



**STATE OF INDIANA**  
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November 21, 2014

TO: THE OFFICIALS OF BROWN TOWNSHIP, RIPLEY COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Brown Township (Township), for the period of January 1, 2010 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 Reports***

- *As reported in the prior report, the financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks. The back side or endorsement side of the checks was not returned. For 2010, 2011, 2012, and 2013, the financial institution only returned the front side of the optical image of the Township's checks.*
- *As reported in the prior report, compensation paid to Township Board members did not have payroll withholdings deducted and Internal Revenue Service Form W-2 was not issued to each Township Board member. This condition continued during the years 2010, 2011, 2012, and 2013.*

***Current Period Comments***

- *Depository reconciliations of the fund balances to the bank account balances were not presented for review for all the months during the review period.*

- *Resolutions establishing salaries of Township officers and employees were not presented for review for 2010, 2011, 2012, and 2013. Form 17 (Resolution Establishing Salaries of Township Officers and Employees) has been prescribed for this purpose.*
- *Several of the monthly County CAGIT distributions for 2011, 2012, and 2013 were deposited later than the first and fifteenth of the month that they were received. The deposits of the CAGIT distributions ranged from 5 days to 154 days past the required date of deposit.*
- *Township Assistance Standards were not established in accordance with Indiana Code 12-20-5.5-1.*
- *Payments made for cemetery mowing services were not supported by a written contract.*
- *The Township did not have the required meeting to organize and elect its chairman and secretary in accordance with Indiana Code 36-6-6-9 for 2010, 2011, 2012, and 2013.*
- *The Township did not have a Nepotism Policy for 2012 and 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, 2012, and December 31, 2013.*
- *The Township did not have a Contracting With a Unit Policy for 2012 and 2013.*
- *Each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-21 (Contracting With a Unit) by December 31, 2012, and December 31, 2013.*
- *The Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) was inaccurate. The 2012 and 2013 Form 100-R stated the Trustee's total compensation was \$6,600 and \$6,800, but the Trustee actually was paid \$6,400 and \$6,600 in 2012 and 2013, respectively. The 2012 Form 100-R stated the Township Clerk's total compensation was \$1,350, but the Township Clerk actually was paid \$1,300 in 2012.*
- *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 2010. The report was filed on February 2, 2011, which is 2 days past the due date.*

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 October 2, 2014, with Amy Copeland, former Trustee, and Kenneth Copeland, Jr., Trustee. Any Official Response attached to this letter was not verified for accuracy.

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