



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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February 23, 2024

TO: THE OFFICIALS OF NEWBURY TOWNSHIP, LAGRANGE COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Newbury Township (Township) for the period of January 1, 2019 to December 31, 2022, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

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 by management can be found on the Gateway Website: [www.gateway.ifionline.org](http://www.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.

**Comments**

**ANNUAL FINANCIAL REPORTS**

A similar comment also appeared in prior Reports B46455 and B55126, entitled *ANNUAL FINANCIAL REPORT*.

*Condition and Context*

The Township reported its financial activity into the Indiana Gateway for Government Units (Gateway) financial reporting system, which is the source of the Annual Financial Report (AFR) and the financial statements. Records presented for review did not reconcile with the AFRs and the financial statements. The table below illustrates the differences between the AFRs reported in Gateway and the ledgers maintained by the Township:

Fiscal Year End	AFR Balance	Ledger Balance	Difference
December 31, 2019	\$ 649,175	\$ 648,975	\$ 200
December 31, 2020	876,147	897,659	(21,512)
December 31, 2021	1,023,231	1,030,191	(6,960)
December 31, 2022	749,742	756,420	(6,678)

### *Criteria*

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every audited entity financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

Units are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, court decisions, and filing requirements concerning reports and other procedural matters of federal and state agencies. Units must file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

## **COMPENSATION AND BENEFITS**

### *Condition and Context*

The Clerk/Investigator's salary exceeded the salary set by the salary resolution in 2019, 2020, 2021, and 2022 by \$275, \$640, \$509, and \$1,602, respectively, due to extra hours worked in those years by the Clerk/Investigator. The Township did not properly track actual hours work by the Clerk/Investigator and then adjust the hours accordingly so that the salary paid did not exceed the salary approved on the salary resolution for those years. The salary resolution established an annual salary.

### *Criteria*

Indiana Code 36-6-6-10(c) states: "The township legislative body shall fix the compensation of all officers and employees of the township. Compensation shall be established using an annual, monthly, or biweekly salary schedule."

The township board should record the salaries so fixed in the township board minutes. Resolution Establishing Salaries of Township Officers and Employees, Township Form No. 17 has been prescribed to fulfill the requirements of the law. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 3)

This report is intended solely for the information and use of management, governance, and others within the organization. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

The Schedule of Cash and Investment Balances - Regulatory Basis is presented as other information. It has not been subjected to any auditing procedures, and, accordingly, we do not express an opinion or provide any assurance on it.

SCHEDULE OF CASH AND INVESTMENT  
BALANCES - REGULATORY BASIS  
As of December 31, 2022

Fund	Cash and Investments 12-31-22
Township	\$ 260,449
Township Assistance	34,058
Fire Fighting	273,698
Rainy Day	11,894
Cumulative Fire	<u>169,643</u>
Total	<u>\$ 749,742</u>

Any Official Response to the Comments, incorporated within this report, was not verified for accuracy.

The contents of this report were communicated to Brandie Fitch, Trustee, on February 16, 2024.

Respectfully,



Beth Kelley, CPA, CFE  
Deputy State Examiner