



STATE OF INDIANA
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B44496

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November 21, 2014

TO: THE OFFICIALS OF BROWNSTOWN TOWNSHIP, JACKSON COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Brownstown 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/. 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.

Current Period Comments

- *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.*
- *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 years 2010, 2012, and 2013. The reports were filed on March 2, 2011, February 5, 2013, and February 14, 2014, respectively, which were 30, 5, and 14 days past the due dates.*
- *The Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) was inaccurate for 2012. The 100-R stated the Trustee's and Clerk's total compensation was \$16,000 and \$2,916.65, respectively, but the Trustee and Clerk actually were paid \$18,916.61 and \$4,083.31, respectively, in 2012.*

- *The Township did not adopt a resolution establishing salaries of Township officers and employees in 2010, 2011, 2012, or 2013.*
- *The records presented for review indicated the following disbursements in excess of budgeted appropriations:*

<u>Year</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2013	Township Assistance	<u>\$ 879.18</u>

- *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, 2012 or 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 with a Unit) by December 31, 2012 or 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 April 21, 2014, with Jennifer Isaacs, Trustee.

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