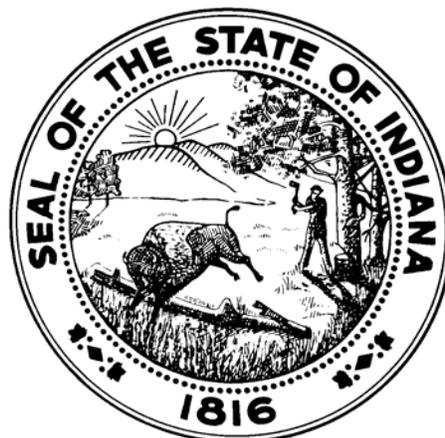


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF

OHIO RIVER GREENWAY
DEVELOPMENT COMMISSION
CLARK COUNTY, INDIANA

January 1, 2004 to December 31, 2006



FILED
03/12/2007

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report	3
Financial Information: Schedules of Receipts, Disbursements, and Cash and Investment Balances	4
Notes to Financial Information.....	5
Examination Results and Comments: Documentation of Disbursements.....	6
No Budget for 2005.....	6
Exit Conference.....	7

OFFICIALS

Office

Official

Term

Treasurer

Phyllis M. Baker
Patricia Leist

01-01-04 to 03-16-05
03-17-05 to 12-31-07

Chairman of the Commission

Philip Hendershot

01-01-04 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE OHIO RIVER GREENWAY
DEVELOPMENT COMMISSION, CLARK COUNTY, INDIANA

We have examined the financial information presented herein of the Ohio River Greenway Development Commission (Commission), for the period of January 1, 2004 to December 31, 2006. The Commission's management is responsible for the financial information presented herein. 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 financial information presented herein 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 financial information referred to above presents fairly, in all material respects, the financial information of the Commission for the years ended December 31, 2004, 2005, and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

February 28, 2007

OHIO RIVER GREENWAY DEVELOPMENT COMMISSION
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2004, 2005, And 2006

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Fund: General	<u>\$ 22,684</u>	<u>\$ 63,972</u>	<u>\$ 74,878</u>	<u>\$ 11,778</u>
	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Fund: General	<u>\$ 11,778</u>	<u>\$ 141,884</u>	<u>\$ 44,425</u>	<u>\$ 109,237</u>
	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Fund: General	<u>\$ 109,237</u>	<u>\$ 93,141</u>	<u>\$ 50,786</u>	<u>\$ 151,592</u>

The accompanying notes are an integral part of the schedules.

OHIO RIVER GREENWAY DEVELOPMENT COMMISSION
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Commission was established under the laws of the State of Indiana to study various plans and recommendations that concern the development of the Ohio River along the corridor in and around the City of Jeffersonville, City of New Albany, and Town of Clarksville abutting the Ohio River and Silver Creek in which roadways and other public thoroughfares, public areas, and other public improvements are located or planned.

Note 2. Fund Accounting

The District 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.

Note 4. 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 District 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 5. Project Cooperation Agreement with the Department of the Army

In 2003, the Department of the Army (the Government) entered into an agreement with the Ohio River Greenway Development Commission, the City of New Albany, the City of Jeffersonville and the Town of Clarksville (the Non-Federal Sponsors) to construct the Ohio River Greenway Public Access project. According to the agreement, the Non-Federal Sponsors were to deposit their contributions to the project in an escrow account at PNC bank. The Escrow agreement states: "The Government . . . Shall have the sole and unrestricted right to draw upon all or any part of the funds deposited in the Escrow Account." It further states: "Upon receipt of signed Certification by the Government that no further demand for payment of money will be made, the Bank shall complete a final accounting and other obligations required under this agreement and pay over the balance remaining to the Non-Federal Sponsor." The balance of the escrow account at December 31, 2006, was \$201,060.

The Commission reported the financial activity of the escrow account in their previous financial schedule for the period January 1, 2003 to December 31, 2003. The cash and investment balance reported at December 31, 2003, was \$100,100. As of January 1, 2004, the Commission discontinued including the financial activity of the escrow account on their financial schedules.

OHIO RIVER GREENWAY DEVELOPMENT COMMISSION
EXAMINATION RESULTS AND COMMENTS

DOCUMENTATION OF DISBURSEMENTS

Disbursements were made without proper documentation as detailed below:

1. Claims for checks numbered 624 through 630, totaling \$1,907.56 and dated February 21, 2005 through February 26, 2005, were not presented for our examination. Included in these checks were payments on a credit card totaling \$600.47 and a mileage reimbursement in the amount of \$248.99. The other payments were recurring and routine such as payment of payroll withholdings.
2. Credit Card Payments to Platinum Plus did not always contain sufficient documentation. The payments were made based on the statement only without receipts attached detailing the items charged.
3. A claim was paid to the City of New Albany to reimburse for two airline tickets. However, there was no documentation of the cost of the tickets.

Indiana Code 5-11-10-1(b) states: "No warrant or check shall be drawn by a disbursing officer in payment of any claim unless the same has been fully itemized and its correctness properly certified to by the claimant or some authorized person in the claimant's behalf, and filed and allowed as provided by law."

Payment should not be made on the basis of a statement or a credit card slip only. Procedures for payments should be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee should be the responsibility of that officer or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

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 Special Districts, Chapter 10)

NO BUDGET FOR 2005

There was no budget presented for our examination for 2005 nor did the minutes indicate that a budget was approved for that year.

Indiana Code 14-13-5-16(a) states in part:

"The commission shall prepare and adopt by majority vote an annual budget that shall be submitted to each municipality or agency appropriating money for the use of the commission. After the commission approves the budget, money may be expended only as budgeted unless a majority vote of the commission authorizes other expenditures. . ."

OHIO RIVER GREENWAY DEVELOPMENT COMMISSION
EXIT CONFERENCE

The contents of this report were discussed on February 28, 2007, with Patricia Leist, Treasurer. The official concurred with our findings.