

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

EXAMINATION REPORT
OF
DAVISS-MARTIN COUNTY JOINT PARK
DAVISS COUNTY, INDIANA
January 1, 2005 to December 31, 2006



FILED
04/18/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Office Manager	Mary Richard	01-01-05 to 03-16-07
Superintendent	Michael Axsom	01-01-05 to 12-31-07
President of the Joint Park Board	Chad L. Mosby	01-01-05 to 12-31-07
President of the Daviess County Board of Commissioners	Jim Truelove Tony Wichman Steve Myers	01-01-05 to 12-31-05 01-01-06 to 12-31-06 01-01-07 to 12-31-07
President of the Martin County Board of Commissioners	William Sanders Michael Dant	01-01-05 to 04-01-05 04-02-05 to 12-31-07



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE DAVIESS-MARTIN COUNTY JOINT PARK, DAVIESS COUNTY, INDIANA

We have examined the financial information presented herein of the Daviess-Martin County Joint Park (Joint Park), for the period of January 1, 2005 to December 31, 2006. The Joint Park'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 Joint Park for the years ended December 31, 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

March 19, 2007

DAVIESS-MARTIN COUNTY JOINT PARK
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
As Of And For The Years Ended December 31, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
Joint Park Operating	\$ 26,069	\$ 614,742	\$ 536,333	\$ 104,478
Shoreline Stabilization	1,410	-	-	1,410
Nonreverting Capital	266	-	-	266
Donations	3,161	6	-	3,167
Fiduciary Fund:				
Clearing Account	<u>32,401</u>	<u>659,432</u>	<u>620,806</u>	<u>71,027</u>
Totals	<u>\$ 63,307</u>	<u>\$ 1,274,180</u>	<u>\$ 1,157,139</u>	<u>\$ 180,348</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Joint Park Operating	\$ 104,478	\$ 623,547	\$ 607,951	\$ 120,074
Shoreline Stabilization	1,410	-	-	1,410
Nonreverting Capital	266	-	-	266
Donations	3,167	-	-	3,167
Fiduciary Fund:				
Clearing Account	<u>71,027</u>	<u>616,613</u>	<u>629,417</u>	<u>58,223</u>
Totals	<u>\$ 180,348</u>	<u>\$ 1,240,160</u>	<u>\$ 1,237,368</u>	<u>\$ 183,140</u>

The accompanying notes are an integral part of the schedules.

DAVIESS-MARTIN COUNTY JOINT PARK
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Joint Park was established under the laws of the State of Indiana. The Joint Park provides the following services: culture and recreation.

Note 2. Fund Accounting

The Joint Park 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 or highway use taxes are received are subject to final approval by the Indiana Department of Local Government Finance.

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 Joint Park 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. Long-Term Debt

The Joint Park has entered into two capital leases for John Deere Tractors. The outstanding principal balance at December 31, 2006, was \$27,820.

DAVIESS-MARTIN COUNTY JOINT PARK
EXAMINATION RESULTS AND COMMENTS

ERRORS ON CLAIMS

The following deficiencies were noted on claims during the audit period:

Claims were not adequately itemized.

Indiana Code 5-11-10-1.6(c) states: "The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless: (1) there is a fully itemized invoice or bill for the claim; (2) the invoice or bill is approved by the officer or person receiving the goods and services; (3) the invoice or bill is filed with the governmental entity's fiscal officer; (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

CREDIT CARDS

The Joint Park is using credit cards to purchase items without a credit card policy. Credit card statements were submitted for payment without supporting documents such as paid bills or receipts.

The State Board of Accounts will not take exception to the use of credit cards by a governmental unit provided the following criteria are observed:

- (1) The governing board must authorize credit card use through an ordinance or resolution, which has been approved in the minutes.
- (2) Issuance and use should be handled by an official or employee designated by the board.
- (3) The purposes for which the credit card may be used must be specifically stated in the ordinance or resolution.
- (4) When the purpose for which the credit card has been issued has been accomplished, the card should be returned to the custody of the responsible person.
- (5) The designated responsible official or employee should maintain an accounting system or log which would include the names of individuals requesting usage of the cards, their position, estimated amounts to be charged, fund and account numbers to be charged, date the card is issued and returned, etc.
- (6) Credit cards should not be used to bypass the accounting system. One reason that purchase orders are issued is to provide the fiscal officer with the means to encumber and track appropriations to provide the governing board and other officials with timely and accurate accounting information and monitoring of the accounting system.

DAVIESS-MARTIN COUNTY JOINT PARK
EXAMINATION RESULTS AND COMMENTS
(Continued)

- (7) 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.
- (8) If properly authorized, an annual fee may be paid.

(Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

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 Special Districts, Chapter 10)

BUDGETED LINE ITEMS

Disbursements for items such as coffee makers and batteries were paid from building repairs line items. Disbursements for office equipment, office supplies, computer software, and concession items were paid from the infrastructure line item.

Disbursements should be paid from properly authorized line items. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

OFFICIAL BOND

Official bonds for the Daviess-Martin County Joint Park have not been filed in the office of the County Recorder. The date of the last bond filed was 1995. The Daviess-Martin County Joint Park has a public dishonesty policy through their local insurance carrier, but this has not been filed with the office of the County Recorder.

Indiana Code 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder. . . ."

DAVISS-MARTIN COUNTY JOINT PARK
EXIT CONFERENCE

The contents of this report were discussed on March 19, 2007, with Michael Axsom, Superintendent; and Mary S. Harrawood, Program Director. The officials concurred with our findings.