

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

COMPLIANCE REPORT  
OF  
HARRISON TOWNSHIP  
WAYNE COUNTY, INDIANA  
January 1, 2012 to December 31, 2015



**FILED**  
07/05/2017



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Janet Endsley	01-01-11 to 08-31-14
	James Fagan	09-01-14 to 12-31-18
Chairman of the Township Board	Bob House	01-01-12 to 12-31-12
	James Fagan	01-01-13 to 08-31-14
	Ron Hoover	09-01-14 to 12-31-14



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF HARRISON TOWNSHIP, WAYNE 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), Wayne County, for the period 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.

The Results and Comments contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Official Response to the Results and Comments, incorporated within this report, was not verified for accuracy.

The Annual Financial Reports filed by the Township can be found on the Gateway website: <https://gateway.ifionline.org/>.

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

May 17, 2017

HARRISON TOWNSHIP, WAYNE COUNTY  
RESULTS AND COMMENTS

**RECORDS RETENTION**

The following records were not presented:

- Ledgers for 2012 and 2013.
- W-2s, Form 944, and Employer's Annual Federal Tax Return for 2012.
- Invoices supporting disbursements.
- Applications for Township Assistance.
- Cancelled checks or copies of cancelled checks for January through June 2012.

During the report period, Indiana Code 5-15-6-3(f) stated in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission. . . ."

**DEPOSITORY RECONCILIATIONS**

Depository reconciliations of the fund balances to the bank account balances were not presented for the period January 2012 to December 2013.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

**CONTRACTS**

Payments made to Clay Township, Wayne County, for fire protection were not supported by a written contract for 2012, 2013, 2014, and 2015.

Payments made to Washington Township, Wayne County, for fire protection were not supported by a written contract for 2012 and 2013.

Payments made or received for contractual services must be supported by a written contract. Each unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

**APPROVAL OF SALARIES**

The Township Board did not fix the salaries and wages of Township officers and employees for years 2012, 2013, 2014, and 2015.

HARRISON TOWNSHIP, WAYNE COUNTY  
RESULTS AND COMMENTS  
(Continued)

Indiana Code 36-6-6-10(b) states:

"The township legislative body shall fix the:

- (1) salaries;
- (2) wages;
- (3) rates of hourly pay; and
- (4) remuneration other than statutory allowances;

of all officers and employees of the township."

**SUPPORTING DOCUMENTATION**

No supporting documentation for payments was submitted for 2012 and 2013. In 2014, 66 percent of the payments were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for examination 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 1)

**APPROPRIATIONS**

The records presented indicated the following disbursements in excess of budgeted appropriations:

<u>Fund</u>	<u>Years</u>	<u>Excess Amount Expended</u>
Firefighting	2014	\$ 984
Firefighting	2015	524

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

**ABSTRACT REPORTS NOT PUBLISHED**

The Annual Report abstracts were not published in accordance with Indiana Code 36-6-4-13 for 2012, 2013, and 2014.

HARRISON TOWNSHIP, WAYNE COUNTY  
RESULTS AND COMMENTS  
(Continued)

Indiana Code 36-6-4-13(b) states:

"Within four (4) weeks after the third Tuesday following the first Monday in February, the executive shall publish the abstract prescribed by subsection (a) in accordance with IC 5-3-1. The abstract must state that a complete and detailed annual report and the accompanying vouchers showing the names of persons paid money by the township have been filed with the county auditor, and that the chairman of the township legislative body has a copy of the report that is available for inspection by any taxpayer of the township."

***ANNUAL FINANCIAL REPORT NOT FILED TIMELY***

The Annual Financial Report for 2013 was not filed electronically until March 17, 2014.

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically."

***CERTIFIED REPORT (FORM 100-R)***

The Township did not timely file a Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R) with the Indiana State Board of Accounts for 2012 and 2013. The 2012 and 2013 reports were filed on June 28, 2013, and March 13, 2014, which was 178 and 72 days, respectively, past the due date.

The Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R) was inaccurate. The 2013 Form 100-R stated each Board member's total compensation was \$275, but the W-2s noted each Board member was paid \$300.

Indiana Code 5-11-13-1(a) states in part:

"Every state, county, city, town, township, or school official . . . shall during the month of January of each year prepare, make, and sign a certified report, correctly and completely showing the names and business addresses of each and all officers, employees, and agents . . . and the respective duties and compensation of each, and shall forthwith file said report in the office of the state examiner of the state board of accounts. . . ."

HARRISON TOWNSHIP, WAYNE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on May 17, 2017, with James Fagan, Trustee.