

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

AUDIT REPORT
OF
COUNTY PARKS AND RECREATION
PORTER COUNTY, INDIANA
January 1, 2010 to December 31, 2010



FILED
10/24/2011

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Interim Superintendent	Mike Howton	01-01-10 to 05-16-10
Superintendent	Walter Lenckos	05-17-10 to 12-31-11
President of the County Council	Daniel Whitten	01-01-10 to 12-31-11
President of the Board of County Commissioners	Robert Harper John Evans	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 PORTER COUNTY

We have audited the records of the County Parks and Recreation 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 Results and Comments. The financial transactions of this office are reflected in the Annual Report of Porter County for the year 2010.

STATE BOARD OF ACCOUNTS

May 16, 2011

COUNTY PARKS AND RECREATION
PORTER COUNTY
AUDIT RESULTS AND COMMENTS

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balance to the bank account balance were not performed for the year 2010.

Indiana Code 5-13-6-1(e) states: "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)

PRESCRIBED FORM

The Ledger of Receipts, Disbursements and Balances (General Form No. 358) was maintained for the months of January through August of 2010, after that a five columnar pad was used to record the transactions of the park department. Also, ledger balances were not maintained on the five-column pad after October 2010.

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)

DEPOSITS

Deposits for the audit period were made anywhere from 4 days to 48 days after the monies were received.

Indiana Code 5-13-6-1(c) states in part: ". . . all local officers . . . who collect public funds of their respective political subdivisions shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the . . . local boards of finance. . . ."

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

INTERNAL CONTROLS – DEPOSIT TICKETS

The Parks and Recreation Department does not use duplicate deposit tickets when depositing park funds. There were several months that the optical image of the deposit ticket was not included in the bank statement. A verification of deposits made intact could not be performed.

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 Counties of Indiana, Chapter 1)

NONUSE OF TICKET STUBS AND TICKET SALES REPORT (FORM SA-4)

Each year the Parks and Recreation Department has two events, "Spring Out to Sunset" and "Winter Lights." Both of these events charge \$5 per car. Neither ticket stubs nor a Ticket Sales Report (Form SA-4) is used to account for the monies collected for these events. Money is turned into the Parks and Recreation Department and a receipt is written; however, there is no accountability to the accuracy of the amount turned in.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

REPORT OF COLLECTIONS

The Parks and Recreation Department's collections are to be remitted monthly to the County Auditor. In 2010, the Report of Collections did not include \$4,193.51. We instructed officials to remit this amount to the County Auditor's office.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

COUNTY PARKS AND RECREATION
PORTER COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 8, 2011, with Walter Lenckos, Superintendent, and Shirley Massey, Secretary. The officials concurred with our audit findings.