

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

AUDIT REPORT  
OF  
COUNTY PARKS AND RECREATION  
WASHINGTON COUNTY, INDIANA  
January 1, 2009 to December 31, 2009



**FILED**  
10/12/2010



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Parks and Recreation Manager	Christopher L. Strange	01-01-09 to 12-31-10
President of the County Parks and Recreation Board	Paul Jolly David L. Walker Charles Williams	01-01-09 to 10-06-09 10-07-09 to 12-31-09 01-01-10 to 12-31-10
President of the County Council	Mark Manship James Day	01-01-09 to 12-31-09 01-01-10 to 12-31-10
President of the Board of County Commissioners	Lana Sullivan John Mishler	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 WASHINGTON COUNTY

We have audited the records of the County 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 Results and Comments. The financial transactions of this office are reflected in the Annual Report of Washington County for the year 2009.

STATE BOARD OF ACCOUNTS

August 5, 2010

COUNTY PARKS AND RECREATION  
WASHINGTON COUNTY  
AUDIT RESULTS AND COMMENTS

PETTY CASH FUND

The following deficiencies were noted in the handling of the Petty Cash Fund of the Parks and Recreation Department:

1. The Petty Cash Fund was being used for the following: (a) to purchase supplies for the restaurant, concessions, and camp store; (b) to purchase food from local restaurants to feed inmates that are out on work release from the County Jail to work at the Parks and Recreation Department; (c) to purchase gasoline; (d) items for resale at the camp store, and (e) advertising.
2. Several instances were noted in which petty cash was reimbursed without adequate supporting documentation. Some reimbursements were made from copies instead of the original receipts, and some restaurant receipts were noted as being reimbursed without being sufficiently itemized.
3. Instances were noted in which receipts submitted for reimbursement exceeded the amount of the approved Petty Cash Fund.
4. Instances were noted of duplicate receipts being submitted for reimbursement of Petty Cash Fund.
5. Instances were noted where the invoice for reimbursement was over two years old.
6. Sales tax was paid on purchases from petty cash.
7. A payment of \$53.75 was made on July 1, 2009 for late charges from an invoice due on July 21, 2008.

IC 36-1-8-3 states in part:

". . . (b) The custodian of a petty cash fund shall use it to pay small or emergency items of operating expense. A receipt shall be taken for each expenditure made from the fund. (c) The custodian of a petty cash fund shall periodically file a voucher, with all original receipts totaling the cash claimed expended being attached to it, so that the fund can be reimbursed for expenditures from it. Reimbursement must be approved and made in the same manner as is required for other expenditures of the political subdivision."

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

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 Counties of Indiana, Chapter 1)

COUNTY PARKS AND RECREATION  
WASHINGTON COUNTY  
AUDIT RESULTS AND COMMENTS  
(Continued)

All claims, invoices, receipts and account payable vouchers regarding reimbursement for meals and expenses for individuals must have specific detailed information of the names of all individuals for which amounts are claimed, including the nature, name and purpose of the business meeting, to enable the governing body to authorize payment. Payments which do not have proper itemization showing the business nature of the claim, may be the personal obligation of the responsible official, employee or other person for whom the claim is made. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

County Parks and Recreation Manager, Christopher L. Strange, was requested to reimburse the County for the payment of late fee charges in the amount of \$53.75. (See Summary, page 8)

CONDITION OF RECORDS

Disbursements for monthly service fees for Hughes Net internet services were posted to numerous appropriations including advertising, waterfront equipment, telephone, and rental equipment.

Other errors noted included Dish Network payments posted to appropriations for building repair and radio update.

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 Counties of Indiana, Chapter 1)

COUNTY PARKS AND RECREATION  
WASHINGTON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on August 5, 2010, with Sarah Bachman, Auditor; John Mishler, President of the Board of County Commissioners; and James Day, President of the County Council.

The contents of this report were discussed on August 10, 2010, with Christopher L. Strange, County Parks and Recreation Manager; and Betty Starr, member of the County Parks and Recreation Board. The official response has been made a part of this report and may be found on page 7.

# Delaney Creek Park

Washington County

Park and Recreation Department

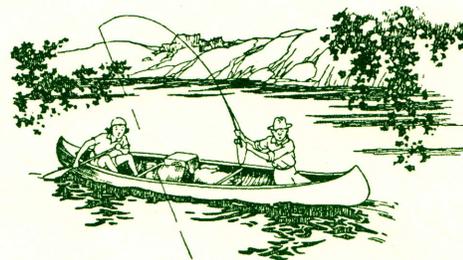
P.O. Box 504

Salem, IN 47167

(812) 883-5101

www.delaneypark.com

Chris Strange M.S.M., Manager



## Response

08-16-2010

The management at Delaney Park would like to take the opportunity to respond to the audit report presented by the State Board of Accounts August 2010 for the 2009 season.

The report states that the petty cash fund had issues. Most all of these issues were discussed and already corrected before the audit took place. The same type audit was performed in 2009 for the 2008 season, however, the audit was not completed until September of 2009. The season for Washington County Parks was almost complete, not all of the suggestions could be put into practice until 2010. This is why we are being written up 2 years in a row. The State board of accounts timing has caused most of the write-ups to go on for 2 years.

The issues on this audit report have been corrected to the best of our ability. The issue of the late fee reimbursement comes from a late fee that was charged to the park over a tractor. I held on to the bill while trying to have the company take the late fee off. When the company advised that they could not take the late fee off, I took the money out of petty cash to pay the bill. The State Board of Accounts is stating that the money should not have come from petty cash and is asking the money be reimbursed. The management does not agree with there finding, but will pay back the \$53.75 to accommodate the request of the State Board of Accounts.

The summery for this response is as follows. The management feels we have corrected the problems in question. These problems have been corrected before this audit took place in August of 2010.

Respectfully,

A handwritten signature in black ink that reads "Christopher L. Strange MSM".

Christopher L. Strange, MSM.  
Manager, Delaney Park

COUNTY PARKS AND RECREATION  
WASHINGTON COUNTY  
SUMMARY

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Christopher L. Strange, County Parks and Recreation Manager: Petty Cash Fund, pages 4 and 5	\$ 53.75	\$	\$
Paid by Christopher L. Strange, County Parks and Recreation Manager, on August 25, 2010, Quietus No. 6406	<u>                    </u>	<u>53.75</u>	<u>                    </u>
Totals	<u>\$ 53.75</u>	<u>\$ 53.75</u>	<u>\$ -</u>