

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

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



FILED
09/09/2008

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Highway Superintendent	Walter R. Wilson	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 County Highway 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

COUNTY HIGHWAY
FOUNTAIN COUNTY
AUDIT RESULTS AND COMMENTS

CONDITION OF RECORDS

The following deficiencies relating to the recordkeeping were present during our period of audit:

- (1) The reported receipts, disbursements and balances on the Annual Operational Report did not properly reflect the activity of the Motor Vehicle Highway Fund, the Local Road and Street Fund and the Cumulative Bridge Fund. The Highway Clerk does not properly reconcile the Department balance with the County ledger balances.

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) Payments for oiling roadways were accepted at the Highway Department office but receipts were not issued.

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)

- (3) Asset additions and deletions were not properly updated on the Department's capital asset list.

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded on the applicable General Capital Asset Account Group Form. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for County Auditors, Chapter 20)

CHARGES FOR SERVICES

It is the policy of the Fountain County Highway Department to charge individuals to have the roads in front of their property oiled. A review of the road oil work orders from 2007 revealed some individuals were not charged for the service. Those individuals receiving services without charge were employees of the Fountain County Highway Department.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

In the future employees should be charged for services in accordance with the policy.

COUNTY HIGHWAY
FOUNTAIN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 5, 2008, with Walter R. Wilson, Highway Superintendent; and Elaina Brooke Jones, Highway Clerk.