

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

AUDIT REPORT

OF

RECYCLING/TRANSFER STATION

PULASKI COUNTY, INDIANA

January 1, 2006 to December 31, 2006



FILED

12/14/2007

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Thomas P. Shanks	01-01-05 to 12-31-08
Recycling/Transfer Station Manager	Theodore F. Rausch Ed Clark	01-01-05 to 12-31-06 01-01-07 to 12-31-07
President of the County Council	Samuel Frain Rita Carpenter	01-01-06 to 03-31-07 04-01-07 to 12-31-07
President of the Board of County Commissioners	Michael Tiede	01-01-06 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF PULASKI COUNTY

We have audited the records of the Recycling/Transfer Station 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 Pulaski County for the year 2006.

STATE BOARD OF ACCOUNTS

August 9, 2007

RECYCLING/TRANSFER STATION
PULASKI COUNTY
AUDIT RESULTS AND COMMENTS

RECEIPTS NOT DEPOSITED INTACT – TRANSFER STATION

Records presented for audit at the Transfer Station indicated that some receipts were not deposited intact and others were not deposited at all.

The cashiers at the Transfer Station kept a log of daily collections in three separate books. A review of the Transfer Stations daily collections compared to the receipt on file in the County Auditor's Office and the log book kept by the cashiers at the Transfer Station indicated cash not deposited of \$1,077.50.

Tickets, goods for sale, billings, and other collections are considered accountable items for which a corresponding deposit must be made in the bank accounts of the governmental unit.

The deposit ticket or attached documentation must provide a detailed listing of the deposit, which includes at a minimum, check numbers and corresponding names of the payors. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

Funds misappropriated, diverted or unaccounted for through malfeasance, misfeasance, or nonfeasance in office of any officer or employee may be the personal obligation of the responsible officer or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

We requested Theodore F. Rausch, Recycling/Transfer Station Manager, to reimburse the Transfer Station \$1,077.50 for the undeposited receipts. (See Summary, page 8)

CASH NECESSARY TO BALANCE, BANK RECONCILIATIONS - RECYCLING

A comparison of the records to the bank account indicated a cash necessary to balance of \$491.31.

At all times, the manual and/or 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, Chapter 1)

RECYCLING/TRANSFER STATION
PULASKI COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

DEPOSITS – TRANSFER STATION

In some instances, receipts were deposited later than the next business day.

Indiana Code 5-13-6-1(c) states in part: "All local officers . . . who collect public funds of their respective political subdivisions shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the . . . local boards of finance. . . ."

ACCOUNTABLE ITEMS - TRANSFER STATION

Records presented for audit indicated that ticket numbers 7436 to 7998 were used to account for daily sales at the Pulaski County Transfer Station. Each ticket should have noted the day's sales with a breakdown of cash and checks. Many tickets were missing and could not be accounted for. In many instances the original source document had been replaced with another ticket for unknown reasons.

Tickets, goods for sale, billings, and other collections are considered accountable items for which a corresponding deposit must be made in the bank accounts of the governmental unit.

The deposit ticket or attached documentation must provide a detailed listing of the deposit, which includes at a minimum, check numbers and corresponding names of the payors. (Accounting and Uniform Compliance Guidelines Manual for County Auditors, Chapter 14)

Indiana Code 5-13-6-1(c) states in part: "All local officers . . . who collect public funds of their respective political subdivisions shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the . . . local boards of finance. . . ."

RECYCLING/TRANSFER STATION
PULASKI COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 9, 2007, with Theodore F. Rausch, Recycling/Transfer Station Manager. The official response has been made a part of this report and may be found on page 7.

August 17, 2007

Theodore F Rausch
101 W Main St. apt 12
Winamac, IN 46996

State Board of Accounts
302 W Washington St.
Room E 418
Indianapolis, IN 46204-2765

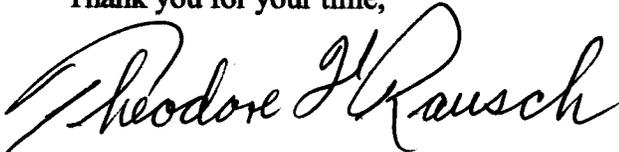
Re: OFFICIAL RESPONSE for 2006 Pulaski County's Recycling/Transfer Station audit.

To whom it may concern,

I believe that the \$1077.50 claimed to be missing is incorrect, I believe that this is a matter of miscommunication. Monies were picked up by myself, taken down to Recycling and counted, then they were turned in to the courthouse they were not always checked against the books at the transfer station.

I was terminated on 1/08/2007, for political reasons, so I have no idea what was turned in to the State Auditor, but I know for a fact receipts, check copies, ledgers, and carbon copies of checks for all metals purchased were in the Recycling office. Also for all the metals, paper and plastics sold, there is a ledger for and a file with all check stubs, weight tickets and receipts.

Thank you for your time,

A handwritten signature in cursive script that reads "Theodore F Rausch". The signature is written in black ink and is positioned above the printed name.

Theodore F Rausch

RECYCLING/TRANSFER STATION
PULASKI COUNTY
SUMMARY

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Theodore F. Rausch, Recycling/Transfer Station Manager: Receipts Not Deposited Intact - Transfer Station, page 4	<u>\$ 1,077.50</u>	<u>\$ -</u>	<u>\$ 1,077.50</u>

AFFIDAVIT

STATE OF INDIANA)
Cass COUNTY)

We, Susan Desch and Pamela Williams, Field Examiners, being duly sworn on our oaths, state that the foregoing report based on the official records of the Recycling/Transfer Station, Pulaski County, Indiana, for the period from January 1, 2006 to December 31, 2006, is true and correct to the best of our knowledge and belief.

Susan Desch
Pamela Williams
Field Examiners

Subscribed and sworn to before me this 3rd day of December, 2007.

Rebecca L. Hewitt
Notary Public

My Commission Expires: 7/11/09
County of Residence: Cass