



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B47421

STATE BOARD OF ACCOUNTS
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December 30, 2016

TO: THE OFFICIALS OF HARRISON TOWNSHIP, HARRISON 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, 2010 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 Township's Annual Financial Reports filed for years prior to 2011 can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/. For years 2011 and later, 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 financial institution did not return the back or endorsement side of the checks from July 1, 2012 through December 31, 2015. Only optical images of the front side of the checks were returned.*
- *Township Board members were paid without the Township withholding federal, state, and local taxes in 2010 and without the Township withholding state and local taxes in 2011, 2012, 2013, 2014, and 2015.*
- *The wages reported on the W-2 issued for 2012 did not agree with the actual amount paid to the Trustee. The Trustee was paid \$11,757.96 according to payroll earnings records, but the W-2 form only reported \$9,758.04 paid which is a difference of \$1,999.92.*
- *W-2s were not issued to Township Board members for 2010.*

- *The Township paid penalties, interest, and other charges to the Internal Revenue Service, Indiana Department of Revenue and Indiana BMV in the amount of \$480.20 because the Township did not remit payments on a timely basis.*
- *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 timely file a Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) with the Indiana State Board of Accounts for 2012. The report was filed on February 5, 2013, which was five days past the due date.*

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 November 17, 2016, with C. Cecil Trobaugh, Trustee, and Lester K. Rhoads, President of the Township Board. Any Official Response attached to this letter was not verified for accuracy.


Paul D. Joyce, CPA
State Examiner