

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

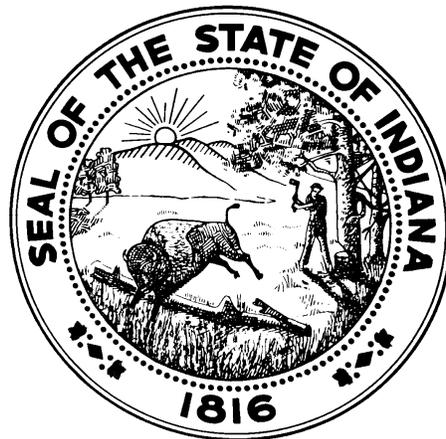
AUDIT REPORT

OF

COUNTY AUDITOR

BOONE COUNTY, INDIANA

January 1, 2008 to December 31, 2008



FILED

12/28/2009

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Gretchen Smith Melody Price	01-01-05 to 12-31-08 01-01-09 to 12-31-12
President of the County Council	Steven Jacob	01-01-08 to 12-31-09
President of the Board of County Commissioners	Harold "Huck" Lewis Marc Applegate	01-01-08 to 05-23-09 05-24-09 to 12-31-09



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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TO: THE OFFICIALS OF BOONE COUNTY

We have audited the records of the County Auditor 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 Boone County for the year 2008.

STATE BOARD OF ACCOUNTS

September 17, 2009

COUNTY AUDITOR
BOONE COUNTY
AUDIT RESULTS AND COMMENTS

PAYROLL

Our testing of payroll procedures revealed the following deficiencies:

1. Employee Service Record (General Form 99A) was not maintained for all employees.
2. Attendance/time records were not maintained for all employees.

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 County Auditors of Indiana, Chapter 1)

CREDIT CARDS

Several County departments are using credit cards to make purchases. No credit card policy has been approved for departmental use by the governing board with the exception of the Prosecutor.

Payments made to credit card companies are being paid based off of a statement and actual receipts are not submitted.

The State Board of Accounts will not take exception to the use of credit cards by a governmental unit provided the following criteria are observed:

- (1) The governing board must authorize credit card use through an ordinance or resolution, which has been approved in the minutes.
- (2) Issuance and use should be handled by an official or employee designated by the board.
- (3) The purposes for which the credit card may be used must be specifically stated in the ordinance or resolution.
- (4) When the purpose for which the credit card has been issued has been accomplished, the card should be returned to the custody of the responsible person.
- (5) The designated responsible official or employee should maintain an accounting system or log which would include the names of individuals requesting usage of the cards, their position, estimated amounts to be charged, fund and account numbers to be charged, date the card is issued and returned, etc.
- (6) Credit cards should not be used to bypass the accounting system. One reason that purchase orders are issued is to provide the fiscal officer with the means to encumber and track appropriations to provide the governing board and other officials with timely and accurate accounting information and monitoring of the accounting system.

COUNTY AUDITOR
BOONE COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

- (7) Payment should not be made on the basis of a statement or a credit card slip only. Procedures for payments should be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee should be the responsibility of that officer or employee.
- (8) If properly authorized, an annual fee may be paid.

14) (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter

ERRORS ON CLAIMS

The following deficiencies were noted on claims during the audit period:

- (1) Two claims were not presented for audit.
- (2) Eight claims were not adequately itemized and/or lacked supporting documentation. Additionally, another five claims were paid from a statement only.
- (3) Two claims paid included sales tax

IC 5-11-10-1.6(c) states:

"The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

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 County Auditors of Indiana, Chapter 14)

COUNTY AUDITOR
BOONE COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

TRAVEL POLICY

In one instance, a reimbursement for meals was made in an amount greater than the receipt presented for reimbursement.

In two instances, the mileage claimed was greater than the miles between the two points.

Each governmental unit should adopt a written travel policy in conformity with applicable statutes. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Reimbursement for lodging and meals should be based upon actual receipts for amounts paid unless otherwise authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

LIST OF EMPLOYEES NOT FILED WITH COUNTY TREASURER

A list of employees was not certified to the County Treasurer.

IC 6-1.1-22-14(a) states in part: "on or before June 1 and December 1 of each year . . . the disbursing officer of each political subdivision . . . shall certify the names and addresses of each person who has money due from the political subdivision to the treasurer of each county in which the political subdivision is located."

COUNTY AUDITOR
BOONE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 17, 2009, with Melody Price, Auditor; Steven Jacobs, President of County Council; W. B. Smith, County Council member; Marc Applegate, President of the Board of County Commissioners; and Chris Large, Deputy Auditor. The officials concurred with our audit findings.