or approved by the Indiana State Board of Accounts.

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

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

- (2) personnel receive training concerning the internal control standards and procedures adopted by the political subdivision."

JEFFERSON TOWNSHIP, MIAMI COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on November 16, 2018, with Reginald Wolfe, Trustee.