

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

EXAMINATION REPORT
OF
COUNTY AUDITOR
OHIO COUNTY, INDIANA
January 1, 2008 to December 31, 2008



FILED
09/16/2009

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Connie L. Smith	01-01-07 to 12-31-10
President of the County Council	Douglas A. Baker	01-01-08 to 12-31-09
President of the Board of County Commissioners	Connie J. Brown	01-01-08 to 12-31-09



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF OHIO COUNTY

We have examined 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 Examination Results and Comments. The financial transactions of this office are reflected in the Examination Report of Ohio County for the year 2008.

STATE BOARD OF ACCOUNTS

July 6, 2009

COUNTY AUDITOR
OHIO COUNTY
EXAMINATION RESULTS AND COMMENTS

CAPITAL ASSET RECORDS

Capital asset records presented for examination were not complete. Additions and deletions for the year 2008 were not recorded to the capital asset records.

Every governmental unit should have a complete inventory of all fixed assets owned which reflect their acquisition value. Such inventory should be recorded on the applicable General Fixed Asset Account Group Form. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

A similar comment was reported in prior Report B33286.

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). We found that these fees were not being accounted for in separate funds. We also found that revenues from contributions received from the City of Rising Sun were combined into the same fund that accounts for the E911 fees. 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.

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, Chapter 14)

IC 36-8-16-13 states:

"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 _____ (insert name of county or municipality) 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."

IC 36-8-16.5-43 states:

"The distribution of wireless emergency enhanced 911 funds by the board for cost recovery by PSAPs 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 _____ (insert name of 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."

We recommended the County utilize two separate funds to account for distributions received for wireless 911 fees and landline 911 fees. Other revenue sources (monies received not related to 911 fees) should be maintained in a separate fund as well. Separate funds are required to ensure that fees received are expended only for those activities allowable per statute.

COUNTY AUDITOR
OHIO COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 6, 2009, with Connie J. Brown, President of the Board of County Commissioners; Douglas A. Baker, President of the County Council; and Connie L. Smith, Auditor.