

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

AUDIT REPORT

OF

PORTAGE MANOR

ST. JOSEPH COUNTY, INDIANA

January 1, 2010 to December 31, 2010



FILED

08/25/2011

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Administrator	Louann Becker-Pruett	01-01-10 to 12-31-11
President of the County Council	Rafael Morton	01-01-10 to 12-31-11
President of the Board of County Commissioners	Robert Kovach	01-01-10 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF ST. JOSEPH COUNTY

We have audited the records of the Portage Manor 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 and Comment. The financial transactions of this office are reflected in the Annual Report of St. Joseph County for the year 2010.

STATE BOARD OF ACCOUNTS

July 20, 2011

PORTAGE MANOR
ST. JOSEPH COUNTY
AUDIT RESULT AND COMMENT

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the Patient Trust Fund balances to the bank account balances were incorrect. Monthly adjustments are used on the Monthly Balance Patient Trust reconciliation to force the reconciled bank to agree with the Patient Trust balance. For the year 2010, monthly adjustments ranged from (\$7,158.78) to \$54,863.92. A similar comment appeared in the prior audit report, file number B37540.

Interest posted to the individuals' patient trust accounts does not match the interest received from the bank checking account. The amount posted to the individuals' patient trust accounts in 2010 was \$378.59 more than the interest earned on the bank account.

Outstanding checks of \$897.36 are unidentified as to check numbers, dates, and payees. Another \$186.24 is unidentified as to the date of the checks and the payees. One outstanding check for \$10 is listed by check number and payee, but no date. It is difficult to determine if any of these checks should be voided and remitted to the Attorney General's office.

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 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 Counties of Indiana, Chapter 1)

Indiana Code 32-34-1-20 Sec. 20(c) states in part:

"Property that is held, issued, or owed in the ordinary course of a holder's business is presumed abandoned if the owner or apparent owner has not communicated in writing with the holder concerning the property or has not otherwise given an indication of interest in the property during the following times: . . .

- (7) For property held by a state or other government, governmental subdivision or agency, or public corporation or other public authority, one (1) year after the property becomes distributable."

PORTAGE MANOR
ST. JOSEPH COUNTY
EXIT CONFERENCE

The contents of this report were discussed on May 5, 2011, with Louann Becker-Pruett, Administrator, and Karen Bailey, Accounts Payable/Rec. (Patient Trust Bookkeeper).

This report was also discussed on July 20, 2011, with Robert Kovach, President of the Board of County Commissioners, and Rafael Morton, President of the County Council. These officials concurred with our findings.