

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

COMPLIANCE REPORT

OF

UNION TOWNSHIP

ADAMS COUNTY, INDIANA

January 1, 2013 to December 31, 2017



FILED
04/25/2019

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Transmittal Letter	3
Other Information - Unaudited:	
Schedule of Cash and Investment Balances - Regulatory Basis	6
Results and Comments:	
Compensation.....	7
Supporting Documentation	7
Depository Reconciliations	7
Exit Conference.....	8

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Kenneth B. Alberson Jeff McIntosh Nathan Mihm	01-01-11 to 12-31-13 01-01-14 to 12-31-14 01-01-15 to 12-31-18
Chairman of the Township Board	Leo E. Thieme Rex Mihm	01-01-13 to 12-31-14 01-01-15 to 12-31-18



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF UNION TOWNSHIP, ADAMS COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Union Township (Township), Adams County, for the period of January 1, 2013 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

October 17, 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.

UNION TOWNSHIP, ADAMS COUNTY
 STATEMENT OF CASH AND INVESTMENT
 BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

Fund	Cash and Investments 12-31-17
Township	\$ 14,868
Recreation	32,596
Township Assistance	15,220
Fire Fighting	19,000
Cumulative Fire	10,762
Rainy Day	28,944
 Total	 \$ 121,390

UNION TOWNSHIP, ADAMS COUNTY
RESULTS AND COMMENTS

COMPENSATION

The Township did not provide an annual salary resolution or ordinance, Township Board minutes, or other documentation setting and approving the salaries of Township officers and employees 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
- (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)

SUPPORTING DOCUMENTATION

A similar comment also appeared in prior Report B42879.

The Annual Financial Report and all supporting documentation for 2013 and 2014 were incomplete or otherwise unavailable for review.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for examination to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

DEPOSITORY RECONCILIATIONS

A similar comment also appeared in prior Report B42879.

Depository reconciliations of the fund balances to the bank account balances were not conducted and the December 31, 2017 reconciliation, conducted during the engagement, did not balance due to unidentified errors. As a result the ending cash and investment balance was \$101 less than the adjusted bank balance.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance must agree. If the reconciled bank balance is less than the subsidiary or control ledgers, the amount needed to balance may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

UNION TOWNSHIP, ADAMS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 17, 2018, with Nathan Mihm, Trustee.