

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

AUDIT REPORT
OF
HEALTH DEPARTMENT
FOUNTAIN COUNTY, INDIANA
January 1, 2007 to December 31, 2007



FILED

09/09/2008

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Results and Comments:	
Contracts	4
Payroll.....	4
Exit Conference.....	5

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Health Officer	Dr. Peter R. Petrich	01-01-07 to 12-31-08
President of the Board of County Commissioners	Lowell M. Osborn Terry Ellingwood	01-01-07 to 09-16-07 09-17-07 to 12-31-08
President of the County Council	Ron Howard	01-01-07 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF FOUNTAIN COUNTY

We have audited the records of the Health Department for the period from January 1, 2007 to December 31, 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 Fountain County for the year 2007.

STATE BOARD OF ACCOUNTS

June 5, 2008

HEALTH DEPARTMENT
FOUNTAIN COUNTY
AUDIT RESULTS AND COMMENTS

CONTRACTS

Payments totaling \$2,869.92 in 2006 and \$22,000.00 in 2007 from Health Department funds were made to Terry Foust, Contractor, without a written contract. Funds for the building reconstruction project were paid in advance of the work being completed. As of April 2, 2008, an observation of the Health Department building revealed the work was still not complete. Payments to Terry Foust, Contractor, were not certified by a County official that the project was completed.

Indiana Code 5-11-10-2(a) states in part: "Claims against a political subdivision of the state must be approved by the officer or person receiving the goods or services, be audited for correctness and approved by the disbursing officer of the political subdivision, and, where applicable, be allowed by the governing body having jurisdiction over allowance of such claims before they are paid. If the claim is against a governmental entity (as defined in section 1.6 of this chapter), the claim must be certified by the fiscal officer."

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Auditors, Chapter 14)

PAYROLL

Our testing of the payroll system revealed the following deficiencies for the Health Department:

1. The Health Officer, a seven year employee, is entitled to 10 days vacation per year. According to the employee service record for 2007, he was paid for 11.
2. Per the Employee Handbook, "Earned vacation must be taken." The Administrative Clerk did not take any vacation. Records indicate she has accrued 104 days of vacation. The Public Health Coordinator has accrued 36.5 days at year end. Full-time employees will not be paid more than one year's worth of vacation leave when they leave County employment.
3. Only full-time employees are entitled to leave time. One part-time Sanitarian Clerk was paid for two holidays and two weeks of vacation leave.
4. Our testing indicated that the part-time Sanitarian Clerk claimed travel on 21 days in which he documented no hours worked on his time sheet. Of the 21 days, travel was claimed on two holidays and one vacation day.

All county employees are required to follow the Fountain County Employee Handbook concerning leave time and travel policies. Also, 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)

HEALTH DEPARTMENT
FOUNTAIN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 5, 2008, with Dr. Peter R. Petrich, Health Officer.