

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

AUDIT REPORT  
OF  
COUNTY HIGHWAY DEPARTMENT  
LAKE COUNTY, INDIANA  
January 1, 2010 to December 31, 2010



**FILED**  
11/01/2011



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Superintendent of the Highway Department	Marcus W. Malczewski	01-01-10 to 12-31-11
President of the County Council	Thomas O'Donnell Ted Bilski	01-01-10 to 12-31-10 01-01-11 to 12-31-11
President of the Board of County Commissioners	Frances DuPey Roosevelt Allen, Jr.	01-01-10 to 12-31-10 01-01-11 to 12-31-11



**STATE OF INDIANA**  
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TO: THE OFFICIALS OF LAKE COUNTY

We have audited the records of the County Highway Department 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 Lake County for the year 2010.

STATE BOARD OF ACCOUNTS

July 27, 2011

COUNTY HIGHWAY DEPARTMENT  
LAKE COUNTY  
AUDIT RESULT AND COMMENT

***RECEIPT ISSUANCE - HIGHWAY DEPARTMENT***

The Highway Department collects money for reimbursement for road chips and salt, and sale of scrap metals. The Highway Department does not issue a receipt for these collections. The collections are remitted to the County Auditor for deposit into the Highway Fund. The Highway Department maintains a copy of the checks and the receipt issued from the County Auditor's office to document the collection.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

COUNTY HIGHWAY DEPARTMENT  
LAKE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on July 27, 2011, with Marcus W. Malczewski, Superintendent of the Highway Department; Jill A. Stochel, Assistant Superintendent of the Highway Department; and Jason Woolwine, Accountant. The Official Response has been made a part of this report and may be found on page 6.



# Lake County Highway Department

Marcus W. Malczewski  
Superintendent



1100 E. Monitor Street  
Crown Point, Indiana 46307  
Phones: 219-663-0525  
219-374-5608  
Fax: 219-662-0497

August 23, 2011

Indiana State Board of Accounts  
Attention State Examiner Mr. Bruce Hartman, CPA  
302 W. Washington Street Room E418  
Indianapolis, IN 46024-2765

In re: 2010 State Board of Accounts Audit for the Lake County Highway Department

Dear Mr. Harman

The Lake County Highway Department would like to respond to the 2010 Audit Results and Comments. Please find enclosed a copy of the "Lake County Highway Department Audit Results and Comments".

As suggested by the State Board of Accounts, we have picked up a receipt book from the Lake County Auditor Office. Furthermore, we will return said receipt book to the Auditor at the close of each year as directed.

We were unaware that a receipt must be generated from this department. We receive a very small number of checks of any nature directly to this department. Of the checks received, we remit within twenty-four (24) hours to the Auditor with copies of any correspondence related to the check and receive a proof of receipt and a quietis from the Auditor as well.

We take great pride in maintaining excellent records and bookkeeping for our Department. We immediately implemented the procedure in issuing receipts for any check received by this department as directed by State Board of Accounts.

Respectfully,

A handwritten signature in black ink, appearing to read "M. Malczewski".

Marcus W. Malczewski, Superintendent

A handwritten signature in black ink, appearing to read "Jill A. Stochel".

Jill A. Stochel, Assistant Superintendent

c: Terrence Bronowski, CPA