

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

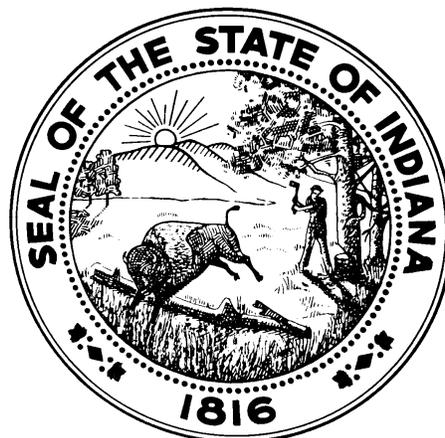
AUDIT REPORT

OF

HEALTH DEPARTMENT

LAPORTE COUNTY, INDIANA

January 1, 2008 to December 31, 2008



**FILED**

11/25/2009



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Health Administrator	Paul Trost	01-01-08 to 12-31-09
Office Manager	Nancy Meehan	01-01-08 to 12-31-09
President of the County Health Board of Directors	Michael Sandy	01-01-08 to 12-31-09
President of the County Council	Mark Yagelski	01-01-08 to 12-31-09
President of the Board of County Commissioners	William Hager Barbara Huston	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  
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TO: THE OFFICIALS OF LAPORTE COUNTY

We have audited the records of the 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 LaPorte County for the year 2008.

STATE BOARD OF ACCOUNTS

September 23, 2009

HEALTH DEPARTMENT  
LAPORTE COUNTY  
AUDIT RESULTS AND COMMENTS

DEPOSITS

In our sample test, we found that Health Department receipts were deposited later than the next business day. For example, deposits made on December 24, 2008, included receipts collected from December 16 through December 22. The total deposits on December 24 was \$9,889 and included \$2,555 cash.

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. . . ."

COLLECTIONS

In our sample test, we found that receipts collected at the Michigan City office were not deposited in the form in which they were received. Our initial test of five days showed one day, December 9, 2008, in which the cash on the cash register tape, \$286, did not agree with the cash on the deposit, \$51, which is a difference of \$245. The checks total on the cash register tape was \$245 more than the deposit so that the totals agree.

We selected another five days to test. For these five days, we found two days with a similar problem. The December 16, 2008, cash register tape shows \$284 cash collected, but the deposit shows \$59. The December 17, 2008, cash register tape shows \$161 cash collected, but the deposit shows \$61. The checks total for both days were higher by the same amounts. In all days we tested the totals collected agree to the deposit.

The Records Registrar at the Michigan City office explained that these differences were due to making change out of a previous day's collections or due to employee error in coding collections. An error may explain the differences, but making change or substituting checks for cash would make a subsequent days' deposit long on cash and short on checks. We found no instances in our test periods where the checks total on the cash register tape were less than the deposit. The Records Registrar also explained that if she made change out of a previous day's collection, she may ring up the payment on the current day as a cash payment.

A similar exception was included in the prior Report B32872.

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

HEALTH DEPARTMENT  
LAPORTE COUNTY  
AUDIT RESULTS AND COMMENTS  
(Continued)

PUBLIC RECORDS RETENTION

Some records were not presented for audit that could help explain why the Michigan City Health Department cash and check amounts collected as shown on the cash register do not agree with the County Auditor quietuses. When food businesses pay their food permit, a notification billing form that was mailed by the health department to the business, is stamped with a validation from the cash register to show payment. We may have been able to compare this payment validated form to the cash register to create a list of check payments from a day different than the cash register date that did not agree with the quietus. But the Chief Food Sanitarian/Office Manager explained she was only able to find three of the ten validated notification forms in her files.

IC 5-15-6-3(f) concerning destruction of public records, states in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission."

Supporting documentation such as receipts, canceled checks, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

HEALTH DEPARTMENT  
LAPORTE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on September 23, 2009, with Paul Trost, Health Administrator.

The contents of this report were discussed on October 27, 2009, with Craig Hinchman, Auditor; Barbara Huston, President of the Board of County Commissioners; and Rich Mrozinski, Vice President of the County Council.