

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

AUDIT REPORT
OF
COUNTY HEALTH DEPARTMENT
LAKE COUNTY, INDIANA
January 1, 2008 to December 31, 2008



FILED
11/19/2009

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Results and Comments:	
Remittances	4
Official Receipts	4
Internal Controls	4
Exit Conference.....	5

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Health Commissioner	Dr. Susan Best	01-01-07 to 12-31-10
President of the County Council	Christine Cid Lawrence Blanchard	01-01-08 to 12-31-08 01-01-09 to 12-31-09
President of the Board of County Commissioners	Gerry J. Scheub Roosevelt Allen, Jr.	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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TO: THE OFFICIALS OF LAKE COUNTY

We have audited the records of the County Health Department 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 Lake County for the year 2008.

STATE BOARD OF ACCOUNTS

August 17, 2009

COUNTY HEALTH DEPARTMENT
LAKE COUNTY
AUDIT RESULTS AND COMMENTS

REMITTANCES

We noted the following deficiencies in the reviewed remittances:

1. In 2008, 7 of the 17 deposits tested were held up to 5-13 days before being remitted to the County Auditor's office. (41%)
2. In 2008, the composition of 9 out of the 17 deposits of Health Department's receipts tested did not match the composition of the County Auditor's receipts. (53%)
3. In July and August 2009, 7 of the 9 deposits tested did not match the composition of the County Auditor's receipts. (78%)

IC 5-13-6-1(c) states in part: ". . . all local officers . . . who collect public funds of their respective political subdivisions shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the . . . local boards of finance . . ."

IC 5-13-6-1(c) states in part: "Public funds deposited . . . shall be deposited in the same form in which they were received."

OFFICIAL RECEIPTS

Receipts used by the Health Department are not prescribed by or approved by the State Board of Accounts. Temporary receipts used in Hammond are duplicate receipts; however, they are not pre-numbered by the printing company.

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)

INTERNAL CONTROLS

Controls over the receipting, disbursing, recording, and accounting for the financial activities were insufficient. Tracking Sheets used to record the issuance of Birth and Death Certificates were not adequately maintained because clerks did not always record all certificates issued. In addition, we noted instances where the tracking sheets were not located and could not be provided for audit. Accountability of all birth and death certificates issued could not be determined.

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)

COUNTY HEALTH DEPARTMENT
LAKE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 17, 2009, with Dr. Susan Best, Health Commissioner; Esther Hoshaw, Deputy Administrator; and Nicholas Doffin, Administrator.