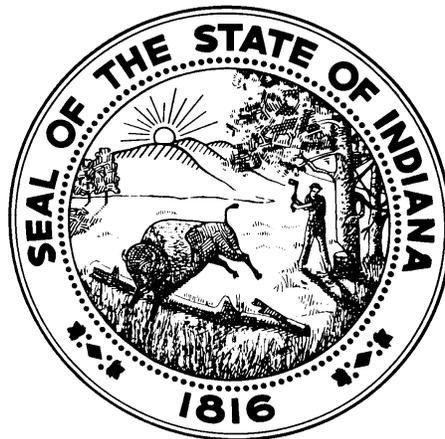


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF
COUNTY PROBATION DEPARTMENT
OHIO COUNTY, INDIANA
January 1, 2006 to December 31, 2006



FILED
12/17/2007

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Examination Results and Comments:	
Probation Trust Records Not Reconciled	4
Optical Images of Warrants	4
Exit Conference.....	5

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chief Probation Officer	Steven Bradley	01-01-06 to 12-31-07
President of the County Council	Douglas A. Baker	01-01-06 to 12-31-07
President of the Board of County Commissioners	Connie J. Brown	01-01-06 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF OHIO COUNTY

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

STATE BOARD OF ACCOUNTS

September 26, 2007

COUNTY PROBATION DEPARTMENT
OHIO COUNTY
EXAMINATION RESULTS AND COMMENTS

PROBATION TRUST RECORDS NOT RECONCILED

The County Probation Department uses a trust register to record monies held in trust for various individuals. The total outstanding trust funds on hand reported in the trust fund register should agree with the County Probation Department's Cash Book (control account) at any point in time. The control account exceeded the balance of total outstanding trust funds on hand by \$1,350 at December 31, 2006.

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, 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 . . ."

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)."

COUNTY PROBATION DEPARTMENT
OHIO COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 26, 2007, with Steven Bradley, Chief Probation Officer.