

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

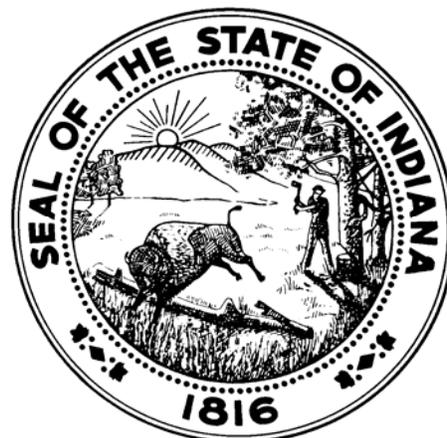
AUDIT REPORT

OF

COUNTY JOBSOURCE DEPARTMENT

MADISON COUNTY, INDIANA

January 1, 2006 to December 31, 2006



FILED

08/07/2007

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Result and Comment: Payment and Allowance of Claims	4
Exit Conference	5

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	Mark Scharnowske	01-01-06 to 12-31-07
President of the County Council	Scott Tischler Jeff Hardin	01-01-06 to 12-31-06 01-01-07 to 12-31-07
President of the Board of County Commissioners	John Richwine	01-01-06 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

TO: THE OFFICIALS OF MADISON COUNTY

We have audited the records of the County JobSource 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 Result and Comment. The financial transactions of this office are reflected in the Annual Report of Madison County for the year 2006.

STATE BOARD OF ACCOUNTS

June 28, 2007

COUNTY JOBSOURCE DEPARTMENT
MADISON COUNTY
AUDIT RESULT AND COMMENT

PAYMENT AND ALLOWANCE OF CLAIMS

As stated in several prior reports, the claims and vouchers paid for the JobSource Department were not subjected to the same requirements as all County claims and vouchers. Claims and vouchers were not audited by the County Auditor; they were not advertised before payment; they were not on file or maintained at the County Auditor's office; they were not presented to the Board of County Commissioners for consideration; they were not approved by the Board of County Commissioners at a public meeting; and they were not listed in the Accounts Payable Register.

Checks prepared by the JobSource Department were taken to the County Auditor, Treasurer, and the Board of County Commissioners' offices to obtain the necessary signatures. The checks were essentially submitted with a check register in lieu of the actual claims. The claims and vouchers were never submitted to the County Auditor or the Board of County Commissioners for review.

In February 2007, the County Commissioners passed special Ordinance 2007-BC-0-02 authorizing certain claims and vouchers from the JobSource Department to be paid prior to approval by the Board of County Commissioners. The Commissioners approval was subject to specific provisions that are outlined in the ordinance.

One of the most important duties of the county auditor, as the title of the office implies, is to audit all claims and vouchers prior to their allowance and payment. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 7)

All claims or vouchers against the county, unless otherwise expressly provided by law, are required to be filed with the county auditor for consideration by the board of county commissioners. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 7)

COUNTY JOBSOURCE DEPARTMENT
MADISON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 28, 2007, with Mark Scharnowske, Executive Director; and Dennis E. Whitacre, Controller.