

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

AUDIT REPORT

OF

COUNTY PROSECUTOR

DUBOIS COUNTY, INDIANA

January 1, 2008 to December 31, 2008



**FILED**

09/30/2009



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Janet L. Sendelweck	01-01-08 to 12-31-11
Prosecutor	Michael A. Fritch	01-01-07 to 12-31-10
President of the County Council	Gregory A. Kendall	01-01-08 to 12-31-09
President of the Board of County Commissioners	John G. Burger Randall L. Fleck	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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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](http://www.in.gov/sboa)

TO: THE OFFICIALS OF DUBOIS COUNTY

We have audited the records of the County Prosecutor 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 Dubois County for the year 2008.

STATE BOARD OF ACCOUNTS

September 8, 2009

COUNTY PROSECUTOR  
DUBOIS COUNTY  
AUDIT RESULTS AND COMMENTS

INTERNAL CONTROLS

Controls over the receipting, disbursing, recording, and accounting for the check deception financial activities were insufficient to detect recording and reporting errors. The prescribed Ledger of Receipts, Disbursements and Balances (General Form 358) was not maintained as intended. The following exceptions were noted:

1. The ledger detail was maintained in a manner that did not provide cash balances.
2. The ledger was not maintained to reflect month-to-date and year-to-date receipt and disbursement totals.
3. The ledger control did not reflect all transactions and was not properly footed.
4. A reconciliation of the subsidiary ledger to the control was not presented for audit.
5. The reconciliation of the depository balance with the ledger control was not properly performed.

Dubois County should have policies and procedures in place to ensure proper accounting of financial transactions. The subsidiary ledger should be reconciled to the control on a regular basis and duties should be divided among employees so that one employee is not responsible for the entire accounting process or someone in management should regularly review the monthly bank reconciliation and financial records.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

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 Counties of Indiana, Chapter 1)

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 on 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 ledger, 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 Counties of Indiana, Chapter 1)

COUNTY PROSECUTOR  
DUBOIS COUNTY  
AUDIT RESULTS AND COMMENTS  
(Continued)

OLD OUTSTANDING CHECKS

Our review of the bank reconcilements as of December 31, 2008, revealed checks outstanding in excess of two years.

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.

(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."

REPORTS OF COLLECTION FILED DELINQUENT

Reports of Collection filed with the County Auditor were received delinquent. The required reports were provided to the County Auditor up to two months after the collections were received by the office of the County Prosecutor. Reports of Collection filed with the County Auditor did not reveal proper cut-offs.

COUNTY PROSECUTOR  
DUBOIS COUNTY  
AUDIT RESULTS AND COMMENTS  
(Continued)

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 to help ensure compliance with IC 5-15-1 et seq., commonly referred to as the Public Records Law. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

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 Counties of Indiana, Chapter 1)

COUNTY PROSECUTOR  
DUBOIS COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on September 8, 2009, with Michael A. Fritch, Prosecutor; Randall L. Fleck, President of the Board of County Commissioners; Janet L. Sendelweck, Auditor; Jerry Hunefeld, County Council member; and Bonnie J. Luebbehusen, County Council member.