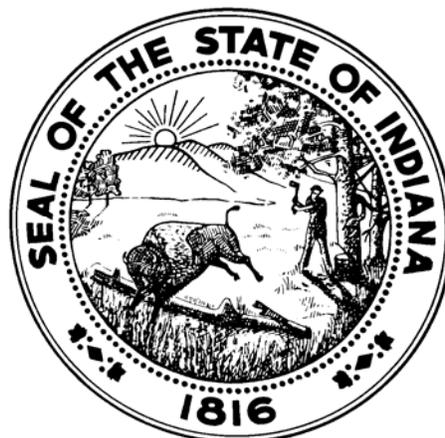


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF
HARBISON TOWNSHIP
DUBOIS COUNTY, INDIANA
January 1, 2004 to December 31, 2005



FILED
10/16/2006

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Marvin G. Eisenhut	01-01-03 to 12-31-06
Chairman of the Township Board	Dalcus G. Fuhrman	01-01-04 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF HARBISON TOWNSHIP, DUBOIS COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Harbison Township (Township), for the period of January 1, 2004 to December 31, 2005. The Township's management is responsible for the schedules. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the schedule of receipts, disbursements, and cash and investment balances and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above present fairly, in all material respects, the cash transactions of the Township for the years ended December 31, 2004 and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

September 11, 2006

HARBISON TOWNSHIP, DUBOIS COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2004 And 2005

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 30,207	\$ 10,061	\$ 12,964	\$ 27,304
Dog	185	268	27	426
Township Assistance	7,262	652	680	7,234
Firefighting	18,848	17,971	19,884	16,935
Cumulative Fire	7,238	-	2,000	5,238
Totals	<u>\$ 63,740</u>	<u>\$ 28,952</u>	<u>\$ 35,555</u>	<u>\$ 57,137</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 27,304	\$ 7,115	\$ 13,277	\$ 21,142
Dog	426	254	153	527
Township Assistance	7,234	-	379	6,855
Firefighting	16,935	20,682	20,854	16,763
Levy Excess	-	273	-	273
Cumulative Fire	5,238	-	-	5,238
Totals	<u>\$ 57,137</u>	<u>\$ 28,324</u>	<u>\$ 34,663</u>	<u>\$ 50,798</u>

The accompanying notes are an integral part of the schedules.

HARBISON TOWNSHIP, DUBOIS COUNTY
NOTES TO SCHEDULES

Note 1. Introduction

The Township was established under the laws of the State of Indiana. The Township provides the following services: public safety, health and social services, and general administrative services.

Note 2. Fund Accounting

The Township uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Township in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Township on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Township to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

HARBISON TOWNSHIP, DUBOIS COUNTY
EXAMINATION RESULTS AND COMMENTS

SALES TAX

Sales tax was paid for some purchases.

Governmental funds generally are exempt from the payment of sales tax on qualifying purchases. Respective tax agencies should always be contacted concerning tax exemptions and payments. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

TRAVEL CLAIMS

The Trustee's travel claims were paid without adequate supporting documentation, such as itemization and dates. The Trustee did not use the proper claim form to document miles traveled.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

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)

HARBISON TOWNSHIP, DUBOIS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 11, 2006, with Marvin G. Eisenhut, Trustee.
The official concurred with our findings.