

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

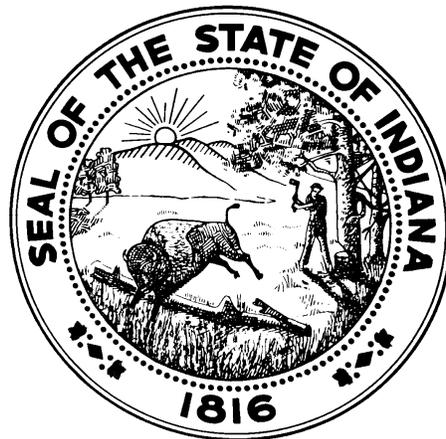
AUDIT REPORT

OF

BOARD OF COUNTY COMMISSIONERS

HENRY COUNTY, INDIANA

January 1, 2008 to December 31, 2008



FILED

10/15/2009

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COUNTY OFFICIALS

Office

Official

Term

President of the Board of
County Commissioners

Philip J. Estridge
Kim Cronk

01-01-07 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 HENRY COUNTY, INDIANA

We have audited the records of the Henry County Board of Commissioners 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 Henry County for the year 2008.

STATE BOARD OF ACCOUNTS

September 17, 2009

BOARD OF COUNTY COMMISSIONERS
HENRY COUNTY
AUDIT RESULTS AND COMMENTS

DIFFERENCES IN TIME CARD TOTALS

Employees of the Community Corrections Department are paid bi-weekly upon presenting a completed time card that contains their current pay period hours. The time clock used time stamps only and does not calculate cumulative daily time worked, weekly time worked, or bi-weekly time worked. Part of the process is for the Director or the Director's designee to calculate the cumulative totals. The bi-weekly cumulative total is then circled and initialed by the Director or the Director's designee. The time cards are then presented to a member of the county commissioners who also initials the total. This total is used on the payroll form for the number of hours claimed for compensation.

In recalculating the time cards we found that some differences exist between our calculated hours and the total hours as presented on the time card. If there was a difference, our calculated hours were always for less than the documented total. The unit did not provide evidence nor could we determine the reason for those differences.

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.

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 Counties of Indiana, Chapter 1)

COMPENSATORY TIME

Some employees of the County earn compensatory time for overtime worked. During the current period, the accrued balance of compensatory time was paid to one employee in the amount of \$11,021. The policy regarding the accrual compensatory time addresses over 40 hours per week and employees earning compensatory time for hours over 35 hours per week. No policy regarding the use or pay of compensatory time has been adopted by the County.

Each governmental unit should adopt a written policy regarding the accrual and use of leave time and compensatory time and the payment of overtime. Negotiated labor contracts approved by the governing board would be considered as written policy. The policy should conform to the requirements of all state and federal regulatory agencies. (Accounting and Uniform Guidelines Manual for Counties, Chapter 5)

BOARD OF COUNTY COMMISSIONERS
HENRY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 17, 2009, with Kim Cronk, President of the Board of County Commissioners; and Linda S. Ratcliff, Auditor.