

The background features a large, faint watermark of the Seal of the State Board of Accountancy, Indiana. The seal is circular and contains the text "STATE BOARD OF ACCOUNTANTS" around the perimeter and "INDIANA" in the center. It is surrounded by a ring of stars.

New Audit Opinions and Common Report Findings

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Contact Information



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Advertising Requirements

- Public meetings – 48 hours
- Elections – 10 days
- Sale of Bonds – 15 days and 3 days before sale
- Receive bids – Twice at least 1 week apart and 7 days before received
- Establish Cumulative/Sinking Fund – twice at least 1 week apart and 3 days before hearing
- AFR – 4 weeks after third Tuesday following third Monday (2 newspapers).
- Budget information – refer to DLGF Budget and Tax Rate Calendar

New Audit Positions



Reconciling Items



- Consistent and Immaterial
- Document progress and carry difference

Township Telephone, Cellular, and
Internet Expenses



- Prior Position – 50% reimbursable
- Effective October 5, 2017
- Local policy adopted



- IC 6-3.6-6-8(c)
- No authority to run through Township
- County should disburse directly

Advance Payments



- Payments should not be made in advance of receiving goods or services.
- If no other option, document!



Allowable Rainy Day Fund Transfers

- Rainy Day Fund (RDF) Bulletin:
https://www.in.gov/sboa/files/tsb2015_311.pdf
- Allowable funds: Township (General), Fire, Fire Cumulative, Dormant funds
- IC 36-1-8-5.1 limited transfer to 10% of total budget

Prescribed Forms



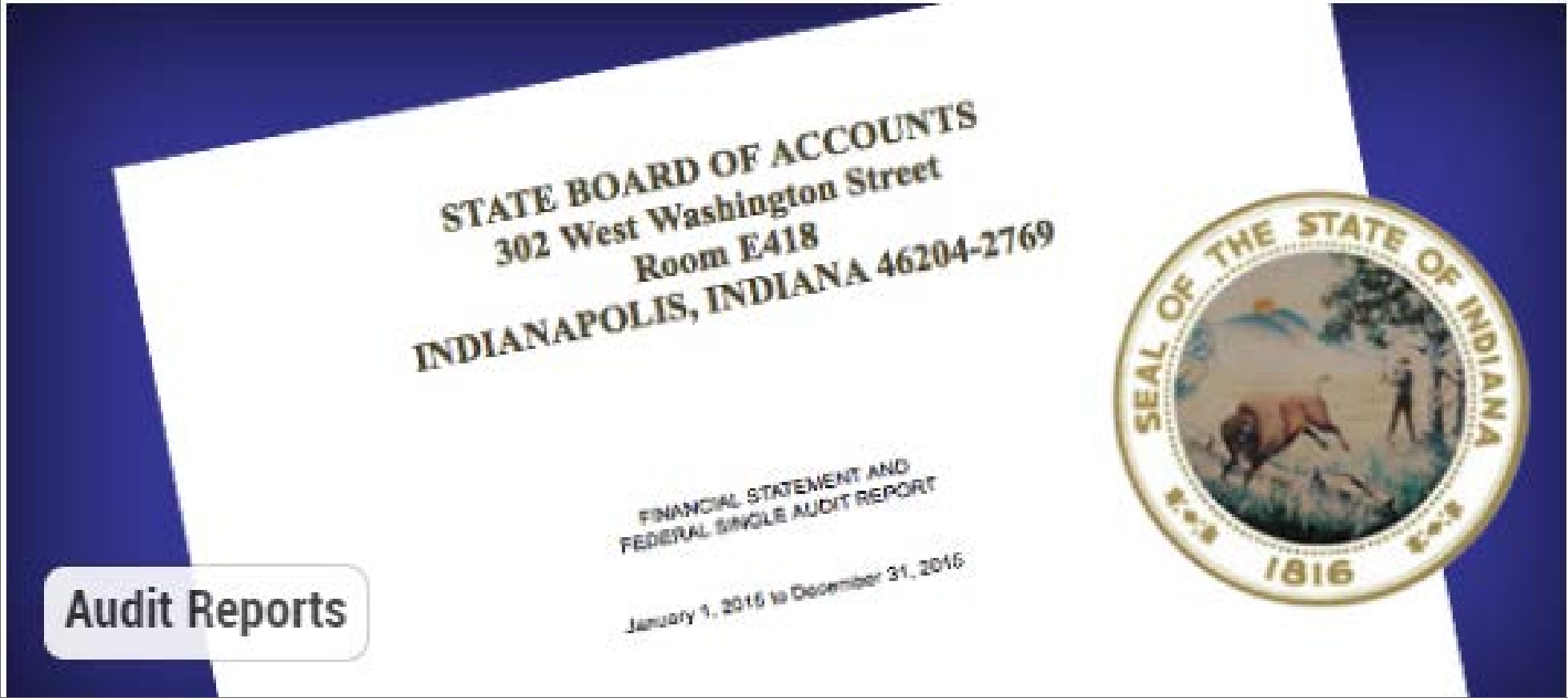
- Officials and employees are required to use prescribed and approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for ____, Chapter 1)
- Form Approval Process Bulletin:
http://in.gov/sboa/files/scb2014_205.pdf

