

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

EXAMINATION REPORT
OF
PARKVIEW COUNTY HOME
CLINTON COUNTY, INDIANA
January 1, 2006 to December 31, 2006



FILED
11/05/2007

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Superintendent	Tina L. Cottrell	01-01-06 to 12-31-07
President of the County Council	C. Steven Frey	01-01-06 to 12-31-07
President of the Board of County Commissioners	Wayne Williams Michael W. Conner	01-01-06 to 12-31-06 01-01-07 to 12-31-07



STATE OF INDIANA
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TO: THE OFFICIALS OF CLINTON COUNTY

We have examined the records of the Parkview County Home 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 Examination Results and Comments. The financial transactions of this office are reflected in the Examination Report of Clinton County for the year 2006.

STATE BOARD OF ACCOUNTS

September 3, 2007

PARKVIEW COUNTY HOME
CLINTON COUNTY
EXAMINATION RESULTS AND COMMENTS

CONDITION OF RECORDS

The following conditions were encountered during the current examination:

1. The depository reconciliations of the ledger balances to the bank account balances were not presented for examination. A December 31, 2006, reconciliation, that we prepared, disclosed \$2,887.87 more in the bank than was shown in the ledger balance.

Indiana Code 5-13-6-1(e) states in part: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

2. Individual resident records are kept as a subsidiary record to the County Home Resident's Trust Ledger. The trust ledger balance does not agree with the subsidiary records at December 31, 2006. The trust ledger balance reflected \$350.12 more than the total balances for the subsidiary records.

At all times, the manual and computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

OPTICAL IMAGES OF WARRANTS

The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks.

Indiana Code 5-15-6-3(a) concerning optical imaging of checks, states in part:

". . . 'original records' includes the optical image of a check or deposit document when:

- (1) the check or deposit document is recorded, copied, or reproduced by an optical imaging process . . . and
- (2) the drawer of the check receives an optical image of the check after the check is processed for payment . . ."

PARKVIEW COUNTY HOME
CLINTON COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

Further, Indiana Code 26-2-8-111(a) and (e) state in part:

"(a) If a law requires that certain records be retained, that requirement is met by retaining an electronic record of the information in the record that:

- (1) accurately reflects the information set forth in the record after it was first generated in its final form as an electronic record or otherwise; and
- (2) remains accessible for later reference."

"(e) If a law requires retention of a check, that requirement is satisfied by retention of an electronic record of the information on the front and back of the check in accordance with subsection (a)."

CONDITION OF RECORDS

The following deficiencies relating to the recordkeeping, which were cited in the prior report, were again present during our period of examination:

- (1) Numerous errors and omissions were noted in the posting of receipts and disbursements to both the control and subsidiary records of the County Home Resident's Maintenance Trust records.
- (2) In June 2006, a charge of \$108.85 was withdrawn from the bank account of the County Home Resident's Maintenance Trust Fund for the cost of checks/deposit slips. This office supply expense should be reimbursed to the Resident's Trust bank account by filing a claim with the County Auditor. All operational and supplies expenses of the County Home should be paid from County funds and not from the resident's trust funds.

Indiana Code 5-13-6-1(e) states in part: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for County Auditors, Chapter 14)

PARKVIEW COUNTY HOME
CLINTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 4, 2007, with Tina L. Cottrell, Superintendent; Michael W. Conner, President of the Board of County Commissioners; and C. Steven Frey, President of the County Council. The officials concurred with our findings.