



STATE OF INDIANA

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B46449

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June 13, 2016

TO: THE OFFICIALS OF THE BRAZIL TOWNSHIP, CLAY COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Brazil Township (Township), for the period of January 1, 2012 to December 31, 2015, 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 auditing standards generally accepted in the United States of America. 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 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

- *Depository reconciliations of the fund balances to the bank account balances were conducted; however, the reconciliation contained errors OR did not balance. Posting errors to payroll deduction fund in 2013 caused the difference between ledger and the bank.*


- The Annual Financial Report filed on Gateway for 2012, 2013, 2014, and 2015 did not match the Township's records.

Years	Fund	(Beg Bal, Receipt, Disb, End Bal)	Amount per Gateway	Amount Per Township Ledger	Difference
		Category			
2012	Township	Beg Bal	\$ 48,544.69	\$ 68,701.32	\$ 20,156.63
2012	Township	Receipts	69,760.05	66,373.62	(3,386.43)
2012	Township	Disb	80,169.27	83,523.22	3,353.65
2012	Township	End Bal	38,135.47	47,850.34	9,714.87
2012	Township Assistance	Beg Bal	6,092.86	6,217.11	124.25
2012	Township Assistance	Receipts	109,837.25	111,833.91	1,996.66
2012	Township Assistance	Disb	54,066.36	52,910.18	(1,156.18)
2012	Township Assistance	End Bal	61,863.75	65,140.84	3,277.09
2012	Fire Fighting	Beg Bal	19,741.56	10,113.42	(9,628.14)
2012	Fire Fighting	Receipts	21,947.02	21,873.02	(74.00)
2012	Fire Fighting	End Bal	21,688.58	11,986.44	(9,702.14)
2013	Township	Beg Bal	34,960.84	47,850.34	12,889.50
2013	Township	Receipts	55,874.36	55,887.16	12.80
2013	Township	Disb	78,795.81	87,539.48	8,743.37
2013	Township	End Bal	12,039.39	26,372.81	14,333.42
2013	Township Assistance	Beg Bal	61,863.75	65,140.84	3,277.09
2013	Township Assistance	Disb	57,476.18	57,630.46	154.28
2013	Township Assistance	End Bal	126,262.76	129,385.57	3,122.81
2013	Fire Fighting	Beg Bal	21,688.58	11,986.44	(9,702.14)
2013	Fire Fighting	End Bal	24,507.09	14,804.95	(9,702.14)
2013	Payroll Withholding	Receipts	11,608.64	10,764.78	(843.86)
2013	Payroll Withholding	Disb	10,679.23	7,296.09	(3,383.14)
2014	Township	Beg Bal	12,039.39	29,372.81	17,333.42
2014	Township	Receipts	119,703.50	119,707.19	3.69
2014	Township	Disb	85,063.59	95,395.74	10,332.15
2014	Township	End Bal	46,679.30	50,684.26	4,004.96
2014	Township Assistance	Beg Bal	126,262.76	129,385.57	3,122.81
2014	Township Assistance	Disb	67,035.10	67,971.75	936.65
2014	Township Assistance	End Bal	125,918.87	128,105.03	2,186.16
2014	Fire Fighting	Beg Bal	24,507.09	14,804.95	(9,702.14)
2014	Fire Fighting	End Bal	26,690.52	16,988.38	(9,702.14)
2014	Payroll Withholding	End Bal	345.67	11,634.47	11,288.80
2015	Township	Beg Bal	46,679.30	62,272.70	15,593.40
2015	Township	Receipts	118,686.28	118,685.82	(0.46)
2015	Township	Disb	83,725.17	94,727.52	11,002.35
2015	Township	End Bal	81,640.41	86,231.00	4,590.59
2015	Township Assistance	Beg Bal	125,918.87	128,105.03	2,186.16
2015	Township Assistance	Receipts	69,670.89	68,217.84	(1,453.05)
2014	Township Assistance	Disb	63,826.29	62,287.12	(1,539.17)
2015	Township Assistance	End Bal	131,763.47	134,035.75	2,272.28
2015	Fire Fighting	Beg Bal	26,690.52	16,988.38	(9,702.14)
2015	Fire Fighting	End Bal	27,751.77	18,049.63	(9,702.14)
2015	Payroll Withholding	End Bal	1,119.16	11,690.24	10,571.08

- The Township Board did not fix the salaries of Township officers and employees for 2012.
- 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, 2013, 2014, or 2015.
- 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, 2013, 2014, or 2015.

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 13, 2016, with Thomas J. Sneddon, Trustee, and Susan Sneddon, Deputy Trustee.


Paul D. Joyce, CPA
State Examiner