

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

AUDIT REPORT

OF

CITY COURT
CITY OF ALEXANDRIA
MADISON COUNTY, INDIANA

January 1, 2008 to December 31, 2008



FILED
07/16/2009

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CITY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Janet M. Lynch	01-01-08 to 12-31-11
Judge	Hon. Brandy M. Goodman	01-01-08 to 12-31-11
Mayor	Hon. John D. Woods	01-01-08 to 12-31-11
President of the Board of Public Works and Safety	Hon. John D. Woods	01-01-08 to 12-31-11
President of the Common Council	John P. Dockrey Eric Schmidt	01-01-08 to 12-31-08 01-01-09 to 12-31-09



STATE OF INDIANA
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TO: THE OFFICIALS OF THE CITY OF ALEXANDRIA, MADISON COUNTY, INDIANA

We have audited the records of the City Court for the period from January 1, 2008 to December 31, 2008, 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 Financial Report of the City of Alexandria for the year 2008.

STATE BOARD OF ACCOUNTS

June 4, 2009

CITY COURT
CITY OF ALEXANDRIA
AUDIT RESULTS AND COMMENTS

CONDITION OF RECORDS

The cash book presented for audit was not complete. The Court recorded the total receipts by fee type in the cash book; however, not all of the disbursements had been recorded and a balance was not determined each month in order to ensure that the cash book balance reconciled to the bank. The Court has not attempted to reconcile the cash book balance to the bank balance since April 2008. A similar comment appeared in prior Reports B32918 and B30568.

Additionally, during the current audit period, the Court was not able to provide the balance of the trust items or a detail of the trust items that would make up the balance. At all times, the Court should be able to identify the balance of the trust items and the detail that corresponds to that balance.

IC 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."

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 City and Town Courts, Chapter 4)

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 City and Town Courts, Chapter 1)

UNDEPOSITED RECEIPTS

During the audit, it was noted that the Court had 36 bail bond checks, dated from August 1998 to January 1999, and several money orders, dated as far back as 2007, on hand. These items had not been deposited. Additionally, a few of the money orders were stamped "Returned - Stale Dated."

IC 5-13-6-1(d) states: "A city (other than a consolidated city) or a town shall deposit funds not later than the next business day following the receipt of the funds in depositories: (1) selected by the city or town as provided in an ordinance adopted by the city or the town; and (2) approved as depositories of state funds."

CITY COURT
CITY OF ALEXANDRIA
AUDIT RESULTS AND COMMENTS
(Continued)

Public funds shall be deposited in the same form in which they were received. (Accounting and Uniform Compliance Guidelines Manual for City and Town Courts, Chapter 4)

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for City and Town Courts, Chapter 1)

TRUST ITEMS OVER FIVE YEARS OLD

Our review of the balances on hand revealed that the Court has carried a balance of \$7,035 on the records for a period of five years or longer. This money should be remitted to the Attorney General. A similar comment appeared in prior Report B32918.

IC 32-34-2(a) states in part: ". . . the attorney general may collect all money that remains in the office of a clerk for at least five (5) years after being distributable without being claimed by the person entitled to the money."

DEPOSITS

In numerous instances, receipts were not deposited timely. We examined the time between the receipt and deposit of money for the last 6 months of the audit period and found 16 instances in which the time lapse between receipt and deposit was greater than 5 days. A similar comment appeared in prior Report B32918.

IC 5-13-6-1(d) states: "A city (other than a consolidated city) or a town shall deposit funds not later than the next business day following the receipt of the funds in depositories: (1) selected by the city or town as provided in an ordinance adopted by the city or the town; and (2) approved as depositories of state funds."

CITY COURT
CITY OF ALEXANDRIA
EXIT CONFERENCE

The contents of this report were discussed on June 4, 2009, with Hon. Brandy M. Goodman, Judge.