

Township Board  
Williamstown Township  
Williamston, Michigan

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Williamstown Township as of and for the year ended March 31, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered Williamstown Township's system of internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Williamstown Township's internal control. Accordingly, we do not express an opinion on the effectiveness of Williamstown Township's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiencies in internal control to be significant deficiencies:

Material journal entries proposed by auditors'

For the proper recognition of accrual accounting, material journal entries were proposed by the auditors. These misstatements were not detected by the Company's internal control over financial reporting. Statement on Auditing Standards No. 115 (SAS115), *Communicating Internal Control Related Matters Identified in an Audit*, emphasizes that management is responsible for establishing, maintaining, and monitoring internal controls, and for the fair presentation in the financial statements, including the notes to financial statements in conformity with U.S. generally accepted accounting principles. The auditor cannot be a part of internal controls. As a result of this condition, the employees and/or management has designated senior management with suitable skill, knowledge, or experience to oversee these services

This communication is intended solely for the information and use of management, and the Township Board, and others within Williamstown Township, and is not intended to be and should not be used by anyone other than these specified parties.

*Clark, Schaefer, Hackett & Co.*

East Lansing, Michigan  
September 26, 2024

## INDEPENDENT AUDITORS' LETTER OF COMMENTS AND RECOMMENDATIONS

September 26, 2024

Board of Trustees  
Williamstown Township  
Williamston, Michigan

In planning and performing our audit of the financial statements of Williamstown Township, as of and for the year ended March 31, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered Williamstown Township's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

However, during our audit we became aware of deficiencies in internal control other than significant deficiencies and material weaknesses and matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. We previously communicated to you about the Township's internal control in our letter dated September 26, 2024. This letter does not affect our report dated September 26, 2024, on the financial statements of Williamstown Township.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various Williamstown Township's 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 communication is intended solely for the information and use of management, Williamstown Township, and others within the Township, and is not intended to be, and should not be, used by anyone other than those specified parties.

*Clark, Schaefer, Hackett & Co.*East Lansing, Michigan  
September 26, 2024

## MEMORANDUM

### PRIOR YEAR RECOMMENDATIONS

#### Bank Reconciliations

During the audit it was noted that some of the bank reconciliations for the general fund checking account were being completed several months after month end. We recommend that this process be completed sooner to month end to help strengthen the controls in this area. **Current year status: This recommendation has been implemented.**

#### Credit Card Procedures

During the audit we noted one credit card transaction did not have proper back up information attached to the credit card statement. We recommend that all transactions on the credit card statement have the proper documentation attached. Also, each credit card statement should be reviewed and approved by documenting initials and date. This will improve the internal controls on the credit card transaction. **Current year status: This recommendation has been implemented.**

#### Payroll

We noted during our audit that the Supervisor reviews and approves timesheets and payroll reports, but no other employee reviews the Supervisor's payroll report. We recommend that the Treasurer or Clerk approves the Supervisor's bi-weekly payroll reports and signs or initials the report to document their approval of the payroll. **Current year status: This recommendation has been implemented.**

#### Journal Entries

We noted during our audit that the outside accountant provides year-end journal entries to Williamstown Township with no supporting documentation. We recommend that the outside accountant provides documentation to Williamstown Township that agrees to the journal entries. This will provide an audit trail to the journal entries. **Current year status: This recommendation has not been implemented.**

To the Township Board  
Williamstown Township  
Williamston, Michigan

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Williamstown Township for the year ended March 31, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 9, 2024. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Williamstown Township are described in Note One to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2024. We noted no transactions entered into by Williamstown Township during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Williamstown Township's financial statements were:

Management's estimate of the depreciation expense is based on industry standards. We evaluated the key factors and assumptions used to develop the depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. You have represented to us in your letter dated September 26, 2024 that you have considered the effects of uncorrected misstatements on the attached schedule and that their effects are immaterial, both individually and in the aggregate, to the consolidated financial statements taken as a whole. The following material misstatements detected as a result of audit procedures were corrected by management:

1. Special assessment receivable and revenue.

#### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated September 26, 2024

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to Williamstown Township’s financial statements or a determination of the type of auditors’ opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Williamstown Township’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Other Matters

We applied certain limited procedures to see table of contents, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on Combining Schedules of the General Fund and the Schedule of Revenues and Expenditures – Construction Code, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

### Restriction on Use

This information is intended solely for the information and use of Township Board and management of Williamstown Township and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*Clark, Schaefer, Hackett & Co.*

East Lansing, Michigan  
September 26, 2024