

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

AUDIT REPORT

OF

COUNTY RECORDER

DUBOIS COUNTY, INDIANA

January 1, 2010 to December 31, 2010



FILED
06/17/2011

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Result(s) and Comment(s): Internal Controls	4
Exit Conference.....	5

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Janet L. Sendelweck Kathleen M. Hopf	01-01-08 to 12-31-10 01-01-11 to 12-31-14
Recorder	Brenda K. Schnarr Rebecca S. Gates	01-01-07 to 12-31-10 01-01-11 to 12-31-14
President of the County Council	Gregory A. Kendall	01-01-10 to 12-31-11
President of the Board of County Commissioners	Randall L. Fleck Lawrence M. Vollmer	01-01-10 to 12-31-10 01-01-11 to 12-31-11



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 DUBOIS COUNTY

We have audited the records of the County Recorder for the period from January 1, 2010 to December 31, 2010, 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(s) and Comment(s). The financial transactions of this office are reflected in the Annual Report of Dubois County for the year 2010.

STATE BOARD OF ACCOUNTS

May 18, 2011

COUNTY RECORDER
DUBOIS COUNTY
AUDIT RESULTS AND COMMENTS

INTERNAL CONTROLS

Controls over the receipting, disbursing, recording, and accounting for the financial activities were insufficient to adequately provide an audit trail. The following exceptions were noted:

1. The Cashbook Report provides MTD and YTD totals of receipts and disbursements. However, no cash balance is reported. The software system provides bank transaction reports that show a computer bank balance; however, this report does not take into account any beginning cash balance from the prior month and therefore does not reflect a true cash balance.
2. Depository reconciliations of the ledger balance to the bank account balance were not performed accurately. Depository reconciliations were attempted each month but there would be a difference between the bank balance and the ledger balance that was not researched, identified, and corrected.
3. Customers are allowed to set up charge accounts. No accounts receivable control exists to verify the total amount owed at any given time. The cashbook report carries a YTD receivable figure that represents all charges made for the current year. However, any payments made against these charges are not reflected in this number. The monthly report of collections shows a receivables collected figure which reports all payments collected on receivables during the current year and a receivables applied figure which reflects all charges made during the current year. Year-end balances are not carried forward to the subsequent year and therefore, an accurate account receivable control balance does not exist.
4. The Recorder sent statements to charge customers in June and December. Due to untimely billing procedures, large accounts receivable balances exist.

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

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 County Recorders, Chapter 9)

At all times, the manual and/or computerized records, subsidiary ledger, 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 County Recorders, Chapter 9)

Governmental units have a responsibility to collect amounts owed to the governmental unit pursuant to procedures authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for County Recorders, Chapter 9)

A similar comment appeared in the prior report.

COUNTY RECORDER
DUBOIS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on May 18, 2011, with Rebecca S. Gates, Recorder. The official concurred with our audit finding.

The contents of this report were discussed on May 18, 2011, with Kathleen M. Hopf, Auditor, and Lawrence M. Vollmer, President of the Board of County Commissioners.