

B37626

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

SUPPLEMENTAL REPORT  
OF

PARKS AND RECREATION  
CITY OF BLOOMINGTON  
MONROE COUNTY, INDIANA

January 1, 2009 to December 31, 2009



**FILED**  
10/06/2010



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CITY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director, Parks and Recreation	Mick Renneisen	01-01-09 to 12-31-10
Controller	Michael Trexler	01-01-09 to 12-31-10
Mayor	Mark Kruzan	01-01-09 to 12-31-11
President of the Board of Public Works	Charlotte Zietlow	01-01-09 to 12-31-10
President of the Common Council	Andrew Ruff Isabel Piedmont-Smith	01-01-09 to 12-31-09 01-01-10 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE CITY OF BLOOMINGTON

We have audited the records of the Parks and Recreation 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 Result and Comment. The financial transactions of this office are reflected in the Annual Report of the City of Bloomington for the year 2009.

STATE BOARD OF ACCOUNTS

August 16, 2010

PARKS AND RECREATION  
CITY OF BLOOMINGTON  
AUDIT RESULTS AND COMMENTS

INTERNAL CONTROLS AND BANK ACCOUNT RECONCILIATIONS - PARKS REVOLVING FUND

Controls over the receipting, disbursing, recording, and accounting for the financial activities were insufficient. During the review of the Parks Revolving Fund ledger, we noted that a deposit of \$5,227 posted to the ledger in 2008 was changed to \$4,646, in 2009. This decreased the 2008 ending balance and 2009 beginning balance of the revolving fund ledger by \$581.00. No documentation was found to support the change to the deposit. The office manager said she spoke with the business manager and neither of them could think of why anyone would have changed amount posted to the ledger. The Parks Revolving Fund ledger also had a few formula errors which caused the cash balance to be incorrect. The office manager was notified of this and the formula errors have been corrected.

Depository reconciliations of the Parks and Recreation Revolving fund ledger balances to the bank account balances were incorrect. We noted multiple checks which cleared the bank account in December were left on the outstanding checklist for December 31, 2009, which caused the reconciliation to be out of balance. Review of previous month reconciliations disclosed the same issue. Eleven checks totaling \$399 cleared the bank in 2009, but were left on the outstanding checklist. This was still the difference on the April 2010 reconciliation.

Additionally, reconciliations were not performed in a timely manner. The reconciliations for the months of March and April 2009 were dated May 29, 2009; the reconciliations for the months of August, September and October were dated January 29, 2010; and the reconciliations for the months of November and December 2009 were dated February 1, 2010.

The amount of the formula errors was \$182. The amount of cleared checks which were not included on the outstanding check list totaled \$399. The sum of these errors was \$581, the exact amount of the change in the 2008 deposit posting.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

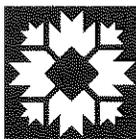
IC 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

PARKS AND RECREATION  
CITY OF BLOOMINGTON  
EXIT CONFERENCE

The contents of this report were discussed on August 19, 2010, with Judy Siegle, Parks Office Manager, and Mick Renneisen, Director, Parks and Recreation.

The contents of this report were also discussed on August 19, 2010, with Mark Kruzan, Mayor; Maria Heslin, Deputy Mayor; Kevin Robling, Corporation Counsel; Michael Trexler, Controller; and Jeff McMillian, Deputy Controller. The official response has been made a part of this report and may be found on page 6.

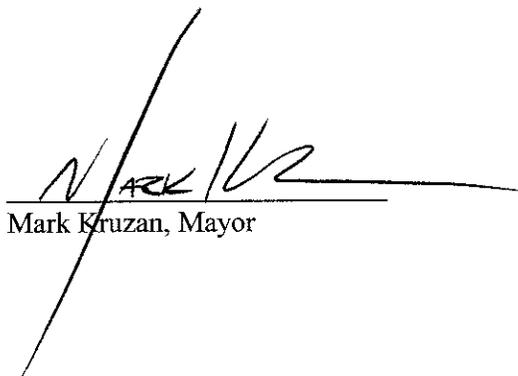


**City of Bloomington  
Office of the Controller**

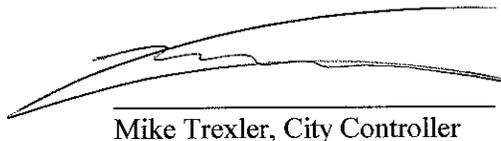
**Response to the 2009 Parks & Recreation Department Audit Report**

**INTERNAL CONTROLS AND BANK ACCOUNT RECONCILIATIONS – Parks Revolving Fund**

This revolving fund is currently accounted for outside of our financial software in the Parks department due to limitations in that application. In the new software currently being installed, we will be eliminating this fund and performing all receipting, disbursing, recoding, and accounting for this activity within other existing funds within the new software. This change will remove the ability to make accounting changes without record and move reconciliation of this activity into the Controller's Office.



Mark Kruzan, Mayor



Mike Trexler, City Controller