

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

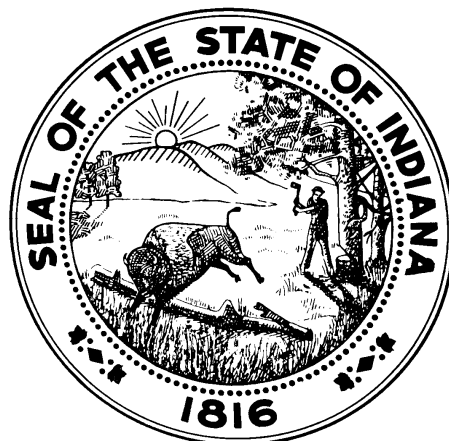
AUDIT REPORT

OF

COUNTY TREASURER

CLINTON COUNTY, INDIANA

January 1, 2008 to December 31, 2008



FILED
09/30/2009

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Result and Comment: Condition of the Records	4
Exit Conference.....	5
Official Response	6

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Fran Reagan Laura Huffer	01-01-05 to 12-31-08 01-01-09 to 12-31-12
President of the County Council	Steve Frey Steve Woods	01-01-08 to 12-31-08 01-01-09 to 12-31-09
President of the Board of County Commissioners	Michael Conner William Beard	01-01-08 to 12-31-08 01-01-09 to 12-31-09



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF CLINTON COUNTY

We have audited the records of the County Treasurer 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 Result and Comment. The financial transactions of this office are reflected in the Annual Report of Clinton County for the year 2008.

STATE BOARD OF ACCOUNTS

July 27, 2009

COUNTY TREASURER
CLINTON COUNTY
AUDIT RESULT AND COMMENT

CONDITION OF THE RECORDS

The following deficiencies relating to recordkeeping were present during our audit period:

1. Depository reconciliations of the Treasurer's Daily Balance of Cash and Depositories ledger (cash book) balance to the bank account balances were incorrect. During our audit, we found several posting errors in which ending ledger balances were not carried forward correctly from one day to the next on the cash book. These errors in part resulted in reconciled bank balances being \$172,109.90 more than the ending ledger balance as shown on the cash book at December 31, 2008.

In addition, depository reconcilements to the cash book balance for 2009 have not been completed. Cash book pages for several days in 2009 have not been completed.

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."

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 County Treasurers, Chapter 4)

2. The total amount of funds ledger cash as shown on the cash book at December 31, 2008, totaled \$506,476.38 less than the funds ledger cash as shown on the records of the County Auditor. The Treasurer has not balanced the cash book funds ledger cash to funds ledger cash as shown on the records of the County Auditor since September 30, 2004. A similar comment was noted in previous Report B33672.

Each month, the Auditor and Treasurer shall prepare a monthly financial statement and reconcile cash and investment balances as shown on the statements. (Accounting and Uniform Compliance Guidelines Manual for County Treasurers, Chapter 1) (Accounting and Uniform Compliance Guidelines Manual for County Auditors, Chapter 3)

3. The County Treasurer's Monthly Financial Report, Form 47TR, was not accurately prepared for the months of October, November, and December 2008.

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 County Treasurers, Chapter 4)

These conditions resulted from the failure of the County Treasurer to accurately reconcile cash book balances to reconciled bank balances and to file accurate monthly reports required by statute. Accordingly, the financial statements of Clinton County do not accurately reflect cash balances of all funds of the County.

COUNTY TREASURER
CLINTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 25, 2009, with Fran Reagan, former Treasurer; Steve Woods, President of the County Council; and Steven Frye, County Council member. The officials concurred with our audit finding.

The contents of this report were discussed on August 25, 2009, with Laura Huffer, Treasurer; Steve Woods, President of the County Council; and Steven Frye, County Council member. The official response has been made a part of this report and may be found on page 6.

Office of Clinton County Treasurer
Laura Huffer, Treasurer
220 Courthouse Square
Frankfort, Indiana 46041
Telephone: 765-659-6325 ~ Fax: 765-659-6391

August 26, 2009

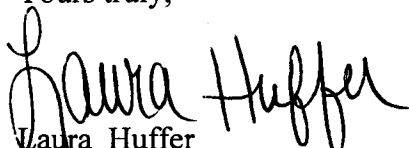
State Board of Accounts
302 West Washington Street, Room E-418
Indianapolis, IN 46204-2765

To Whom It May Concern:

In response to the recent exit interview, our office is currently reentering every transaction from October 1, 2008 forward. We are also balancing the cash book with our bank reconciliations and the Harris system.

As we balance each month, we will be preparing a monthly financial statement and reconcile cash and investment balances. We will also be preparing the Form 47TR (County Treasurer's Monthly Financial Report) and will forward a copy to your office.

Yours truly,


Laura Huffer
Clinton County Treasurer