

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

AUDIT REPORT

OF

COUNTY AUDITOR

KNOX COUNTY, INDIANA

January 1, 2010 to December 31, 2010



FILED
08/04/2011

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Sharon K. Duke	01-01-07 to 12-31-14
President of the County Council	Timothy Ellerman Steve Thais	01-01-10 to 12-31-10 01-01-11 to 12-31-11
President of the Board of County Commissioners	James Parish Kevin Meyer	01-01-10 to 12-31-10 01-01-11 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF KNOX COUNTY

We have audited the records of the County Auditor 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 Knox County for the year 2010.

STATE BOARD OF ACCOUNTS

June 29, 2011

COUNTY AUDITOR
KNOX COUNTY
AUDIT RESULT(S) AND COMMENT(S)

CAPITAL ASSETS

Information presented for audit did not indicate a complete inventory or record of capital assets using Form 146. Individual offices submitted their year-end asset inventories, but their beginning balances for the current audit period did not agree to the prior year's ending balances. The County is not maintaining infrastructure records as required.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded on the Capital Assets Ledger Form. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

A similar comment appeared in prior reports.

OVERDRAWN CASH BALANCES

The cash balances of the following funds were overdrawn in 2010:

Unsafe Building	\$ 617
Governor's Task Force – 2008	3,664
Seized Assets	50,777
Big City/Big County Enforcement	882
DUI Task Force Grant – 2011	1,489
Health Immunization	2,224
Juvenile Accountability	59
Fed. Grant	949
Tax Sale Redemption	546
HEA 1001 State Homestead Credit	429

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

A similar comment appeared in prior reports.

COUNTY AUDITOR
KNOX COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 29, 2011, with Kevin Meyer, President of County Commissioners, and Steve M. Thais, President of County Council. The officials concurred with our audit findings.

The contents of this report were discussed on June 29, 2011, with Sharon K. Duke, Auditor. The Official Response has been made a part of this report and may be found on page 6.

KNOX COUNTY AUDITOR

SHARON K. DUKE

COURTHOUSE
111 N. SEVENTH STREET
VINCENNES, IN 47591
(812) 885-2502



June 29, 2011

Mr. Bruce Hartman, State Examiner
State Board of Accounts
302 West Washington St
RM East 418
Indianapolis, IN 46204-2765

Dear Mr. Hartman:

This is in response to your audit report of the Knox County Auditor for the year 2010 as follows:

CASH OVERDRAFT:

The following funds were overdrafts due to the fact that they are reimbursable grants: Juvenile Accountability and Monitoring Grant, Governor's Task Force, Federal Grant and Victim Assistance. The drug seizure and the sewage collection funds are overdrafts that I inherited when I took office in 2007.

Sincerely,

A handwritten signature in dark ink that reads "Sharon K. Duke". The signature is written in a cursive, flowing style.

Sharon K. Duke
Knox County Auditor