

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

FINANCIAL STATEMENTS REVIEW REPORT

OF

NOBLE TOWNSHIP

NOBLE COUNTY, INDIANA

January 1, 2018 to December 31, 2021



FILED

02/14/2023

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Accountant's Review Report	3-4
Financial Statements and Accompanying Notes:	
Statements of Receipts, Disbursements, and Cash and Investment	
Balances - Regulatory Basis	6-7
Notes to Financial Statements	8-11
Review Results and Comments:	
Adoption of, and Training on, Internal Control Standards	12
Certification on Internal Control Standards	12
Internal Control Deficiencies	13
Annual Financial Report	13-14
Depository Reconciliations	14
Employee Service Record	15
Capital Assets	15
Monthly and Annual Uploads	15-16
Late Filing of Annual Financial Report and Certified Report	16-17
Travel Policy	17
Annual Board Reorganization	17-18
Use of Mileage Claims	18
Failure to Enter into Contract	18
Disbursements	19
Exit Conference	20

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Scott D. Zeigler	01-01-18 to 12-31-23
Chair of the Township Board	Robb H. Owen	01-01-18 to 12-31-18
	Marla Berkes	01-01-19 to 12-31-19
	Robb H. Owen	01-01-20 to 12-31-21
	Marla Berkes	01-01-22 to 12-31-22
	Kenna Gray	01-01-23 to 12-31-23



INDEPENDENT ACCOUNTANT'S REVIEW REPORT

TO: THE OFFICIALS OF NOBLE TOWNSHIP, NOBLE COUNTY, INDIANA

We have reviewed the accompanying financial statements of Noble Township (Township), for the period of January 1, 2018 to December 31, 2021. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Township's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with a regulatory basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6); which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. This includes determining that the basis of accounting the Township uses is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatements whether due to fraud or error.

Accountant's Responsibilities

Our responsibility is to conduct the review engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the prescribed basis of accounting described in Note 1. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Township and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

INDEPENDENT ACCOUNTANT'S REVIEW REPORT
(Continued)

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the prescribed basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.



Beth Kelley, CPA, CFE
Deputy State Examiner

January 30, 2023

FINANCIAL STATEMENTS AND ACCOMPANYING NOTES

The financial statements and accompanying notes were approved by management of the Township. The financial statements and notes are presented as intended by the Township.

NOBLE TOWNSHIP, NOBLE COUNTY
 STATEMENT OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Years Ended December 31, 2018 and 2019

Fund	Cash and Investments 01-01-18	Receipts	Disbursements	Cash and Investments 12-31-18	Receipts	Disbursements	Cash and Investments 12-31-19
Township	\$ 15,646	\$ 34,297	\$ 35,331	\$ 14,612	\$ 42,076	\$ 36,355	\$ 20,333
Park And Recreation	32,787	29,811	28,312	34,286	29,390	28,394	35,282
Township Assistance	26,675	11,218	17,733	20,160	20,135	10,355	29,940
Fire Fighting	32,232	105,008	99,946	37,294	121,582	99,828	59,048
Rainy Day	12,598	439	-	13,037	317	-	13,354
Cumulative Fire	25,605	28,556	28,847	25,314	23,109	22,717	25,706
Fire Debt	27,898	109,132	116,248	20,782	114,761	116,248	19,295
	<u>\$ 173,441</u>	<u>\$ 318,461</u>	<u>\$ 326,417</u>	<u>\$ 165,485</u>	<u>\$ 351,370</u>	<u>\$ 313,897</u>	<u>\$ 202,958</u>
Totals							

The notes to the financial statements are an integral part of this statement.

NOBLE TOWNSHIP, NOBLE COUNTY
 STATEMENT OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Years Ended December 31, 2020 and 2021

Fund	Cash and Investments 01-01-20	Receipts	Disbursements	Cash and Investments 12-31-20	Receipts	Disbursements	Cash and Investments 12-31-21
Township	\$ 20,333	\$ 43,343	\$ 33,971	\$ 29,705	\$ 46,236	\$ 37,058	\$ 38,883
Park And Recreation	35,282	29,356	24,263	40,375	31,635	29,982	42,028
Township Assistance	29,940	14,361	6,278	38,023	12,054	5,337	44,740
Fire Fighting	59,048	131,695	94,066	96,677	126,640	102,335	120,982
Rainy Day	13,354	6,193	-	19,547	-	-	19,547
Cumulative Fire	25,706	21,056	2,718	44,044	22,468	12,039	54,473
New Equipment Loan	-	250,000	159,011	90,989	45,869	127,053	9,805
Fire Debt	19,295	120,068	116,248	23,115	123,297	116,248	30,164
Totals	<u>\$ 202,958</u>	<u>\$ 616,072</u>	<u>\$ 436,555</u>	<u>\$ 382,475</u>	<u>\$ 408,199</u>	<u>\$ 430,052</u>	<u>\$ 360,622</u>

The notes to the financial statements are an integral part of this statement.

