

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

SUPPLEMENTAL REPORT

OF

BRAZIL TOWNSHIP

CLAY COUNTY, INDIANA

January 1, 2010 to December 31, 2010



FILED
11/28/2012

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Marcia Tozer TJ Sneddon	01-01-07 to 12-31-10 01-01-11 to 12-31-14
President of the Township Board	Tony Smiley Kenneth L. Crabb	01-01-10 to 12-31-10 01-01-11 to 12-31-12



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF BRAZIL TOWNSHIP, CLAY COUNTY

We have examined the records of the Brazil Township for the period from January 1, 2010 to December 31, 2010, and certify that the records and accountability for cash and other assets are satisfactory to the best of our knowledge and belief, except as stated in the Examination Results and Comments.

STATE BOARD OF ACCOUNTS

September 12, 2012

BRAZIL TOWNSHIP, CLAY COUNTY
EXAMINATION RESULTS AND COMMENTS

MILEAGE REIMBURSEMENT

Marcia Tozer, former Trustee, was reimbursed \$736.28 for mileage without supporting documentation and filing Mileage Claim, General Form 101.

Marcia Tozer, former Trustee, was requested to reimburse the Township for mileage reimbursements that were not supported by a Mileage Claim, General Form 101 in the amount of \$736.28. (See Summary of Charges, page 8). As of November 13, 2012, reimbursement had been made to Brazil Township for \$736.28.

In addition, the Township did not have a written approved travel policy for 2010. Without proper documentation and an approved travel policy, the validity of the amounts reimbursed could not be determined.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

Each governmental unit should adopt a written travel policy in conformity with applicable statutes. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 17)

PENALTIES AND INTEREST

Information presented for examination indicated that, in some cases, amounts payable to the Internal Revenue Service, Indiana Department of Revenue, and Indiana Workforce Development were not paid timely and resulted in penalties and interest being paid by the Township.

Penalties and interest totaling \$270.17 were paid to the Internal Revenue Service, \$71.20 to Indiana Workforce Development, and \$163.68 to Indiana Department of Revenue.

Marcia Tozer, former Trustee, was requested to reimburse the Township penalties and interest paid in the amount of \$505.05. (See Summary of Charges, page 8). On September 12, 2012, reimbursement was made to Brazil Township for \$505.05, receipt 0039.

BRAZIL TOWNSHIP, CLAY COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

OFFICIAL BOND INFORMATION

Marcia Tozer, former Trustee, was covered by a RLI Insurance Company, Surety Division bond in the amount of \$30,000 for the period January 1, 2010 to December 31, 2010.

ADDITIONAL EXAMINATION COSTS

The State of Indiana incurred additional audit costs due to the examination of Brazil Township for 2010.

Audit costs or other costs incurred because of poor records, nonexistent records or other inadequate bookkeeping practices may be the personal obligation of the responsible official or employee of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

BRAZIL TOWNSHIP, CLAY COUNTY
EXIT CONFERENCE

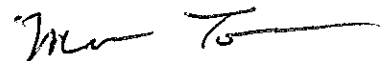
The contents of this report were discussed on September 12, 2012, with Marcia Tozer, former Trustee. The Official Response has been made a part of this report and may be found on page 7.

To Whom It May Concern:

The purpose of this response is to let all concerned know that I am utterly frustrated at the handling the audit. All penalties levied against me are unjust and biased. When I left office, the records were there and filed away. How can anyone expect me to be responsible for records eight months after I leave office? I am not permitted to have a hardcopy of the audit so I can only comment on the few comments I remember.

First, the missing mileage claims. I have already commented that those records were on file. I freely admit that there were three claims that were not properly filed; however, the irony is that those claims were found. To the credit of the State, they did what I had originally asked them to do which was to leave my staff harmless in all matters. I am thankful, that while their forms are also missing, they are not being asked for reimbursement for the mileage they took in the discharge of their respective duties. I can produce witnesses that would testify on my behalf that I did fill out appropriate forms for all the mileage I incurred. Secondly, the penalties and interest on filing of taxes was and is frustrating to me. I called the Indiana Department of Revenue and I was placed on hold for hours. At no time did it result in reaching a person. Anyone who has tried to contact a taxing agency during tax time would know that you simply cannot get through. I went online hoping to order forms or perhaps leave an email request for the forms I needed but, alas, only the numbers, which I had been calling, were posted if not covered in the frequently asked questions section. I reluctantly have repaid this amount but I still vehemently disagree with this chargeable item. I feel I made more than a reasonable effort to obtain the proper forms and submit the taxes in a timely manner. The report does not tell the public, that once the forms came for the second half of the year, we were never late in submitting our taxes. Lastly, if comments are referenced about Wal-Mart receipts in this report, it is just another explanation point to my frustration because it means that even the State has lost material I submitted to them for their review of this audit.

In summation, to those who are in office or those who aspire to hold office, let this be your wake up call. If it is on a computer, invest in flash drives and download it for your records. If it is on paper, photocopy it and put it on file in your home. I have learned the hard way that there is no honor left whether this was done in malice or through ignorance. To the person or person(s) truly responsible, I say to you what one wise man once said: "God has two feet, one of justice and the other of mercy. We must embrace both, lest justice separated from mercy should cause us to despair or mercy without justice should excite in us presumption."* If the State is willing to work with me as I am a person of limited means, I will just repay the mileage. I am not implying that I have done anything wrong. I am merely saying the cost incurred by the State, County, and Township far out way the cost to defend my honor. However, if the State is not willing to work with me, I am prepared to move forward with legal counsel.



*St. Bernard, In Cantica, Serm. 80

BRAZIL TOWNSHIP, CLAY COUNTY
SUMMARY OF CHARGES

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Marcia Tozer, former Trustee:			
Mileage Reimbursement, page 4	\$ 736.28	\$ 736.28	\$ -
Penalties and Interest, page 4 and 5	<u>505.05</u>	<u>505.05</u>	<u>-</u>
Totals	<u>\$ 1,241.33</u>	<u>\$ 1,241.33</u>	<u>\$ -</u>

This report was forwarded to the Office of the Indiana Attorney General and the local prosecuting attorney.