

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

AUDIT REPORT
OF

CITY OF BLOOMINGTON
PUBLIC WORKS
MONROE COUNTY, INDIANA

January 1, 2007 to December 31, 2007



FILED
09/23/2008

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CITY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Controller	Susan Clark Michael Trexler	01-01-07 to 05-04-08 05-05-08 to 12-31-08
Mayor	Mark Kruzan	01-01-04 to 12-31-11
President of the Board of Public Works	Beth Hollingsworth Charlotte Zietlow	01-01-07 to 12-31-07 01-01-08 to 12-31-08
President of the Common Council	David Rollo Susan Sandberg	01-01-07 to 12-31-07 01-01-08 to 12-31-08



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TO: THE OFFICIALS OF THE CITY OF BLOOMINGTON

We have audited the records of the City of Bloomington Public Works 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 Result and Comment. The financial transactions of this office are reflected in the Comprehensive Annual Financial Report (CAFR) of the City of Bloomington, Monroe County, for the year 2007.

STATE BOARD OF ACCOUNTS

June 20, 2008

CITY OF BLOOMINGTON
PUBLIC WORKS
AUDIT RESULT AND COMMENT

CAPITAL ASSET RECORDS

The City does not have a complete inventory of capital asset records relating to infrastructure. The control amounts do not agree to the detail provided by officials.

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded in the Capital Assets Ledger form. A complete inventory should be taken every year for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CITY OF BLOOMINGTON
PUBLIC WORKS
EXIT CONFERENCE

The contents of this report were discussed on August 26, 2008, with Mark Kruzan, Mayor; Michael Trexler, Controller; Kevin Robling, Corporate Counsel; and Jeff McMillian, Deputy Controller. The official response has been made a part of this report and may be found on page 6.

The contents of this report were discussed on August 26, 2008, with Penny S. Myers, Assistant Director, Public Works.



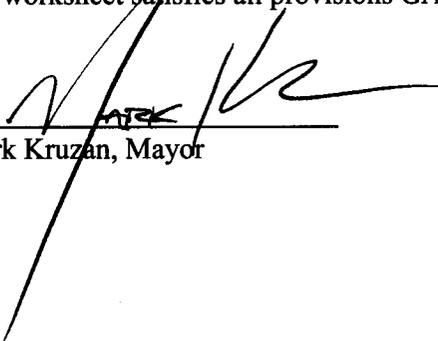
**City of Bloomington
Office of the Controller
Response to the Department of Public Works 2007 Audit Report**

Internal controls over infrastructure assets

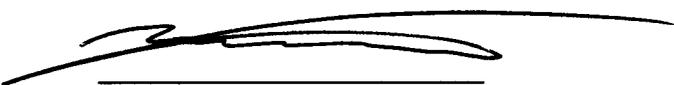
SBA Comments: The control amount shown in Public Works' infrastructure work papers does not agree to the detailed tabs. The detailed records should always agree to the reported summary figures.

City Action: There will be a new infrastructure tracking worksheet created from scratch. Each individual item from the previous worksheet will be carried over to the new worksheet and verified to ensure the proper items are included. A new process will be put in place to ensure that the accurate and appropriate figures are included on the infrastructure worksheet.

Throughout this process the department will work closely with the State Board of Accounts to ensure that this worksheet satisfies all provisions GASB 34 and State Law.



Mark Kruzan, Mayor



Mike Trexler, City Controller