

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

AUDIT REPORT
OF
COUNTY BUILDING DEPARTMENT
WHITE COUNTY, INDIANA
January 1, 2007 to August 14, 2007



FILED
10/24/2007

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Results and Comments:	
Deposit of Receipts.....	4
Stale Dated Checks	4
Internal Controls – Cash Box	4
Exit Conference.....	5

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Building Commissioner	David Anderson	01-01-07 to 12-31-07
President of the Board of County Commissioners	John C. Heimlich	01-01-07 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 WHITE COUNTY

We have audited the records of the County Building Department for the period from January 1, 2007 to August 14, 2007, 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 White County for the year 2006.

STATE BOARD OF ACCOUNTS

August 28, 2007

COUNTY BUILDING DEPARTMENT
WHITE COUNTY
AUDIT RESULTS AND COMMENTS

DEPOSIT OF RECEIPTS

Receipts for the County Building Department dating from as far back as January 19, 2007, and forward had not been deposited with the County Treasurer as of August 14, 2007. In addition, when receipt amounts were compared with cash and checks available for deposit, there was a shortage of \$886.

Indiana Code 5-13-6-1 requires all public funds shall be deposited not later than the business day following the receipt of funds on business days of the depository.

STALE DATED CHECKS

Checks totaling \$2,144 which were deposited on August 15, 2007, were not honored by the bank because they were considered "stale dated checks" (checks with a date over six months old).

Indiana Code 5-13-14-3 states: "A public officer who knowingly fails to deposit public funds, or knowingly deposits or draws any check or negotiable order of withdrawal against the funds except in the manner prescribed by this article, commits a Class B felony."

INTERNAL CONTROLS – CASH BOX

The County Building Department and Planning Department share office space in the County Government Building. Each of these departments collects fees related to construction in the County. Currently, while one employee routinely takes these payments for the building department, a number of employees from both departments have regular access to the County Building Department collection box and occasionally take payments. Unmonitored access to the cash collection box by more than one person is a deficiency in the internal control structure related to these collections.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

COUNTY BUILDING DEPARTMENT
WHITE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 27, 2007, with David Anderson, Building Commissioner; John C. Heimlich, President of the Board of County Commissioners; and Richard G. Horton, President of the County Council. Also, this report was discussed on August 28, 2007, with Carmen Coble, Secretary. The officials concurred with our audit findings.