NOBLE TOWNSHIP, NOBLE COUNTY
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Township was established under the laws of the State of Indiana. The Township operates under a township trustee/township board form of government and provides some or all of the following services: public safety (fire), health and social services (township assistance), culture and recreation (parks and/or community centers), and general administrative services (weed and dog control).

The accompanying financial statements present the financial information for the Township.

B. Basis of Accounting

The financial statements are reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts include the following sources:

Taxes. Amounts received from one or more of the following: property tax, wheel tax, innkeeper's tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the Township.

Intergovernmental receipts. Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of intergovernmental receipts include, but are not limited to, the following: local income tax, federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

NOBLE TOWNSHIP, NOBLE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Charges for services. Amounts received for services including, but not limited to, the following: planning commission charges, building department charges, copies of public records, copy machines charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable TV receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Other receipts. Amounts received from various sources, including, but not limited to, the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution, or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements include the following uses:

Personal services. Amounts disbursed for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies. Amounts disbursed for articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include, but are not limited to, the following: office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges. Amounts disbursed for services including, but not limited to, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service - principal and interest. Amounts disbursed for fixed obligations resulting from financial transactions previously entered into by the Township. It includes all expenditures for the reduction of the principal and interest of the Township's general obligation indebtedness.

Capital outlay. Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Other disbursements. Amounts disbursed for various other purposes including, but not limited to, the following: interfund loan payments; loans made to other funds; internal service disbursements; and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

The Township may, from time to time, make transfers from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

NOBLE TOWNSHIP, NOBLE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

G. Fund Accounting

Separate funds are established, maintained, and reported by the Township. Each fund is used to account for amounts received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the Township. The amounts accounted for in a specific fund may only be available for use for certain, legally-restricted purposes. Additionally, some funds are used to account for assets held by the Township in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units, and, therefore, the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the Township submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the Township in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by December 31 of the year preceding the budget year or January 15 of the budget year if the Township is issuing debt after December 1 or intends on filing a shortfall appeal. These rates were based upon the assessed valuations adjusted for various tax credits from the preceding year's lien date of January 1. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana, at year end, should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the Township to invest in securities including, but not limited to, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

NOBLE TOWNSHIP, NOBLE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 5. Risk Management

The Township may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the Township to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

NOBLE TOWNSHIP, NOBLE COUNTY
REVIEW RESULTS AND COMMENTS

ADOPTION OF, AND TRAINING ON, INTERNAL CONTROL STANDARDS

The same comment also appeared in prior Report B50630.

Condition and Context

The Township did not adopt an acceptable minimum level of internal control standards and internal control procedures for internal control systems of political subdivisions. 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.

Criteria

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

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

CERTIFICATION ON INTERNAL CONTROL STANDARDS

The same comment also appeared in prior Report B50630.

Condition and Context

The Township certified in the Annual Financial Report that it had adopted the minimum internal control standards as required by Indiana Code 5-11-1-27(e) and that all personnel defined by Indiana Code 5-11-1-27(c) had received training concerning the internal control standards adopted by the Township; however, the Township had not adopted the acceptable minimum level of internal control standards and all personnel had not received training concerning the internal control standards.

Criteria

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every audited entity financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

NOBLE TOWNSHIP, NOBLE COUNTY
REVIEW RESULTS AND COMMENTS
(Continued)

INTERNAL CONTROL DEFICIENCIES

The same comment also appeared in prior Report B50630.

Condition and Context

There were several deficiencies in the internal control system of the Township related to financial transactions. There was no evidence of internal controls during the review period, such as, an oversight, review, or an approval process for bank reconcilements, receipts, or disbursements. The lack of establishing and implementing internal controls could have enabled material misstatements to occur and remain undetected.

