

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

EXAMINATION REPORT
OF
COUNTY AUDITOR
CRAWFORD COUNTY, INDIANA
January 1, 2008 to December 31, 2008



FILED
01/19/2010

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Peggy Bullington	01-01-07 to 12-31-10
President of the County Council	Jerry Brewer	01-01-08 to 12-31-09
President of the Board of County Commissioners	Larry G. Bye	01-01-08 to 12-31-09



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF CRAWFORD COUNTY

We have examined 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 Examination Results and Comments. The financial transactions of this office are reflected in the Examination Report of Crawford County for the year 2008.

STATE BOARD OF ACCOUNTS

December 14, 2009

COUNTY AUDITOR
CRAWFORD COUNTY
EXAMINATION RESULTS AND COMMENTS

ERRORS ON CLAIMS

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

- (1) All claims were not adequately itemized.
- (2) All claims did not have board approval.
- (3) All claims were not audited and certified by the fiscal officer that the invoice or bill was true and correct.

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."

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS

Dale Roll was employed by the County as a maintenance employee for 40 hours a week. In addition to the 40 hour work week, Mr. Roll also did mowing for the County on a contracted basis. Mr. Roll was reimbursed for mileage for picking up supplies and parts on a monthly basis. Mr. Roll received a 1099 for the contracted services and mileage reimbursement and a W-2 for the wages received as an employee. The County did not have any documentation to support that the services being performed met the Internal Revenue Service criteria to be treated as a contractor. At a minimum, the County should have IRS Form SS-6 or an opinion from the County Attorney.

Also, the County did not comply with directives of the Internal Revenue Service by not issuing 1099 MISC forms to all individuals that required one.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

COUNTY AUDITOR
CRAWFORD COUNTY
EXIT CONFERENCE

The contents of this report were discussed on December 14, 2009, with Peggy Bullington, Auditor; Ricki Hawkins, Chief Deputy Auditor; Jerry Brewer, President of the County Council; and Larry G. Bye, President of the Board of County Commissioners.