

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

EXAMINATION REPORT
OF
COUNTY AUDITOR
JACKSON COUNTY, INDIANA
January 1, 2010 to December 31, 2010



FILED
12/07/2011

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Debra F. Eggeman	01-01-09 to 12-31-12
President of the Board of County Commissioners	Monte Striegel Jerry Hounshel	01-01-10 to 12-31-10 01-01-11 to 12-31-11
President of the County Council	Andrew Fountain Charles S. Murphy	01-01-10 to 12-31-10 01-01-11 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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 JACKSON COUNTY

We have examined 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 Examination Results and Comments. The financial transactions of this office are reflected in the Examination Report of Jackson County for the year 2010.

STATE BOARD OF ACCOUNTS

November 2, 2011

COUNTY AUDITOR
JACKSON COUNTY
EXAMINATION RESULTS AND COMMENTS

ANNUAL FINANCIAL REPORT

The records of the County were reconciled to the depository balances; however, the electronic Annual Report prepared for 2010 did not contain all of the outside departments of the County. Therefore, the electronic Annual Report submitted did not accurately reflect all of the financial activity of the County for 2010. Adjustments were made during the examination to appropriately present all financial activity on the County's financial statement.

Indiana Code 5-11-1-4 states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be filed electronically, in a manner prescribed by the state examiner that is compatible with the technology employed by the political subdivision."

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 County Auditors of Indiana, Chapter 14)

CAPITAL ASSET RECORDS

As stated in the prior audit, information presented for examination did not indicate an inventory of capital assets had been taken and no detailed listing of capital assets was provided.

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 applicable 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)

COUNTY AUDITOR
 JACKSON COUNTY
 EXAMINATION RESULTS AND COMMENTS
 (Continued)

OVERDRAWN FUND BALANCES

The following funds were overdrawn as of December 31, 2010:

Fund	2010
Community Corrections Grant	\$ 1
Community Corrections	3,093
Prosecutors Victim Assistance	2,553
Medora Covered Bridge	12,771
Community Correction Juvenile	15,544
Libraries	51,560
Library Debt	4,350
Capital Improvement Bond	258,882
HEA 1001-2008 State Homestead Credit	1,844
FICA And Medicare Withholding	538
Garnishment Withholding	13,072

The 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)

COUNTY AUDITOR
JACKSON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on November 2, 2011, with Jerry Hounshel, President of the Board of County Commissioners; Charles S. Murphy, President of County Council; and Debra F. Eggeman, Auditor. The officials concurred with our audit findings.