

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

COMPLIANCE REPORT

OF

OWEN TOWNSHIP

JACKSON COUNTY, INDIANA

January 1, 2014 to December 31, 2017



FILED
01/25/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Franklin D. Fisher	01-01-11 to 12-31-18
Chairman of the Township Board	Steve Ritter	01-01-14 to 12-31-18



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF OWEN TOWNSHIP, JACKSON COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Owen Township (Township), Jackson 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 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.

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

August 24, 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.

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

Fund	Cash and Investments 12-31-17
Township	\$ 14,303
Township Assistance	9,803
Fire Fighting	3
Rainy Day	1,714
Levy Excess	<u>83</u>
Total	<u>\$ 25,906</u>

OWEN TOWNSHIP, JACKSON COUNTY
RESULTS AND COMMENTS

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 STANDARD

Township personnel 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 as required by statute.

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."

COMPENSATION

The same comment also appeared in prior Report B44702.

The Township did not provide a salary resolution or ordinance, Township Board minutes, or other documentation setting and approving the salaries of Township officers and employees for during the engagement period.

Indiana Code 36-6-6-10(b) states:

"The township legislative body shall fix the:

- (1) salaries;
- (2) wages;
- (3) rates of hourly pay; and

OWEN TOWNSHIP, JACKSON COUNTY
RESULTS AND COMMENTS
(Continued)

(4) remuneration other than statutory allowances;

of all officers and employees of the township."

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution, or salary schedule adopted by the governing body unless otherwise authorized by law. Compensation must be paid in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

CONTRACTS

The same comment also appeared in a prior Report B44702.

We identified payments to vendors for mowing services that were not supported by a written contract.

Payments made or received for contractual services must be supported by a written contract. Each unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

LATE SUBMISSION OF CERTIFIED REPORT

The same comment also appeared in prior Report B44702.

The Township's Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100R) for 2014, 2015, 2016, and 2017 was not filed electronically until February 11, 2015, February 16, 2016, February 4, 2017, and February 11, 2018, respectively, which was 11, 16, 4, and 11 days past the due date.

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 . . . 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. . . ."

OWEN TOWNSHIP, JACKSON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 24, 2018, with Franklin D. Fisher, Trustee.