

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

AUDIT REPORT

OF

CLERK OF THE CIRCUIT COURT

NEWTON COUNTY, INDIANA

January 1, 2008 to December 31, 2008



**FILED**

09/22/2009



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk	Janice Wilson Kimberly Anderson	01-01-05 to 12-31-08 01-01-09 to 12-31-12
President of the County Council	Scott Madison Sharon Miller	01-01-08 to 12-31-08 01-01-09 to 12-31-09
President of the Board of County Commissioners	Roxanna Hanford	01-01-08 to 12-31-09



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF NEWTON 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 Newton County for the year 2008.

STATE BOARD OF ACCOUNTS

July 16, 2009

CLERK OF THE CIRCUIT COURT  
NEWTON COUNTY  
AUDIT RESULTS AND COMMENTS

INTERNAL CONTROLS

Controls for receipts generated by the Clerk of the Circuit Court's office are insufficient. No procedures have been implemented to insure daily receipts reported on the monthly reports agree with the amounts deposited to the bank. For the year ended December 31, 2008, deposits to the bank exceeded the amount reported on Clerk's monthly reports by \$17,022.

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 Clerks, Chapter 13)

COMPUTER OUTPUT

Data output provided by the computer system was not sufficient. Monthly reports for the year of 2008 could not be verified to the Year-to-Date report for 2008. Daily cash book and balance reports did not always agree with amounts deposited. Not all daily reports were available for audit.

Public records, financial statement information and supporting information generated through a computer system should be printed out on paper, printed to disk or maintained on-line at the end of each reporting year and retained for audit. Information must be maintained in a manner that will allow access for audit and public inquiry on equipment of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Clerks, Chapter 13)

IC 5-15-6-3(d) states:

"No financial records or records relating thereto shall be destroyed until the earlier of the following actions:

1. The audit of the records by the state board of accounts has been completed, report filed, and any exceptions set out in the report satisfied.
2. The financial record or records have been copied or reproduced as described in subsection (e)."

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

BANK ACCOUNT RECONCILIATIONS

The depository reconciliations of the fund balances to the bank account balances on December 31, 2008, indicated cash long of \$7,178. The prior Report B32424 contained a comment which indicated cash long of \$6,841 as of December 31, 2007.

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 Clerks, Chapter 13)

COLLECTION OF AMOUNTS DUE

The Clerk of the Circuit Court did not file State Form 24220 Monthly Reimbursement Claim for Title IV-D expenditures. A similar comment was issued in the prior Report B32424.

Governmental units have a responsibility to collect amounts owed to the governmental unit pursuant to procedures authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Clerk, Chapter 13)

CLERK OF THE CIRCUIT COURT  
NEWTON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on July 16, 2009, with Kimberly Anderson, Clerk, Roxanna Hanford, President of the Board of County Commissioners; and Sharon Miller, President of the County Council. The officials concurred with our audit findings.