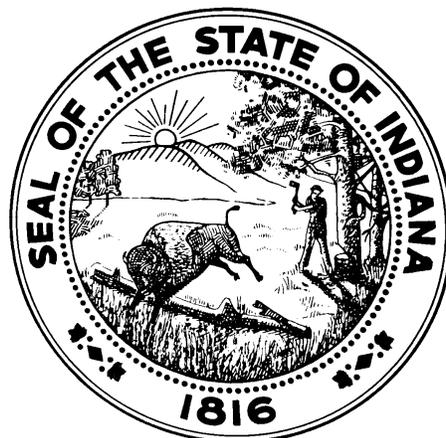


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF
BOARD OF COUNTY COMMISSIONERS
SCOTT COUNTY, INDIANA
January 1, 2006 to December 31, 2006



FILED
12/20/2007

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of the Board of County Commissioners	Mark Hays Robert C. Tobias	01-01-06 to 12-31-06 01-01-07 to 12-31-07
President of the County Council	Stephan Patrick Bridgewater Kelley Robbins	01-01-06 to 12-31-06 01-01-07 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF SCOTT COUNTY

We have examined the records of the Board of County Commissioners 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 Scott County for the year 2006.

STATE BOARD OF ACCOUNTS

November 20, 2007

BOARD OF COUNTY COMMISSIONERS
SCOTT COUNTY
EXAMINATION RESULTS AND COMMENTS

FISCAL ADMINISTRATION OF FUNDS

The County appropriates monies for arson and prosecutor investigations from the General Fund. During the course of the year, the Board of County Commissioners authorizes payments to the Prosecuting Attorney's office. The payments represent distributions of monies based upon the amount appropriated and are not based upon actual claims with itemized supporting documentation. The Prosecuting Attorney has established a separate checking account to deposit the distributions and to pay expenses related to arson and prosecuting attorney investigations.

The above process results in specific expenditures incurred by the Prosecuting Attorney's office not being audited by the County Auditor, disbursed by the County Treasurer and not being approved by the Board of County Commissioners.

Indiana Code 5-11-10-1.6 states in part:

"(b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

BOARD OF COUNTY COMMISSIONERS
SCOTT COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

Indiana Code 36-2-10-9 regarding the duties of the County Treasurer states: "The treasurer shall receive money to which the county is entitled and shall disburse it on warrants issued and attested by the county auditor."

As of June 1, 2007, the cash balances of funds maintained by the Prosecuting Attorney were as follows:

Prosecutor Investigation Fund	\$ 3,075.90
Scott County Fire Investigation Fund	1,225.14

We recommended the balances in the above funds be transferred to the County Treasurer.

PAYMENT OF AMBULANCE SERVICE CONTRACT FEES

The County contracts with a company to provide billing services for its ambulance service. Amounts invoiced by the billing service company were paid directly by the County Treasurer without the claim (invoice) being approved by the Board of County Commissioners, audited by the County Auditor, or approved by the officer or person receiving the goods or services. The amount paid for the ambulance service by the County Treasurer in 2006 totaled \$65,961. In addition, the County Treasurer did not post these payments to the Treasurer's Cash Book.

The County Auditor is the fiscal officer of the County and is the only official authorized by statute to issue a warrant or check for payment of County expenses.

Indiana Code 36-1-2-7 states in part: "'Fiscal officer' means: (1) auditor . . ."

Indiana Code 5-11-10-1.6(c) states in part: "The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless: (1) there is a fully itemized invoice or bill for the claim; (2) the invoice or bill is approved by the officer or person receiving the goods and services; (3) the invoice or bill is filed with the governmental entity's fiscal officer; (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim. . . ."

BOARD OF COUNTY COMMISSIONERS
SCOTT COUNTY
EXIT CONFERENCE

The contents of this report were discussed on November 20, 2007, with Robert C. Tobias, President of the Board of County Commissioners.