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

ANNUAL FINANCIAL REPORT

Condition and Context

The Township's general ledger did not agree with the amounts reported in the Annual Financial Reports (AFR) for 2018, 2019, and 2020 as follows:

NOBLE TOWNSHIP, NOBLE COUNTY
REVIEW RESULTS AND COMMENTS
(Continued)

Fund	Annual Financial Report	Ledger	Difference	Annual Financial Report	Ledger	Difference	Annual Financial Report	Ledger	Difference
2018:									
Township Assistance	\$ -	\$ -	\$ -	\$ 17,734	\$ 8,886	\$ 8,848	\$ 20,161	\$ 29,008	\$ (8,847)
Cumulative Fire	28,556	19,709	8,847	-	-	-	25,315	16,468	8,847
Total	\$ 28,556	\$ 19,709	\$ 8,847	\$ 17,734	\$ 8,886	\$ 8,848	\$ 45,476	\$ 45,476	\$ -
2019:									
Township Assistance	\$ 20,135	\$ 11,287	\$ 8,848	\$ 10,355	\$ 7,637	\$ 2,718	\$ 29,940	\$ 32,658	\$ (2,718)
Cumulative Fire	23,108	20,391	2,717	22,718	13,870	8,848	25,706	22,988	2,718
Total	\$ 43,243	\$ 31,678	\$ 11,565	\$ 33,073	\$ 21,507	\$ 11,566	\$ 55,646	\$ 55,646	\$ -
2020:									
Township Assistance	\$ 14,361	\$ 11,643	\$ 2,718	\$ -	\$ -	\$ -	\$ 38,023	\$ 38,023	\$ -
Cumulative Fire	-	-	-	2,718	-	2,718	44,044	44,044	-
Total	\$ 14,361	\$ 11,643	\$ 2,718	\$ 2,718	\$ -	\$ 2,718	\$ 82,067	\$ 82,067	\$ -

The Township also did not report a Loan Payable in the amount of \$250,000 on the Debt Schedule submitted on the AFR in the Indiana Gateway for Government Units financial reporting system.

Criteria

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every audited entity financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

DEPOSITORY RECONCILIATIONS

Condition and Context

The Township did not properly complete its monthly depository reconciliations. Although the Township provided its depository reconciliations for the review period, the list of outstanding transactions was inaccurate. At December 31, 2021, there was a bank long of \$1,673 that could not be verified to any transaction.

Criteria

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)

NOBLE TOWNSHIP, NOBLE COUNTY
REVIEW RESULTS AND COMMENTS
(Continued)

EMPLOYEE SERVICE RECORD

Condition and Context

The Township did not properly maintain the Employee's Service Record (General Form 99A).

Criteria

The federal Fair Labor Standards Act (FLSA) requires that records of wages paid, daily and weekly hours of work, and the time of day and day of week on which the employee's work week begins be kept for all employees. These requirements can be met by use of the following prescribed general forms:

General Form 99A, Employee's Service Record
General Form 99B, Employee's Earnings Record
General Form 99C, Employee's Weekly Earnings Record

General Form 99C is required only for employees who are not exempt from FLSA, are not on a fixed work schedule, and are not paid weekly.

Additional information regarding FLSA rules and regulations may be obtained from the Department of Labor. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

CAPITAL ASSETS

Condition and Context

The Township did not adopt a capital asset policy that details the threshold at which an item is considered a capital asset. The Township did not maintain a detailed listing of capital assets that reflected the acquisition value. Additionally, they did not complete a physical inventory at least every two years to verify account balances carried in the accounting records.

Criteria

Every unit must have a capital assets policy that details the threshold at which an item is considered a capital asset. Every unit must have a complete detail listing of all capital assets owned which reflects their acquisition value. Capital Asset Ledger (Form 369) has been prescribed for this purpose. A complete physical inventory must be taken at least every two years, unless more stringent requirements exist, to verify account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

MONTHLY AND ANNUAL UPLOADS

Condition and Context

The Township did not comply with the Amended State Examiner Directive 2018-1, by failing to upload any of the monthly or annual files on the Indiana Gateway for Government Units financial reporting system for any year of the review period.

NOBLE TOWNSHIP, NOBLE COUNTY
REVIEW RESULTS AND COMMENTS
(Continued)

Criteria

The following files and governmental unit information are required to be uploaded monthly by all units . . .

- Bank Reconcilements, Bank Statements, and Outstanding Check Lists
- Approved Board Minutes, please see the user guide for more information and examples
- Funds Ledger, summarizing total receipts, disbursements, and beginning and ending balances by fund . . .

The following files and governmental unit information are required to be uploaded annually . . .

- Year-end Investment Statements . . .
- Detail of Receipts for the year
- Detail of Disbursements for the year
- Current year Salary Ordinance (or Schedule) and Amendments . . .
- Annual Vendor History Report
- Annual Payroll History Report, without social security numbers
- Annual Funds Ledger, summarizing year-to-date total receipts, year-to-date disbursements, and beginning and ending balances by fund . . .
- Optional: Excel Data Capture/Data Dump (in lieu of Detail of Receipts and Disbursements)
. . .

