

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

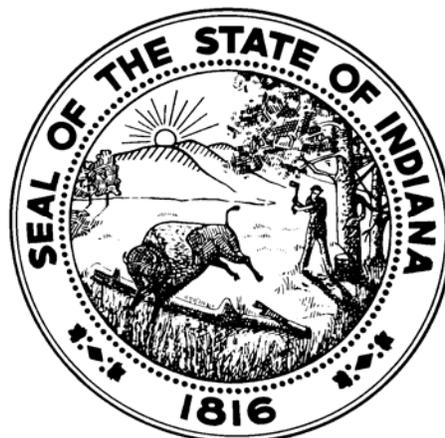
AUDIT REPORT

OF

COUNTY TREASURER

LAWRENCE COUNTY, INDIANA

January 1, 2005 to December 31, 2005



FILED

09/08/2006

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Results and Comments:	
Bank Account Reconciliations	4
Reconciliation of Subsidiary Ledgers.....	4
Exit Conference.....	5

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Debbie Thompson	01-01-05 to 12-31-08
President of the County Council	James Edwards Joe Ross	01-01-05 to 12-31-05 01-01-06 to 12-31-06
President of the Board of County Commissioners	Janie Craig Chenault	01-01-05 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF LAWRENCE COUNTY

We have audited the records of the County Treasurer for the period from January 1, 2005 to December 31, 2005, and certify that the records and accountability for cash and other assets are satisfactory to the best of our knowledge and belief, except as stated in the Audit Results and Comments. The financial transactions of this office are reflected in the Annual Report of Lawrence County for the year 2005.

STATE BOARD OF ACCOUNTS

July 10, 2006

COUNTY TREASURER
LAWRENCE COUNTY
AUDIT RESULTS AND COMMENTS

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the Treasurer's Daily Balance of Cash and Depositories, Form 47, to the bank account balances were not completed correctly for the year 2005. As of December 31, 2005, the amount of unidentified funds in the bank was \$13,799.33.

Depository reconciliations for the license excise account had not been completed for any months during the year 2005. However, they were completed during the audit and the license excise account was properly reconciled as of May 31, 2006.

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."

RECONCILIATION OF SUBSIDIARY LEDGERS

Posting errors were not discovered in a timely manner because reconcilements were not made between the subsidiary ledgers and the control accounts. The following errors were noted during the audit:

Reconcilements were not made between the Treasurer's Monthly Financial Statement, Form 61, and the Auditor's Monthly Financial Statement, Form 61. On December 31, 2005, the Treasurer's cash book has a balance of \$1,461.49 more than the Auditor's ledger.

License Excise Tax and Auto Rental Excise Tax payments were not posted properly to the Treasurer's Daily Balance of Cash and Depositories Ledger and the Treasurer was not balancing with the Auditor's Record of Annual License Excise Tax, Form 24F.

The Surplus Tax Fund Ledger, Form 65 STS, was not reconciled to the amount in the Surplus Tax Fund in the Auditor's ledger.

At all times, the manual and computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for County Treasurers, Chapter 10)

COUNTY TREASURER
LAWRENCE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 24, 2006, with Debbie Thompson, Treasurer. The official concurred with our audit findings.