

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

AUDIT REPORT

OF

COUNTY AUDITOR

HANCOCK COUNTY, INDIANA

January 1, 2009 to December 31, 2009



FILED

09/15/2010

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Linda Grass Rosemary Melvin (Interim) Robin Lowder	01-01-08 to 06-22-09 06-23-09 to 07-01-09 07-02-09 to 12-31-10
President of the Board of County Commissioners	Derek Towle	01-01-09 to 12-31-10
President of the County Council	William Bolander	01-01-09 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF HANCOCK COUNTY

We have audited the records of the County Auditor for the period from January 1, 2009 to December 31, 2009, 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 Hancock County for the year 2009.

STATE BOARD OF ACCOUNTS

July 19, 2010

COUNTY AUDITOR
HANCOCK COUNTY
AUDIT RESULTS AND COMMENTS

OVERDRAWN CASH BALANCES

The cash balance of the Health Insurance Fund, Circuit Court Transcript Fund, GALA/Casa Services Fund, Substance Abuse Fund, and Tax Sale Vendor Fees fund were overdrawn at December 31, 2009, by \$31,884, \$1,411, \$2,711, \$2,642, and \$1,006, respectively.

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

AFFIDAVIT FOR PROBABLE CAUSE

On June 17, 2009, the State of Indiana filed an Affidavit for Probable Cause in Hancock County Superior Court against former Auditor, Linda J. Grass, charging her with 22 felony counts, including bribery, theft, and obstruction of justice, relating to her actions as Auditor. As of the date of this report, a trial date has been scheduled for September 7, 2010.

The status of these proceedings will be reviewed by the State Board of Accounts during a subsequent audit of the County. Findings related to the former County Auditor's office may be found in report B35526.

COUNTY AUDITOR
HANCOCK COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 19, 2010, with Robin Lowder, Auditor; Rosemary Melvin, former Interim Auditor; and Ginny Martin, Bookkeeper.

A certified letter was sent to Linda Grass on July 15, 2010, informing her that the 2009 audit was complete and requesting that she contact either the examiner or the field supervisor to set up a time for the exit conference. There was no contact made by Linda Grass as of August 4, 2010.