

B37606

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

AUDIT REPORT

OF

PLAINFIELD TOWN COURT

HENDRICKS COUNTY, INDIANA

January 1, 2008 to December 31, 2009



FILED
09/30/2010

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Town Officials.....	2
Transmittal Letter	3
Audit Results and Comments:	
Bank Account Reconcilements.....	4
Old Outstanding Checks.....	4-5
Trust Funds.....	5
Exit Conference.....	6
Official Response	7-8

TOWN OFFICIALS

Office

Official

Term

Judge

James Spencer

01-01-08 to 12-31-11

President of the
Town Council

Robin Brandgard

01-01-08 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF THE PLAINFIELD TOWN COURT, HENDRICKS COUNTY

We have audited the records of the Plainfield Town Court for the period from January 1, 2008 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 Reports of the Town of Plainfield for the years 2008 and 2009.

STATE BOARD OF ACCOUNTS

August 11, 2010

PLAINFIELD TOWN COURT
HENDRICKS COUNTY
AUDIT RESULTS AND COMMENTS

BANK ACCOUNT RECONCILIATIONS

In 2008, depository reconciliations of the fund balances to the bank account balances were incorrect. The general bank account was long by \$585 and the cash bond account was short by \$28. These variances have not been identified by the Court.

In 2009, depository reconciliations of the fund balances to the bank account balances indicated that the general bank account was long by \$585 and the cash bond account was short by \$636. These variances have not been identified by the court.

IC 5-13-6-1(e) states in part: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

OLD OUTSTANDING CHECKS

Our review of the bank reconcilements as of December 31, 2009, revealed checks outstanding in excess of two years. Checks outstanding were originally issued as long ago as November 17, 1999.

IC 5-11-10.5-2 states in part:

"All warrants or checks drawn upon public funds of a political subdivision that are outstanding and unpaid for a period of two (2) or more years as of the last day of December of each year are void."

IC 5-11-10.5-3 states in part:

"Not later than March 1 of each year, the treasurer of each political subdivision shall prepare or cause to be prepared a list in triplicate of all warrants or checks that have been outstanding for a period of two (2) or more years as of December 31 of the preceding year. The original copy of each list shall be filed with the board of finance of the political subdivision or the fiscal body of a city or town. The duplicate copy shall be transmitted to the disbursing officer of the political subdivision. The triplicate copy of each list shall be filed in the office of the treasurer of the political subdivision. If the treasurer serves also as the disbursing officer of the political subdivision, only two (2) copies of each list need be prepared or caused to be prepared by the treasurer."

PLAINFIELD TOWN COURT
HENDRICKS COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

IC 5-11-10.5-5 states:

"(a) Upon the preparation and transmission of the copies of the list of the outstanding warrants or checks, the treasurer of the political subdivision shall enter the amounts so listed as a receipt into the fund or funds from which they were originally drawn and shall also remove the warrants or checks from the record of outstanding warrants or checks.

(b) If the disbursing officer does not serve also as treasurer of the political subdivision, the disbursing officer shall also enter the amounts so listed as a receipt into the fund or funds from which the warrants or checks were originally drawn. If the fund from which the warrant or check was originally drawn is not in existence, or cannot be ascertained, the amount of the outstanding warrant or check shall be receipted into the general fund of the political subdivision."

A similar comment appeared in prior Report B32828.

TRUST FUNDS

As stated in prior Report B32828, some funds held in trust for cash bonds were held over five years.

All items that can be legally disbursed should be paid immediately to the person or persons entitled thereto. All fees and funds five or more years old, including old outstanding checks, should be scheduled on forms provided by the Attorney General and paid over to the Attorney General as required by IC 32-34-1-20(c)(7). Items should not be allowed to accumulate beyond the five year anniversary date.

PLAINFIELD TOWN COURT
HENDRICKS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 1, 2010, with James D. Spencer, Judge; and Lana Pedigo, Clerk. The official response has been made a part of this report and may be found on pages 7 and 8.

TOWN COURT TOWN OF PLAINFIELD

PHONE 838-3710 * 1075 W. MAIN STREET * PLAINFIELD, IN 46168

JUDGE

**JAMES D. SPENCER
COURT ADMINISTRATOR
LANA PEDIGO**

September 1, 2010

State Board of Account
302 West Washington Street
Room E 418
Indianapolis, IN 46204-2765

Re: OFFICIAL RESPONSE – 2008 & 2009 State Board of Accounts Audit Report

Dear Sir/Madam:

Pursuant to the Exit Conference Report, a copy of which is attached, received from Kerry Fleming, C.P.A., State Board of Accounts Field Examiner, at the exit conference on September 1, 2010, this letter is being submitted to file an official response to the audit results and comments set forth in the Plainfield Town Court Audit Results and Comments, a copy of which is also attached. The specific audit results and comments and our responses are set forth below.

BANK ACCOUNT RECONCILIATIONS

In 2008, depository reconciliations of the fund balances to the bank account balances were incorrect. The general bank account was long by \$585 and the cash bond account was short by \$28. These variances have not been identified by the court.

In 2009, depository reconciliations of the fund balances to the bank account balances indicated that the general bank account was long by \$585 and the cash bond account was short by \$636. These variances have not been identified by the court.

TOWN COURT RESPONSE – As discussed with Mr. Fleming at the exit conference on September 1, 2010, the bank reconciliations have for several prior years revealed some minor variances, most likely the result of deposits not properly identified as deposits to the cash bond account rather than the general bank account. The Court will discuss with the accounting software provider and with the State Board of Accounts the proper process and procedure to bring bank reconciliations to a zero balance.

OLD OUTSTANDING CHECKS

As stated in prior report B32828, our review of the bank reconcilements as of December 31, 2009 revealed checks outstanding in excess of two years. Checks outstanding were originally issued as long ago as November 17, 1999.

TOWN COURT RESPONSE – As discussed with Mr. Fleming, at the exit conference on September 1, 2010, we are currently researching the case files and we will be assembling and forwarding the information to the appropriate State of Indiana department to report these outstanding checks which were unclaimed refund checks for forfeited cash bonds. Court staff will work with the State Board of Accounts to make the appropriate corrections to our accounting system to reflect that any outstanding checks will be cancelled or voided after two years.

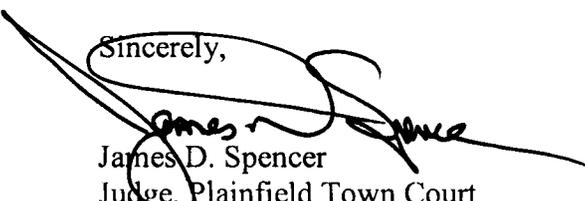
TRUST FUNDS

As stated in prior report B32828, some funds held in trust for cash bonds were held over five years.

TOWN COURT RESPONSE - As discussed with Mr. Fleming, at the exit conference on September 1, 2010, we are continuing to research our files for the unclaimed amounts that have been held in trust for cash bonds. We will be assembling the necessary information and forwarding that information along with the unclaimed funds held in trust for the cash bonds to the Indiana Attorney General's office per the Indiana Code requirements.

Please include our responses in the final 2010 audit report for the Plainfield Town Court. If you have further questions or comments, please contact me at the address or phone number listed above.

Sincerely,



James D. Spencer
Judge, Plainfield Town Court

Encls – As noted above

State Bd of Accts Letter – 9-10-10