

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

AUDIT REPORT

OF

CLERK OF THE CIRCUIT COURT

STARKE COUNTY, INDIANA

January 1, 2008 to December 31, 2008



FILED

09/17/2009

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk	Evelyn A. Skronski	01-01-07 to 12-31-10
President of the County Council	Mark C. Smith	01-01-08 to 12-31-09
President of the Board of County Commissioners	Kevin Kroft Daniel D. Bridegroom	01-01-08 to 12-31-08 01-01-09 to 12-31-09



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF STARKE COUNTY

We have audited the records of the Clerk of the Circuit 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 Report of Starke County for the year 2008.

STATE BOARD OF ACCOUNTS

August 20, 2009

CLERK OF THE CIRCUIT COURT
STARKE COUNTY
AUDIT RESULTS AND COMMENTS

CLERK'S TRUST ITEMS OVER FIVE YEARS OLD

Our review of Clerk's trust revealed that 276 items totaling \$72,170.95 at December 31, 2008, had been on hand for a period of five years or longer as far back as April 28, 1989.

IC 32-34-1-20 (c)(6) states: "For property or proceeds held by a court or a court clerk, five (5) years after the property or proceeds becomes distributable. The property or proceeds must be treated as unclaimed property under 32-34-3."

IC 32-34-1-26 states in part: "A holder of property that is presumed abandoned and that is subject to custody as unclaimed property under the chapter shall report in writing to the Attorney General concerning the property."

IC 32-34-1-27 states in part: ". . . on the date the report is filed under section 26 of this chapter, the holder shall pay or deliver to the Attorney General the property described in the report as unclaimed . . ."

OLD OUTSTANDING CHECKS

Our review of the bank reconcilements as of December 31, 2008, revealed 12 checks outstanding in excess of two years (as far back as June 4, 1997) totaling \$1,283.03 for the Clerk ISET Account; and 25 checks outstanding in excess of two years (as far back as 2002) totaling \$1,902.90 for the Clerk Trust Account.

IC 5-11-10.5-2 states in part: "All warrants or checks drawn upon public funds of a political subdivision that are outstanding and unpaid for a period of two (2) or more years as of the last day of December of each year are void."

IC 5-11-10.5-3 states:

"Not later than March 1 of each year, the treasurer of each political subdivision shall prepare or cause to be prepared a list in triplicate of all warrants or checks that have been outstanding for a period of two (2) or more years as of December 31 of the preceding year. The original copy of each list shall be filed with the board: (1) of finance of the political subdivision; or (2) the fiscal body of a city or town. The duplicate copy shall be transmitted to the disbursing officer of the political subdivision. The triplicate copy of each list shall be filed in the office of the treasurer of the political subdivision. If the treasurer serves also as the disbursing officer of the political subdivision, only two (2) copies of each list need be prepared or caused to be prepared by the treasurer."

IC 5-11-10.5-5 states:

"(a) Upon the preparation and transmission of the copies of the list of the outstanding warrants or checks, the treasurer of the political subdivision shall enter the amounts so listed as a receipt into the fund or funds from which they were originally drawn and shall also remove the warrants or checks from the record of outstanding warrants or checks.

CLERK OF THE CIRCUIT COURT
STARKE COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

(b) If the disbursing officer does not serve also as treasurer of the political subdivision, the disbursing officer shall also enter the amounts so listed as a receipt into the fund or funds from which the warrants or checks were originally drawn. If the fund from which the warrant or check was originally drawn is not in existence, or cannot be ascertained, the amount of the outstanding warrant or check shall be receipted into the general fund of the political subdivision."

TIMELY RECORDKEEPING

We noted ISETS (support) interest from as far back as February 29, 2008 through December 31, 2008, of \$93.32; Trust interest from November 30, 2008 through December 31, 2008, of \$89.59; and Savings interest from December 15, 2008, of \$7.46 still not posted as of June 30, 2009. We also noted interest earned from a CD for a trust account of \$70.58 from 2007 that had not been posted as of June 30, 2009.

All documents and entries to records should be done in a timely manner to ensure that accurate financial information is available to allow the governmental unit to make informed management decisions and to help ensure compliance with IC 5-15-1-1 et seq., commonly referred to as the Public Records Law. (Accounting and Uniform Compliance Guidelines Manual for Clerks of the Circuit Courts of Indiana, Chapter 13-11 and 15-9)

PRESCRIBED FORMS

The Investment Register Form 350 was not being used by the Clerk's office.

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 Clerks of the Circuit Courts of Indiana, Chapter 9-3)

CASH NECESSARY TO BALANCE, BANK RECONCILIATIONS

A comparison of the records to the bank account balances at December 31, 2008, indicated a cash necessary to balance of \$5,264.46 in the Clerk's Trust Account. This amount is a CD reported at \$5,193.88 on the unit's records plus \$70.58 interest not recorded. This CD was closed out by the bank without the knowledge of the Clerk. A written court order for the disbursement of the trust item was not presented for audit.

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 Clerks of the Circuit Courts of Indiana, Chapter 13-5)

CLERK OF THE CIRCUIT COURT
STARKE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 20, 2009, with Evelyn A. Skronski, Clerk of the Circuit Court; Mark C. Smith, President of the County Council; and Daniel D. Bridegroom, President of the Board of County Commissioners. The officials concurred with our audit findings.