

LYNDON TOWNSHIP

COMMENTS
AND
RECOMMENDATIONS

FOR THE YEAR ENDED MARCH 31, 2004



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May 21, 2004

Township Board
Lyndon Township
17301 M-52
Chelsea, MI 48118

Honorable Township Board:

In planning and performing our audit of the general purpose financial statements of Lyndon Township for the year ended March 31, 2004, we considered the Township's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the general purpose financial statements and not to provide assurance on the internal control.

However, during our audit we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. Those matters are as follows:

1. COMMENT

As of March 31, 2004, the following interfund receivables and payables were outstanding

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 12,338	\$ 28,711
Current Tax Collection Fund		9,476
Fire Fund	28,711	
Waste Fund		2,862

RECOMMENDATION

The aforementioned interfund receivables and payables should be paid as soon as feasibly possible.

2. COMMENT

The township posts its payroll to several accounts.

RECOMMENDATION

The township should only post payroll activity in accounts designated as salary accounts.

This letter does not affect our report dated May 21, 2004 on the general purpose financial statements of Lyndon Township.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and recommendations with various township personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This report is intended solely for the information and use of the Township Board and is not intended to be and should not be used by any other party.



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