



STATE OF INDIANA
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October 27, 2016

TO: THE OFFICIALS OF HARRISON TOWNSHIP, BLACKFORD COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of Harrison Township (Township), for the period of January 1, 2012 to December 31, 2015, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

Our procedures were designed solely to satisfy the requirements of Indiana Code 5-11-1. Because our procedures were not designed to opine on the Township's financial statements, we did not follow auditing standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any basic financial statement of the Township.

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 Annual Financial Reports filed by the Township can be found on the Gateway website: <https://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.

Current Period Comments

- *The Annual Financial Report (AFR) filed for 2012, 2013, 2014, and 2015 did not match the Township's records. The Township fund receipts and disbursements reported included transfers between bank accounts.*

<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount Per AFR</u>	<u>Amount Per Ledger</u>	<u>Difference</u>
2012	Levy Excess	Disbursements	\$ 267	\$ -	\$ 267
2012	Township	Ending Balance	26,972	26,741	231
2012	Levy Excess	Ending Balance	148	415	(267)
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2013	Levy Excess	Beginning Balance	148	415	(267)
2013	Payroll Deductions	Beginning Balance	4,967	4,960	7
2013	Township	Receipts	42,285	39,766	2,519
2013	Township	Ending Balance	31,196	28,446	2,750
2013	Levy Excess	Ending Balance	2,147	2,414	(267)
2013	Payroll Deductions	Ending Balance	7,486	7,479	7
2014	Township	Beginning Balance	28,453	28,446	7
2014	Township	Disbursements	64,869	64,862	7

<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount Per AFR</u>	<u>Amount Per Ledger</u>	<u>Difference</u>
2015	Township Assistance	Disbursements	9,687	9,735	(48)
2015	Fire Fighting	Disbursements	55,662	55,614	48
2015	Township Assistance	Ending Balance	82,820	82,772	48
2015	Fire Fighting	Ending Balance	7,975	8,023	(48)

- *The Payroll Deductions fund balances on December 31, 2012, 2013, 2014, and 2015, were incorrect. Payments to the Internal Revenue Service and the Indiana Department of Revenue were erroneously paid from the Township fund rather than the Payroll Deductions fund in 2012, 2013, and 2014.*
- *The Township did not have the required meeting to review and adopt the Annual Report in accordance with Indiana Code 36-6-6-9 for 2012 or 2015.*
- *The records presented for review indicated the following disbursements in excess of budgeted appropriations:*

<u>Year</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2012	Fire Fighting	\$ 44,835
2012	Rainy Day	25,000

- *A review of payroll check dates indicated 29 out of 48 salary payments were paid as much as 30 days in advance of the actual date the services were provided in 2012, 2013, and 2014.*
- *Township Board approval of salaries was not presented for review for the years 2013 or 2014.*
- *Payments made for fire protection services were not supported by written contracts in 2013, 2014, and 2015. Payments made for mowing services were not supported by written contracts in 2014 and 2015.*
- *Township assistance payments were made in March 2014 and March 2015 without an Application for Township Assistance on file.*

This letter is intended for the information and use of the governing body and management of the Township. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

The contents of this letter were discussed on September 12, 2016, with William R. Smith, Trustee. Any Official Response attached to this letter was not verified for accuracy.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner