

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

EXAMINATION REPORT
OF
COUNTY TREASURER
SULLIVAN COUNTY, INDIANA
January 1, 2010 to December 31, 2010



FILED
11/03/2011

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Beth E. Swalls	01-01-10 to 12-31-12
President of the County Council	Duane Wampler	01-01-10 to 12-31-11
President of the Board of County Commissioners	John R. McCammon, Sr. Tim Abrams	01-01-10 to 12-31-10 01-01-11 to 12-31-11



STATE OF INDIANA
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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 SULLIVAN COUNTY

We have examined the records of the County Treasurer 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 Examination Result and Comment. The financial transactions of this office are reflected in the Annual Report of Sullivan County for the year 2010.

STATE BOARD OF ACCOUNTS

September 21, 2011

COUNTY TREASURER
SULLIVAN COUNTY
EXAMINATION RESULT AND COMMENT

ACCOUNTING RECORDS

Depository reconciliations of the fund balances to the bank accounts balances were incorrect for December 31, 2010. The County Treasurer reconciled to a balance that did not agree with the County Auditor's funds ledger or the County Treasurer's electronic ledger. Posting errors in the amount of \$31,082 identified at December 31, 2009, remained uncorrected at December 31, 2010. The County Treasurer's Monthly Financial Reports, Form 47TR were not properly completed as they did not identify these reconciling items. Also, the reconciling amounts reported for outstanding warrants and deposits in transit were incorrect as they netted the amount of outstanding warrants and deposits in transit with other reconciling items.

At all times, the manual and 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 County Treasurers of Indiana, Chapter 10)

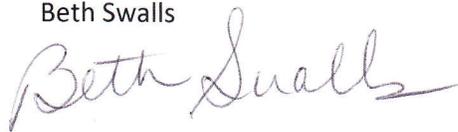
COUNTY TREASURER
SULLIVAN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 21, 2011, with Beth E. Swalls, Treasurer. The Official Response has been made a part of this report and may be found on page 6.

It is clearly a mistake made that the same total on 12/31/2009 was not correctly corrected by 12/31/2010. It was corrected wrong and then re-corrected the wrong way again. My dad had cancer and was in the last stages of the disease, so therefore, my mother was not able to work many hours, which left me trying to keep up on both jobs, until she was allowed to go on family medical leave, which allowed us to hire a part time person in her place; however, until I was able to train a new chief deputy, I was still trying to keep up on both positions. The cash book and the excel funds ledger was done by me, because of the absence of my 1st deputy, so when I corrected it wrong on one, I corrected it wrong on the other and when I re-corrected it on one, I re-corrected it wrong on the other. I was not able to completely keep up on the report that would have showed me that I had corrected it wrong. I have no excuse/I was able to keep up with the other reports, but this was one that slipped my mind, and should have been, but had nothing to do with the amount of money in and out of the bank. I would have you to know that our report between the cash book and the excel sheet report is current up to the last day of September, 2011. I was extremely overwhelmed by my father's cancer-as a treasurer I was trying to keep things running smoothly here in our office and as a daughter, trying to keep things pulled together for my family during the time of cancer and during the time of his death. Again, I can say this will not happen again if I can possibly do anything at all to prevent it.

The other item on here should not be on here as far as I am concerned. For the last 9 years, I have filled out this form, at the end of every month, with these totals off of our cash book and bank statement reconciliation excel work sheets, and I have never been informed from our audits that I needed to do it in any other fashion. When I asked where these other totals were to be posted on this report in question, she didn't know for sure. I am always willing to listen and change if needed to, according to the state, but I have to be instructed as to how and where to put the different totals that I have been instructed to change. I am going to contact other treasurers, who uses the Low System and inquire how they fill out this report. I need to compare where other treasurers put the amounts in question on this report. If they have changed the totals they put on the report, then I will definitely be willing to change the lines in which I fill out with certain numbers. I am not stating that I will continue to do it this way, since I was advised that I was doing it wrong, but I am saying that I need clearer directions on where each total goes on this report, so therefore, this week is devoted to finding out, so I can change the way in which I have been filling 2 lines out on the 47TR form.

Beth Swalls



Sullivan County Treasurer

9/28/2011
(812) 268-6410