



**STATE OF INDIANA**  
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November 7, 2014

TO: THE OFFICIALS OF BRANDYWINE TOWNSHIP, SHELBY COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Brandywine Township (Township), for the period of January 1, 2011 to December 31, 2013, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

Our procedures were designed solely to satisfy the requirements of Indiana Code 5-11-1. Because our procedures were not designed to opine on the Township's financial statements, we did not follow *generally accepted auditing standards*. Accordingly, we do not express an opinion on any basic financial statement of the Township.

Management is responsible for preparing and maintaining its accounting records and related documents, as well as compliance with applicable state laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

The Township's Annual Financial Reports filed for years prior to 2011 can be found on the Indiana Transparency Portal website: [www.in.gov/itp/annual\\_reports/](http://www.in.gov/itp/annual_reports/). For years 2011 and later, the Annual Financial Reports filed by the Township can be found on the Gateway website: <https://gateway.ifionline.org/>.

The Comments contained herein describe the identified reportable instances of noncompliance found as a result of the procedures we performed. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

***Unresolved Comments From Prior Report***

- *The Township did not timely file a Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) with the Indiana State Board of Accounts for 2011. The report was filed on May 17, 2012, which was 107 days past the due date.*
- *Receipts were deposited later than the first and fifteenth of the month. Local tax distributions were deposited later than the first and fifteenth on 29 occasions. One tax distribution was deposited five months later, five distributions were deposited three months later, eight distributions were deposited two months later, and fifteen distributions were deposited one month later.*
- *The records presented for review indicated disbursements in excess of budgeted appropriations for the Fire Debt fund in 2011 by \$194.65.*

- *The Board members were paid without the Township withholding Social Security or Medicare taxes. Also, the Board members were not issued W-2s or 1099s for 2011 or 2012. In 2013, Board members were issued 1099s and should have been issued W-2s.*
- *The Township paid late fees to Duke Energy in the amount of \$10.08 during the review period.*
- *Depository reconciliations of the fund balances to the bank account balances were not presented for review for all months during the review period. The Township did not have a list of outstanding checks and we could only determine outstanding checks from the current review period, therefore, we could not verify that the funds balanced to the bank. At December 31, 2011, December 31, 2012, and December 31, 2013, the bank reconciliation indicated a cash short of \$409.74.*

### **Current Period Comments**

- *The Township did not adopt a resolution establishing salaries of Township officers and employees during 2011, 2012, and 2013.*
- *The Township paid the Trustee and the Clerk at the beginning of each month for that month of service. We noted one instance that the Trustee was paid five months in advance.*
- *Payments made for fire protection did not comply with the amount in the written contract. The contract was overpaid by \$6,000 in 2011.*
- *The Township did not have a Nepotism Policy for 2012 or 2013.*
- *Each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-20.2 (Nepotism) by December 31, 2013.*
- *The Township did not have a Contracting Policy for 2012 or 2013.*
- *Each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-21 (Contracting) by December 31, 2012 and 2013.*

This letter is intended for the information and use of the governing body and management of the Township. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

The contents of this letter were discussed on May 29, 2014, with Glen Glackman, Trustee.

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