

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

EXAMINATION REPORT

OF

HARRISON TOWNSHIP

ELKHART COUNTY, INDIANA

January 1, 2004 to December 31, 2005



**FILED**

08/16/2006



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OFFICIALS

Office

Official

Term

Trustee

Richard L. Yaw

01-01-03 to 12-31-06

Chairman of the  
Township Board

Kerry Yaw

01-01-04 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the schedules of receipts, disbursements, and cash and investment balances of Harrison 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

July 26, 2006

HARRISON TOWNSHIP, ELKHART COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY 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	\$ 82,631	\$ 32,556	\$ 30,070	\$ 85,117
Dog	1,152	954	912	1,194
Township Assistance	20,594	7,123	5,855	21,862
Firefighting	22,266	185,156	66,000	141,422
Park and Recreation	20,351	672	-	21,023
Levy Excess	607	-	607	-
Emergency Medical Service	32,308	3,990	15,110	21,188
Fiduciary Fund:				
Buggy Plates	-	6,770	-	6,770
Totals	<u>\$ 179,909</u>	<u>\$ 237,221</u>	<u>\$ 118,554</u>	<u>\$ 298,576</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 85,117	\$ 24,123	\$ 31,064	\$ 78,176
Dog	1,194	1,088	894	1,388
Township Assistance	21,862	4,231	10,441	15,652
Firefighting	141,422	151,967	95,515	197,874
Park and Recreation	21,023	586	-	21,609
Emergency Medical Service	21,188	8,998	15,110	15,076
Fiduciary Fund:				
Buggy Plates	6,770	7,501	6,868	7,403
Totals	<u>\$ 298,576</u>	<u>\$ 198,494</u>	<u>\$ 159,892</u>	<u>\$ 337,178</u>

The accompanying notes are an integral part of the schedules.

HARRISON TOWNSHIP, ELKHART 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, culture and recreation, 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.

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.

Note 6. Subsequent Events

The Township is reviewing bids for a new fire truck. Final cost and delivery of the truck should be determined by August 2006.

HARRISON TOWNSHIP, ELKHART COUNTY  
EXAMINATION RESULTS AND COMMENTS

LIST OF EMPLOYEES NOT FILED WITH COUNTY TREASURER

Officials or employees of the Township had money due from the Township, but a list of such employees was not certified to the County Treasurer.

Indiana Code 6-1.1-22-14(a) states in part: "On or before June 1 and December 1 of each year . . . the disbursing officer of each political subdivision . . . shall certify the names and addresses of each person who has money due from the political subdivision to the treasurer of each county in which the political subdivision is located."

SUPPORTING DOCUMENTATION

Several payments were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records. Due to the lack of supporting information, the validity and accountability for some money disbursed could not be established.

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)

HARRISON TOWNSHIP, ELKHART COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on July 28, 2006 with Richard L. Yaw, Trustee. The official concurred with our findings.