

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

AUDIT REPORT  
OF  
COUNTY AUDITOR  
DUBOIS COUNTY, INDIANA  
January 1, 2009 to December 31, 2009



**FILED**  
12/30/2010



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Janet L. Sendelweck	01-01-08 to 12-31-10
President of the County Council	Gregory A. Kendall	01-01-09 to 12-31-10
President of the Board of County Commissioners	Randall L. Fleck	01-01-09 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF DUBOIS 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 Dubois County for the year 2009.

STATE BOARD OF ACCOUNTS

June 14, 2010

COUNTY AUDITOR  
DUBOIS COUNTY  
AUDIT RESULTS AND COMMENTS

ERRORS ON CLAIMS

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

1. Sales tax of \$60.04 was paid on a claim.
2. Reimbursement for a travel claim included alcohol and was not mathematically correct. The disbursement exceeded the attached receipts.

The above amounts have been reimbursed from the vendors after it was brought to the County's attention.

3. Duplicate payments of invoices are made and not detected.

One of the most important duties of the county auditor, as the title of the office implies, is to audit all claims and vouchers prior to their allowance and payment. It is not expected that the county auditor personally supervise the performance of all work or the delivery of all goods, but to insure a claim or voucher is proper, the following minimum audit steps should be observed:

1. Determine the claim or voucher is properly itemized and verified and, where required, that it is properly supported by freight bills, delivery tickets, or other supporting documents acknowledging delivery of the goods or services.
2. If for personal services, determine that salaries or rates of wages are in strict accordance with those fixed by the county council or by the board or officer having jurisdiction.
3. Determine that prices charged are in accordance with contracts awarded, where applicable, and that statutory authority exists for payment of the claim or voucher.
4. Verify the correctness of the extension on each item, where based on quantity and unit price, and add the detail items to see that the total is correct.
5. Be sure the claim or voucher has been approved by the officer or department head receiving the goods or services and allowed by the board of county commissioners, the court, or such other board or officer authorized by law to allow the claim or voucher.
6. Determine that sufficient funds and appropriations are available from which to make payment; also, that the claim or voucher has not been previously paid.

It is important that the foregoing audit procedures be observed to insure that all claims or vouchers are paid in good faith and thereby minimize the possible liability for payment of a wrongful or unlawful claim or voucher. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 7)

COUNTY AUDITOR  
DUBOIS COUNTY  
AUDIT RESULTS AND COMMENTS  
(Continued)

PAYROLL DEFICIENCIES

Our testing of the payroll system revealed the following deficiencies:

1. Time sheets, maintained by employees, were not always signed/approved by the department heads.
2. Employee Service Record (General Form 99A) was not maintained for all employees. No other time sheets were being maintained in place of this form.
3. A jail employee was paid for hours reported as being worked when in fact they were not. (See Sheriff Supplemental Report)
4. The veterans' service officer, who was a part-time employee, claimed on his service record and was paid for holidays during 2008 and again in 2009. He was not entitled to holiday pay per the Employee Policy and Procedures Handbook because he was a part-time employee. During the 2008 audit, the holiday pay, in the amount of \$743.50, was requested to be reimbursed. Total reimbursement was made as of April 9, 2010. During the current audit, holiday pay in the amount of \$371.80 was requested to be reimbursed. Reimbursement was made on April 23, 2010.
5. The prescribed payroll schedule and voucher (General Payroll Form 99) was not in use. An alternate approved form is in use. The alternate form no longer contains documentation of the hours/days worked or type of leave taken for the payroll period. Instead, there is a column labeled "days or hours to be paid". In all cases, except for hourly employees, this column was left blank. The letter written by County officials that requested approval of the alternate payroll schedule and voucher, stated that the employee service record is to provide the day/hour worked and leave information previously listed on the schedule. However, the employee service records are not remitted to the Auditor's Office until after year-end. Because the hours/days worked and leave taken is no longer recorded on the payroll schedule and voucher and the source of this information (Employee Service Record) is not available to the auditor's office until after year-end, documentation to support the validity of the gross pay claimed on the payroll schedule and voucher is not obtained prior to payment.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

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 other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

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 County Auditors of Indiana, Chapter 14)

COUNTY AUDITOR  
DUBOIS COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on June 14, 2010, with Janet L. Sendelweck, Auditor; Randall L. Fleck, President of the Board of County Commissioners; and Gregory A. Kendall, President of the County Council. The officials concurred with our audit findings.