Exceptions to certain requirements set forth in this Directive, such as for **manual records**, units audited by private CPA firms, and other exceptions, are discussed in the user guide. Contact information for questions and other help, including a "Frequently Asked Questions" section, is also available in the user guide. (Amended State Examiner Directive 2018-1)

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)

LATE FILING OF ANNUAL FINANCIAL REPORT AND CERTIFIED REPORT

Condition and Context

The Township submitted the Annual Financial Report late for the years ending December 31, 2018, 2020, and 2021, by 2, 28, and 5 days, respectively. The Township's Certified Report of Names, Addresses, Duties, and Compensation of Public Employees (Form 100R) was submitted from 1 to 10 days late for all four years of the review period.

NOBLE TOWNSHIP, NOBLE COUNTY
REVIEW RESULTS AND COMMENTS
(Continued)

Criteria

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every audited entity financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

Indiana Code 5-11-13-1(b) states in part:

"Each audited entity 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 the officers, employees, and agents of the audited entity. The report shall indicate the respective duties' and compensation of each officer, employee, and agent of the audited entity. The audited entity shall file the report in the office of the state examiner of the state board of accounts. . . . The certification must be filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

TRAVEL POLICY

Condition and Context

The Township Trustee was reimbursed for travel related expenses during the review period; however, the Township had not adopted a formal written travel policy.

Criteria

Each unit must adopt a written travel policy in conformity with applicable laws. Reimbursement for lodging and meals must be based upon actual receipts for amounts paid unless otherwise authorized by law. (Accounting and Uniform Compliance Guidelines for Townships, Chapter 1)

Officers and employees may be reimbursed for actual miles traveled in their own motor vehicles on official business of the city or town at a reasonable rate per mile as fixed by ordinance or resolution of the board. (Accounting and Uniform Compliance Guidelines for Townships, Chapter 3)

When traveling outside the local unit's boundaries on official business, officers and employees may also be reimbursed for meals, lodging, and incidental expenses as defined in the travel policy. The claim for reimbursement should be supported by itemized receipts from hotels, restaurants, and transportation companies used by the officer or employee while traveling on official business. (Accounting and Uniform Compliance Guidelines for Townships, Chapter 2)

ANNUAL BOARD REORGANIZATION

Condition and Context

The Township Board did not reorganize during 2020. For 2019 and 2021, the Township Board did not reorganize until March.

NOBLE TOWNSHIP, NOBLE COUNTY
REVIEW RESULTS AND COMMENTS
(Continued)

Criteria

Indiana Code 36-6-6-7 states:

"(a) The legislative body shall meet at the office of the executive on the first Tuesday after the first Monday in January of each year. At this meeting the legislative body shall elect one (1) member as chair for that year and one (1) member as secretary for that year.

(b) If a newly elected legislative body holds a special meeting before the first Tuesday after the first Monday in the January following its election, it shall elect a chair and a secretary before conducting any other business. The chair and secretary elected at the special meeting retain those positions until the first Tuesday after the first Monday in January of the year following the special meeting."

USE OF MILEAGE CLAIMS

Condition and Context

The Township did not use the prescribed form for mileage reimbursement (General Form Number 101) or an approved alternative claim form.

Criteria

Officials and employees are required to use prescribed and approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

FAILURE TO ENTER INTO CONTRACT

The same comment also appeared in prior Report B50630.

Condition and Context

The Township made payments for cemetery, fire station, and park mowing, in the amounts of \$3,663, \$5,877, and \$4,371, respectively, during the review period which were not supported by a written contract.

Criteria

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)

NOBLE TOWNSHIP, NOBLE COUNTY
REVIEW RESULTS AND COMMENTS
(Continued)

DISBURSEMENTS

The same comment also appeared in prior Report B50630.

Condition and Context

The following items were noted during our review of disbursements:

1. Of the 28 disbursements tested, 18 did not have proper documentation to support the payment.
2. The Township made yearly disbursements, during the review period, to the Wolf Lake Booster Club and the Noble Township 4-H without documentation to support the proper disbursement of Township funds.

Criteria

Sources and uses of funds must be limited to those authorized by the enabling law, ordinance/resolution or grant agreement.

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)

NOBLE TOWNSHIP, NOBLE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on January 30, 2023, with Scott D. Zeigler, Trustee; Marla Berkes, Secretary of the Township Board; Robb H. Owen, Vice President of the Township Board; and Kenna Gray, Chair of the Township Board.