

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

AUDIT REPORT

OF

HEALTH DEPARTMENT

ORANGE COUNTY, INDIANA

January 1, 2006 to December 31, 2006



FILED

04/26/2007

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Health Officer	Dr. Jose Lopez	01-01-06 to 12-31-07
President of the Board of Health	Carol McBride Dr. William McDonald	01-01-06 to 12-31-06 01-01-07 to 12-31-07
President of the County Council	Kermit A. Lamb Greg A. Farlow	01-01-06 to 12-31-06 01-01-07 to 12-31-07
President of the Board of County Commissioners	Donald R. Crockett James L. Springer	01-01-06 to 12-31-06 01-01-07 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF ORANGE COUNTY

We have audited the records of the Health Department for the period from January 1, 2006 to December 31, 2006, 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 Orange County for the year 2006.

STATE BOARD OF ACCOUNTS

March 19, 2007

HEALTH DEPARTMENT
ORANGE COUNTY
AUDIT RESULTS AND COMMENTS

RECORD INFORMATION

The following deficiencies were noted during the review of the Health department records:

- (1) Receipts and disbursements were not always posted properly in the Ledger of Receipts, Disbursements and Balances, Form 358. A comparison of the Health Department's ledger to the County Auditor's ledger found that not all receipts and disbursements were being posted to the Health Department records.
- (2) Monthly cash reconcilements with the County Auditor's ledger were not made nor could they be made due to the lack of proper posting outlined above. Monthly reconcilements were not completed in order to establish a reconciled balance with the County Auditor's records. As a result of the above failure to post receipts and disbursements to the Health Departments ledger, no accurate verification can be made as to the County Auditor's balance for the Health Department.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

RECEIPT ISSUANCE

Health Department funds were not remitted to the County Auditor in the same form in which they were received. In several of the weekly remittances examined, the form of funds received at the County Auditor's office did not agree with Health Department receipts.

Indiana Code 5-13-6-1(c) states in part: "Public funds deposited . . . shall be deposited in the same form in which they were received."

HEALTH DEPARTMENT
ORANGE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 19, 2007, with Sharron Dooley, Health Department Bookkeeper; and on March 21, 2007, with Dr. William McDonald, President of the Board of Health; and Dr. Jose Lopez, Health Officer.