



STATE OF INDIANA
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B47199

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November 18, 2016

TO: THE OFFICIALS OF HARRISON TOWNSHIP, VIGO 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.

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

- *Depository reconciliations of the fund balances to the bank account balances were conducted; however, the reconciliation did not balance at December 31, 2012, 2013, 2014, and 2015*
- *The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks in 2012, 2013, 2014, and 2015. The back side or endorsement side of the checks was not returned.*
- *Each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-20.2 (Nepotism) by December 31, 2012, 2013, 2014, and 2015.*
- *Each elected officer did not certify in writing that the officer had not violated Indiana Code 36-1-21 (Contracting With a Unit) by December 31, 2012, 2013, 2014, and 2015.*

- The Township did not have a credit card policy approved by the Township Board for 2012, 2013, 2014, and 2015.
- The Township Board did not fix the salaries of all officers and employees for 2012, 2013, 2014, and 2015.
- Payments were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records for legal services in 2012, 2013, 2014, and 2015. Records presented indicated the last effective contract for legal services expired on January 1, 2008.
- The Township paid penalties and interest charges to the Indiana Department of Revenue in the amount of \$72.49 in 2014 due to submitting payment biweekly instead of monthly.
- The records presented for review indicated the following disbursements in excess of budgeted appropriations for 2013 and 2015:

<u>Years</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2013	Rainy Day	\$ 40,000.00
2015	Rainy Day	115,500.00
2015	Township	36,098.13

- The Annual Financial Report (AFR) filed for 2012, 2013, 2014, and 2015 did not match the Township's records as shown below:


<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount per AFR</u>	<u>Amount per Township Ledger</u>	<u>Difference</u>
2012	Township	Rec	\$ 6,900.72	\$ 7,145.57	\$ 244.85
2012	Township Assistance	Beg Bal	691,415.55	691,415.65	0.10
2012	Township Assistance	Rec	688,675.28	663,431.68	(25,243.60)
2013	Township	Rec	8,746.27	9,568.05	821.78
2013	Township	Disb	186,615.09	186,550.13	(64.96)
2013	Township	End Bal	127,466.85	128,034.55	567.70
2013	Township Assistance	Rec	621,377.83	753,999.96	132,622.13
2013	Township Assistance	Disb	787,427.01	786,943.43	(483.58)
2013	Township Assistance	End Bal	460,131.94	479,400.48	19,268.54
2013	Payroll Deduction	End Bal	18.67	190.93	172.26
2014	Township	Disb	170,527.57	171,902.88	1,375.31
2014	Township	End Bal	131,416.27	130,040.96	(1,375.31)
2014	Township Assistance	Beg Bal	460,140.44	460,004.12	(136.32)
2014	Township Assistance	Rec	448,294.47	448,454.26	159.79
2014	Township Assistance	Disb	739,651.32	739,277.47	(373.85)
2015	Township	End Bal	96,420.51	89,420.51	(7,000.00)
2015	Township Assistance	End Bal	104,307.06	144,307.06	40,000.00
2015	Rainy Day	End Bal	3,461.97	(29,538.03)	(33,000.00)

- The following fund had an overdrawn cash balance at December 31:

<u>Year</u>	<u>Fund</u>	<u>Amount Overdrawn</u>
2015	Rainy Day	\$ 29,538.03

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 October 11, 2016, with Debrah Kirk-Peters, Trustee; Monica Vanhook, Township Clerk; and Betty Ellinger, Office Supervisor. Any Official Response attached to this letter was not verified for accuracy.


Paul D. Joyce, CPA
State Examiner