

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

EXAMINATION REPORT

OF

COUNTY TREASURER

BENTON COUNTY, INDIANA

January 1, 2007 to December 31, 2007



**FILED**

11/05/2008



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Patricia A. Clouse	01-01-05 to 12-31-08
President of the County Council	Bruce Buchanan	01-01-07 to 12-31-08
President of the Board of County Commissioners	Mel A. Budreau	01-01-07 to 12-31-08



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF BENTON COUNTY

We have examined the records of the County Treasurer 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 Examination Results and Comments. The financial transactions of this office are reflected in the Annual Report of Benton County for the year 2007.

STATE BOARD OF ACCOUNTS

September 16, 2008

COUNTY TREASURER  
BENTON COUNTY  
EXAMINATION RESULTS AND COMMENTS

AUDITOR FUNDS LEDGER AND TREASURER CASH FUNDS NOT IN AGREEMENT

The County Treasurer's monthly report for the funds ledger total did not agree with the County Auditor's funds statement. The County Auditor's funds ledger was \$70,405.70 higher than the amount reported in the County Treasurer's cash book at year end. We requested the Auditor and Treasurer investigate and correct errors and omissions in the records and make necessary adjustments to reconcile the funds ledgers.

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 County Treasurers of Indiana, Chapter 10)

RECONCILIATION OF SUBSIDIARY LEDGERS - SURPLUS TAX COLLECTIONS

Posting errors were not discovered in a timely manner because reconcilements were not made between the surplus tax collections subsidiary ledger and the fund control account. Differences were the result of payments recorded incorrectly and paid from the wrong fund. Surplus tax collections of \$7,469.35 were incorrectly paid from the General Fund. After the Surplus Tax Fund reimburses the General Fund, the subsidiary ledger will still be \$4,521.35 more than the fund control. The subsidiary ledger also contains \$3,444.07 of funds over three years old which should be transferred to the General Fund.

At all times, the manual and 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 County Treasurers of Indiana, Chapter 5)

Indiana Code 6-1.1-26-6(c) states: "If an excess payment is not claimed within the three (3) year period after November 10 of the year in which the payment was made and the county treasurer has given the written notice required under subsection (d), the county auditor shall transfer the excess from the surplus tax fund into the general fund of the county. If the county treasurer has given written notice concerning the excess under subsection (d), the excess may not be refunded under subsection (a) after the expiration of that three (3) year time period."

COUNTY TREASURER  
BENTON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on September 16, 2008, with Patricia A. Clouse, Treasurer. The official concurred with our examination findings.