

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

AUDIT REPORT

OF

COUNTY EXPOSITION CENTER

PORTER COUNTY, INDIANA

January 1, 2007 to December 31, 2007



**FILED**

09/11/2008



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Manager	John Thorstad	01-01-07 to 12-31-08
President of the County Council	Daniel Whitten Robert Poparad	01-01-06 to 12-31-07 01-01-08 to 12-31-08
President of the Board of County Commissioners	Robert Harper	01-01-07 to 12-31-08



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF PORTER COUNTY

We have audited the records of the County Exposition Center 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 Porter County for the year 2007.

STATE BOARD OF ACCOUNTS

May 5, 2008

COUNTY EXPOSITION CENTER  
PORTER COUNTY  
AUDIT RESULTS AND COMMENTS

CONDITION OF RECORDS

As stated in the prior report, deficiencies relating to recordkeeping at the County Exposition Center (Expo Center) are outlined below. The Expo Center has two accounts: main and grocery.

The deficiencies relating to the main account are:

1. Only 3 of the 12 monthly bank reconcilements were presented for audit.
2. Under current policy the balance should be zero at month end since all collections are to be remitted to the County Auditor.
3. The hand posted ledger is not a prescribed form. General Form 358, Ledger of Receipts, Disbursements, and Balances, should be used.

The deficiencies relating to the grocery account are:

1. A Ledger of Receipts, Disbursements and Balances (General Form 358) is not maintained; only a checkbook register is maintained.
2. The officials do not always record the date of the deposit or check in the checkbook register.
3. A bank reconciliation is not documented each month other than a notation in the checkbook register that the account was reconciled on that date.
4. The officials should consider obtaining approval to carry a larger balance so that the bank would no longer charge a monthly fee of \$12.00.
5. General Receipts (General Form 352) were not issued for the grocery account.
6. Duplicate deposit tickets were not retained for audit.

Indiana Code 5-13-6-1(e) states: "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."

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 Counties of Indiana, Chapter 1)

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 of Indiana, Chapter 1)

COUNTY EXPOSITION CENTER  
PORTER COUNTY  
AUDIT RESULTS AND COMMENTS  
(Continued)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

SALES TAXES PAID LATE

As stated in the prior report, the County Exposition Center collects and remits sales taxes to the State of Indiana. Two of the twelve monthly payments to the State were late (thirty and forty days) during 2007. The State of Indiana assessed penalty and interest since payments were not received timely. The penalty and interest has not been paid with County funds. The officials have requested the penalty and interest of \$110.93 be waived for the June 2007 liability. As of May 1, 2008, no reply has been received from the Indiana Department of Revenue.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

CONTRACTS NOT PRENUMBERED

As stated in the prior report, contracts used by the County Exposition Center are not prenumbered. A blank general contract is saved as a file template on the computer. The necessary information is added and the revised contract is printed.

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 Counties of Indiana, Chapter 1)

COUNTY EXPOSITION CENTER  
PORTER COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on May 5, 2008, with John Thorstad, Manager; and Liz Culp, Assistant Manager. The officials concurred with our audit findings.