Lucrative Office



- *Attorney General's Dual Office Holding Guide:*
http://www.in.gov/attorneygeneral/files/Dual_Office_Holding_Guide_2010.pdf
- IC 3-5-9-5, Cannot be an Elected Official and an employee of the same unit.

Common Review Comments



Audit Reports

Failure to Report Misappropriation of Funds



- IC 5-11-1-27(I)
- Audit Finding 100% of instances
- Telephone, email, website acceptable

AFR and 100-R Not Filed Timely



- 1-5 days late → Verbal Comment
- 6-29 days late → Management Letter
- 30+ days late → Audit Comment

- Report Assistance → Gateway@sboa.in.gov

*Internal Control Related to Township
Disbursements*



- ***“The Township has failed to implement the controls necessary to insure the proper disbursement of township funds. No review or control procedures have been implemented to insure the validity of the disbursements for authorized purposes.”***



Penalties, Interest, and Other Charges

- *The Township paid penalties, interest, and other charges to various vendors in the amount of \$_____ because the Trustee did not remit payments to vendors on a timely basis.*

Establishment of Salaries



- *The Township Board did not fix the salaries of the Township officials and employees for the year 20XX, as required by Indiana Code 36-6-6-10(b).*
- Trustee's annual salary covers all the duties listed in IC 36-6-4-3.

Surety Bonds



- ***The Trustee's Surety Bond was insufficient per the Indiana Code 5-4-1-1. The bond recorded in the County Recorder's office for 20XX was for \$_____ instead of the required \$30,000. In addition, no bond was recorded for 20XX.***



Lack of Supporting Documentation

- ***Payments were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records for 20XX.***

Disbursements in Excess of Budget Appropriations



- *Indiana Code 6-1.1-18-4 states in part: “...proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article.”*



Funds Sources and Uses

- *Sources and uses of funds must be limited to those authorized by the enabling law, ordinance/resolution, or grant agreement. (Accounting and Uniform Compliance Guidelines Manual for ____, Chapter 1)*



Overpayment Collections

- *Units must collect any overpayments made. (Accounting and Uniform Compliance Guidelines Manual for ____, Chapter 1)*

Overdrawn Cash Balances



- *The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the unit. (Accounting and Uniform Compliance Guidelines Manual for _____, Chapter 1)*



Depository Reconciliations

- *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."*



Receipts Not Deposited Timely

- *Indiana Code 5-13-6-1(c) states in part: "... public funds collected by township trustees shall be deposited in the designated depository on or before the first and fifteenth day of each month."*



Questions?