

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

WAYNE TOWNSHIP

STARKE COUNTY, INDIANA

January 1, 2017 to December 31, 2018



FILED
09/15/2020

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Clara Schacht	01-01-17 to 12-31-18
	Donna Woods	01-01-19 to 12-31-20
Chair of the Township Board	Joseph Griffo	01-01-17 to 12-31-18
	Alicia Collins	01-01-19 to 12-31-20



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF WAYNE TOWNSHIP, STARKE COUNTY, INDIANA

This report is supplemental to our compliance report of Wayne Township (Township), for the period from January 1, 2017 to December 31, 2018. It should be read in conjunction with our Compliance Report of the Township. 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 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 Results and Comments, incorporated within this report, was not verified for accuracy.

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

July 21, 2020

WAYNE TOWNSHIP, STARKE COUNTY
RESULTS AND COMMENTS

OVERPAYMENT OF COMPENSATION

Condition and Context

The former Trustee did not present Township Form No. 17, Resolution Establishing Salaries of Township Officers and Employees (salary resolution), to document the salaries paid in 2017 and 2018. Based on the 2016 approved salary resolution, Clara Schacht, former Trustee, was overpaid for \$292 in 2017, and \$456 in 2018.

We requested that Clara Schacht, former Trustee, reimburse the Township \$748 for the overpayment of compensation. (See Summary of Charges, page 7)

Based on the 2016 approved salary resolution, Donald Schacht, former Deputy Trustee, was overpaid \$420 in 2017, and \$175 in 2018.

We requested that Donald Schacht, former Deputy Trustee, reimburse the Township \$595 for the overpayment of compensation. (See Summary of Charges, page 7)

Criteria

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)

Funds misappropriated, diverted, or unaccounted for through malfeasance, misfeasance, or non-feasance in office of any official or employee may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Manual for Townships, Chapter 1)

WAYNE TOWNSHIP, STARKE COUNTY
RESULTS AND COMMENTS
(Continued)

OFFICIAL BOND COVERAGE

Condition and Context

The former Trustee's Surety Bond was insufficient per the Indiana Code. The former Trustee's official bond was \$15,000 for 2017. The former Trustee also failed to obtain an official bond as required by state statute for 2018.

Criteria

Indiana Code 5-4-1-18 states in part:

"(a) Except as provided in subsections (b), (c), and (d), the following individuals shall file and maintain in place an individual surety bond during each year that the individual serves as an officer, employee, or contractor: . . .

(4) Township trustees . . .

(e) Except as provided in subsections (k) and (l), the fiscal bodies of the respective units shall fix the amount of the bond of city controllers, city clerk-treasurers, town clerk-treasurers, Barrett Law fund custodians, county treasurers, county sheriffs, circuit court clerks, township trustees, and conservancy district financial clerks as follows:

- (1) The amount must equal thirty thousand dollars (\$30,000) for each one million dollars (\$1,000,000) of receipts of the officer's office during the last complete fiscal year before the purchase of the bond, subject to subdivision (2).
- (2) The amount may not be less than thirty thousand dollars (\$30,000) nor more than three hundred thousand dollars (\$300,000) unless the fiscal body approves a greater amount for the officer or employee. . . ."

WAYNE TOWNSHIP, STARKE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 21, 2020, with Donna Woods, Trustee; Alicia Collins, Chair of the Township Board; and Clara Schacht by certified letter dated July 24, 2020.

WAYNE TOWNSHIP, STARKE COUNTY
SUMMARY OF CHARGES
(Due to Malfeasance, Misfeasance, or Nonfeasance)

	Charges	Credits	Balance Due
Clara Schacht, former Trustee: Overpayment of Compensation, page 4	\$ 748	\$ -	\$ 748
Donald Schacht, former Deputy Trustee: Overpayment of Compensation, page 4	595	-	595
Totals	\$ 1,343	\$ -	\$ 1,343

This report was forwarded to the Office of the Indiana Attorney General.

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AFFIDAVIT

STATE OF INDIANA)
St. Joseph COUNTY)

We, Marcie Stegall and Sara Prybylla, Field Examiners, being duly sworn on our oaths, state that the foregoing report based on the official records of Wayne Township, Starke County, Indiana, for the period from January 1, 2017 to December 31, 2018, is true and correct to the best of our knowledge and belief.

Marcie Stegall

Sara Prybylla
Field Examiners

Subscribed and sworn to before me this 25 day of August, 20 .

Trisha Nicole Carrico
Notary Public

My Commission Expires: 03-05-2028

County of Residence: St Joseph

