

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

RILEY TOWNSHIP

VIGO COUNTY, INDIANA

January 1, 2016 to December 31, 2018



FILED
12/18/2020

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Michael J. Roberts Scott E. Fisher	01-01-16 to 12-31-18 01-01-19 to 12-31-20
Chair of the Township Board	Angie Jaynes Jason Walker	01-01-16 to 12-31-18 01-01-19 to 12-31-20



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF RILEY TOWNSHIP, VIGO COUNTY, INDIANA

This report is supplemental to our review report of Riley Township (Township), for the period from January 1, 2016 to December 31, 2018. It has been provided as a separate report so that the reader may easily identify any Review Results and Comments that pertain to the Township. It should be read in conjunction with our Financial Statements Review Report of the Township, which provides our conclusion on the Township's financial statements. 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 Review 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 Review Results and Comments, incorporated within this report, was not verified for accuracy.

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

October 21, 2020

RILEY TOWNSHIP, VIGO COUNTY
REVIEW RESULTS AND COMMENTS

PENALTIES, INTEREST, AND OTHER CHARGES

Condition and Context

Payroll withholdings were not timely remitted during the review period. Penalties totaling \$826.80 and interest totaling \$363.76 were subsequently paid to the Internal Revenue Service on March 26, 2019, and July 14, 2019, for late payments for the 2015, 2016, 2017, and 2018 tax periods.

On September 19, 2017, a state tax withdrawal was made from the bank account of the Township in the amount of \$4,021. This included interest of \$58.93 and collection fees of \$962.07.

Below is a summary of the penalties, interest, and fees paid by the Township:

Date Paid	Description	Penalties	Interest	Fees	Totals
03-26-19	2015 - 4th Qtr. 941	\$ 37.23	\$ 57.32	\$ -	\$ 94.55
07-14-19	2016 - 1st Qtr. 941	133.12	47.22	-	180.34
03-26-19	2016 - 2nd Qtr. 941	40.52	41.13	-	81.65
03-26-19	2016 - 3rd Qtr. 941	34.73	35.56	-	70.29
03-26-19	2016 - 4th Qtr. 941	47.24	49.09	-	96.33
03-26-19	2017 - 1st Qtr. 941	23.15	24.78	-	47.93
03-26-19	2017 - 2nd Qtr. 941	17.36	19.37	-	36.73
03-26-19	2017 - 3rd Qtr. 941	26.50	27.29	-	53.79
07-14-19	2017 - 4th Qtr. 941	157.48	17.22	-	174.70
07-14-19	2018 - 2nd Qtr. 941	93.46	18.59	-	112.05
07-14-19	2018 - 3rd Qtr. 941	88.37	13.11	-	101.48
07-14-19	2018 - 4th Qtr. 941	127.64	13.08	-	140.72
09-19-17	Indiana Department of Revenue Tax Levy	-	58.93	962.07	1,021.00
	Totals	<u>\$ 826.80</u>	<u>\$ 422.69</u>	<u>\$ 962.07</u>	<u>\$ 2,211.56</u>

We requested that former Trustee Michael J. Roberts (Roberts) reimburse the Township \$2,211.56 for penalties, interest, and other charges incurred during his term of office. (See Summary of Charges, page 8)

Criteria

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the unit. Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the unit. Any penalties, interest, or other charges paid by the unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

RILEY TOWNSHIP, VIGO COUNTY
 REVIEW RESULTS AND COMMENTS
 (Continued)

CASH DISBURSEMENTS

Condition and Context

Two ATM cash withdrawals were made on September 21, 2016, in the total amount of \$408 from the Township bank accounts. These were notated on the ledger as transfer to Petty Cash and transfer to Petty Cash Assistance. These amounts were receipted on the ledger to newly created funds named Petty Cash General and Petty Cash Assistance. No additional postings were made to these funds. The funds were not reported on the 2016 Indiana Gateway for Government Units financial reporting system Annual Financial Report, and balances shown in the Financial and Appropriations ledger on December 31, 2016, for these funds were not carried forward as beginning balances at January 1, 2017.

Twelve additional ATM cash withdrawals totaling \$2,295 were made from the Township bank accounts during the period of October 20, 2016 to February 21, 2018. There was no supporting documentation for any of the cash withdrawals.

Below is a summary of ATM cash withdrawals from Township accounts:

Date	Township Account	Township Assistance Account	Total
09-21-16	\$ 204.00	\$ 204.00	\$ 408.00
10-20-16	204.00	204.00	408.00
11-08-16	183.50	-	183.50
11-17-16	200.00	-	200.00
11-28-16	200.00	100.00	300.00
12-08-16	200.00	-	200.00
12-14-16	200.00	-	200.00
08-04-17	200.00	-	200.00
08-21-17	200.00	200.00	400.00
02-21-18	203.50	-	203.50
Totals	<u>\$ 1,995.00</u>	<u>\$ 708.00</u>	<u>\$ 2,703.00</u>

We requested that Roberts reimburse the Township \$2,703 for undocumented cash disbursements. (See Summary of Charges, page 8)

Criteria

Disbursements, other than properly authorized petty cash disbursements, shall be by check or warrant, not by cash or other methods unless specifically authorized by law. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

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)

RILEY TOWNSHIP, VIGO COUNTY
REVIEW RESULTS AND COMMENTS
(Continued)

OFFICIAL BOND COVERAGE

Condition and Context

The Township obtained public official bond coverage for Roberts, through Liberty Mutual Surety Company, during the period of September 30, 2015 to December 30, 2018, in the amount of \$30,000.

Criteria

Indiana Code 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, employee, or contractor of a political subdivision . . . shall file the bond with the fiscal officer of the political subdivision and in the office of the county recorder . . ."

RILEY TOWNSHIP, VIGO COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 21, 2020, with Michael J. Roberts, former Trustee; Scott E. Fisher, Trustee; Stephanie Fisher, Township Clerk; and Jason Walker, Chair of the Township Board.

RILEY TOWNSHIP, VIGO COUNTY
SUMMARY OF CHARGES
(Due to Malfeasance, Misfeasance, or Nonfeasance)

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Michael J. Roberts, former Trustee:			
Penalties, Interest, and Other Charges, page 4	\$ 2,211.56		
Cash Disbursements, page 5	2,703.00		
Repaid by Michael J. Roberts, 09-09-20		<u>4,914.56</u>	-
Totals	<u>\$ 4,914.56</u>	<u>\$ 4,914.56</u>	<u>\$ -</u>

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