

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

AUDIT REPORT

OF

COUNTY AUDITOR

CASS COUNTY, INDIANA

January 1, 2008 to December 31, 2008



FILED

07/31/2009

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Dawn R. Conner Vaneen M. Ide	01-01-05 to 12-31-08 01-01-09 to 12-31-12
President of the County Council	Ralph Anderson	01-01-08 to 12-31-09
President of the Board of County Commissioners	Steven M. Kain Richard L. Rusk David S. Arnold	01-01-08 to 01-22-08 01-23-08 to 12-31-08 01-01-09 to 12-31-09



STATE OF INDIANA
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TO: THE OFFICIALS OF CASS COUNTY

We have audited the records of the County Auditor 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 Report of Cass County for the year 2008.

STATE BOARD OF ACCOUNTS

July 8, 2009

COUNTY AUDITOR
CASS COUNTY
AUDIT RESULTS AND COMMENTS

FUND FOR E911 FEES

Fees (commonly known as E911 fees) are received for the enhanced emergency telephone system (landline fees) and the enhanced wireless emergency telephone service (wireless fees). The County is to maintain these fees in separate funds. We found that revenue from these fees was combined into the same fund. Not maintaining a separate fund for these fees results in an internal control weakness over the ability to ensure that the fees are expended as required by statute.

We also found that funds from the Cass County General Fund were transferred into the same fund that accounts for the E911 fees. These funds were used for capital acquisitions for the new combined E911 center. Not maintaining separate funds for these monies results in an internal control weakness over the ability to ensure that the fees are expended as required by statute.

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 County Auditors of Indiana).

IC 36-8-16-13 states:

"Deposit of fees into emergency telephone system fund Sec. 13. A county treasurer or municipal fiscal officer to whom enhanced emergency telephone system fees are remitted under section 12 of this chapter shall deposit the fees in a separate fund. The fund shall be known as the Cass County emergency telephone system fund. The county treasurer or municipal fiscal officer may invest money in the fund in the same manner that other money of the county or municipality may be invested. The county treasurer or municipal fiscal officer shall deposit any income earned from such an investment in the fund. *As added by P.L.91-1988, SEC.5.*"

IC 36-8-16.5-43 states:

"County wireless emergency telephone system funds; establishment; deposits by county treasurer Sec. 43. The distribution of wireless emergency enhanced 911 funds by the board for cost recovery by Public Safety Answering Point's (PSAP) under section 39 of this chapter must be deposited by the county treasurer in a separate fund set aside for the purposes allowed by section 41 of this chapter. The fund must be known as the Cass County wireless emergency telephone system fund. The county treasurer may invest money in the fund in the same manner that other money of the county may be invested, but income earned from the investment must be deposited in the fund set aside under this section. *As added by P.L.98-1998, SEC.1. Amended by P.L.16-2002, SEC.19.*"

We recommend that the E911 fees be maintained in a separate fund.

COUNTY AUDITOR
CASS COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

CONGRESSIONAL SCHOOL FUND - DISTRIBUTION OF INTEREST

Interest earned on Congressional School funds totaling \$1,480.71, was not distributed to the county school corporations for 2008.

IC 20-42-2-7 states: "The county auditor of each county or the treasurer of state shall, semi-annually, on the second Monday of July and on the last Monday in January make apportionment of the amount of the congressional township school revenue belonging to each school corporation. The apportionment shall be paid to each school corporation's treasurer."

RECONCILIATION OF SUBSIDIARY LEDGERS

Reconcilements of Ledger Form 65 STF, Surplus Tax Fund Subsidiary Ledger with the balance of the Surplus Tax Fund have not been performed by the Auditor or Treasurer.

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 Auditors, Chapter 14)

COUNTY AUDITOR
CASS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 8, 2009, with Vaneen M. Ide, Auditor; Ralph Anderson, President of the County Council; and David S. Arnold, President of the Board of County Commissioners. The officials concurred with our audit findings.