

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

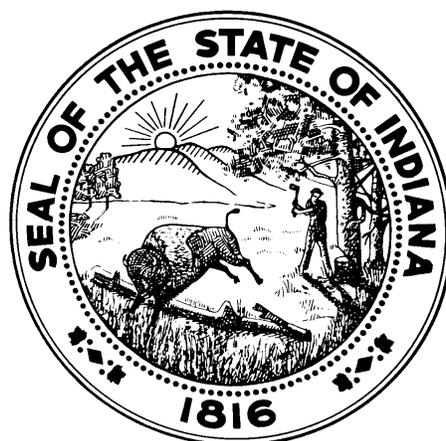
AUDIT REPORT

OF

COUNTY PARKS AND RECREATION

WASHINGTON COUNTY, INDIANA

January 1, 2008 to December 31, 2008



**FILED**  
11/19/2009



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Parks and Recreation Manager	Christopher Strange	01-01-08 to 12-31-09
President of the County Parks and Recreation Board	Paul Jolly David L. Walker	01-01-08 to 10-06-09 10-07-09 to 12-31-09
President of the County Council	John D. Fultz Mark Manship	01-01-08 to 12-31-08 01-01-09 to 12-31-09
President of the Board of County Commissioners	Albert M. Goering Lana Sullivan	01-01-08 to 05-07-08 05-08-08 to 12-31-09



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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STATE BOARD OF ACCOUNTS  
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TO: THE OFFICIALS OF WASHINGTON COUNTY

We have audited the records of the County Parks and Recreation 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 Washington County for the year 2008.

STATE BOARD OF ACCOUNTS

November 5, 2009

COUNTY PARKS AND RECREATION  
WASHINGTON COUNTY  
AUDIT RESULTS AND COMMENTS

INTERNAL CONTROLS

The cash register at the gatehouse has the capability to designate between the amount of credit sales and cash sales; however, these controls are not used to reconcile collections. The amount of restaurant collections reported on the daily cash log could not be verified to the daily restaurant tickets.

The County Parks and Recreation manager stated that for the year 2009 the cash register controls were implemented and the amounts reported as credit and cash should reconcile to collections. He also stated for the year 2009 the restaurant tickets are filed in such a manner that the amount reported on the daily cash log can be easily traced to restaurant tickets.

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)

PETTY CASH FUND

The following deficiencies were noted in the handling of the Petty Cash Fund of the County Parks and Recreation Department:

1. The Petty Cash Fund was being used for the following: (a) to purchase supplies for the restaurant, concessions, and camp store; (b) to purchase food from local restaurants to feed inmates that are out on work release from the County Jail to work at the County Parks and Recreation Department; (c) to purchase gasoline; (d) to purchase items for resale at the camp store; (e) to purchase advertising; and (f) for title issuance of a vehicle.
2. Several instances were noted in which petty cash was reimbursed without adequate supporting documentation. Some reimbursements were made from copies instead of the original receipts, and some restaurant receipts were noted as being reimbursed without being sufficiently itemized.
3. Instances were noted in which receipts submitted for reimbursement exceeded the amount of the approved Petty Cash Fund.
4. Instances were noted of duplicate receipts being submitted for reimbursement of the Petty Cash Fund.

IC 36-1-8-3 states in part: ". . . (b) The custodian of a petty cash fund shall use it to pay small or emergency items of operating expense. A receipt shall be taken for each expenditure made from the fund. (c) The custodian of a petty cash fund shall periodically file a voucher, with all original receipts totaling the cash claimed expended being attached to it, so that the fund can be reimbursed for expenditures from it. Reimbursement must be approved and made in the same manner as is required for other expenditures of the political subdivision."

COUNTY PARKS AND RECREATION  
WASHINGTON COUNTY  
AUDIT RESULTS AND COMMENTS  
(Continued)

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

SUPPORTING DOCUMENTATION

In a test of claims paid, it was noted that the County Parks and Recreation Board approved some claims for payment that lacked all required documentation. Some claims were noted as being approved to be paid from credit card statements and copies of invoices. Petty cash reimbursements were approved which lacked sufficient itemization. Instances were also noted in which sales tax, penalties, and finance charges were approved to be paid. Due to the lack of supporting itemization, the validity and accountability for some money could not be established.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Governmental funds generally are exempt from the payment of sales tax on qualifying purchases. Respective tax agencies should always be contacted concerning tax exemptions and payments. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

All claims, invoices, receipts and accounts payable vouchers regarding reimbursement for meals and expenses for individuals must have specific detailed information of the names of all individuals for which amounts are claimed, including the nature, name and purpose of the business meeting, to enable the governing body to authorize payment. Payments which do not have proper itemization showing the business nature of the claim may be the personal obligation of the responsible official, employee or other person for whom the claim is made. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

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 County Parks and Recreation Department.

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 PARKS AND RECREATION  
WASHINGTON COUNTY  
AUDIT RESULTS AND COMMENTS  
(Continued)

IC 36-10-3-22(d) states: "Money procured from fees or received from the sale of surplus property under section 12 of this chapter shall be deposited at least once each month with the fiscal officer of the unit."

COUNTY PARKS AND RECREATION  
WASHINGTON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on October 29, 2009, with Christopher Strange, County Parks and Recreation Manager; and Betty Starr, member of the County Parks and Recreation Board. The officials concurred with our audit findings.

The contents of this report were discussed on November 5, 2009, with Lana Sullivan, President of the Board of County Commissioners; and Mark Manship, President of the County Council.