

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

EXAMINATION REPORT  
OF  
CLARK-FLOYD COUNTIES CONVENTION  
AND TOURISM BUREAU  
CLARK COUNTY, INDIANA

January 1, 2008 to December 31, 2010



**FILED**  
12/08/2011



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	James Keith	01-01-08 to 12-31-11
Treasurer	William Stewart	01-01-08 to 12-31-08
	Nancy Kraft	01-01-09 to 12-31-10
	Carl Holliday	01-01-11 to 12-31-11
President of the Board	James Becker	01-01-08 to 12-31-08
	Carlene Bottorff	01-01-09 to 12-31-09
	Carl Holliday	01-01-10 to 12-31-10
	Janet Huff	01-01-11 to 12-31-11



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CLARK-FLOYD COUNTIES CONVENTION  
AND TOURISM BUREAU, CLARK COUNTY, INDIANA

We have examined the financial information of the Clark-Floyd Counties Convention and Tourism Bureau (Tourism Bureau), for the period of January 1, 2008 to December 31, 2010. The Tourism Bureau's management is responsible for the financial information. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

The Tourism Bureau did not present financial statements and notes for the years ended December 31, 2008, 2009, and 2010, in accordance with reporting requirements established by the State Board of Accounts. Presentation of such statements and notes summarizing the Tourism Bureau's financial position and the results of its operations is required by state statute (IC 5-11-1-6).

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial information referred to above does not present fairly, in all material respects, the financial position and results of operations of the Tourism Bureau for the years ended December 31, 2008, 2009, and 2010.

The Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the financial information. It has not been subjected to the examination procedures applied to the financial information and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Tourism Bureau's management, Board of Managers, and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

November 1, 2011

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## FINANCIAL INFORMATION

The financial information was approved by management of the Tourism Bureau. The financial information is presented as intended by the Tourism Bureau.

CLARK-FLOYD COUNTIES CONVENTION AND TOURISM BUREAU  
SCHEDULE OF CASH AND INVESTMENT BALANCE  
As Of December 31, 2010

Cash and Investments	<u>\$ 1,687,485</u>
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SUPPLEMENTARY INFORMATION – UNAUDITED

The Tourism Bureau did not file Annual Reports for the years 2008, 2009, and 2010, thus the Tourism Bureau's Annual Reports will not be found on the Indiana Transparency Portal website: [www.in.gov/itp/annual\\_reports/](http://www.in.gov/itp/annual_reports/).

The supplementary information presented was prepared and/or approved by management of the Tourism Bureau. It is presented as intended by the Tourism Bureau.

CLARK-FLOYD COUNTIES CONVENTION AND TOURISM BUREAU  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 Decemeber 31, 2010

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Revenue bonds:		
2002 Town of Clarksville	\$ 133,768	\$ 72,794
2003 City of Jeffersonville	115,739	42,762
2003 City of New Albany	160,254	59,208
2008 Town of Clarksville	168,510	26,959
2009 City of New Albany	<u>369,401</u>	<u>53,919</u>
Total debt	<u>\$ 947,672</u>	<u>\$ 255,642</u>

CLARK-FLOYD COUNTIES CONVENTION AND TOURISM BUREAU  
EXAMINATION RESULTS AND COMMENTS

**FINANCIAL REPORT OPINION MODIFICATION**

The Tourism Bureau did not prepare financial statements (See Examination Result and Comment titled "Annual Reports Not Filed"). Therefore, the State Board of Accounts was unable to provide an unqualified opinion on the Independent Accountant's Report for the financial statements.

Accounting records and other public records must be maintained in a manner that will support accurate financial statements. Anything other than an unqualified opinion on the Independent Accountant's Report on the financial statements may have adverse financial consequences with the possibility of an increase in interest rate cost to the taxpayers of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

**ANNUAL REPORTS NOT FILED**

The annual financial reports, Special District Annual Report (SDAR), for the years 2008, 2009, and 2010 were not filed with the Indiana State Board of Accounts.

Indiana Code 5-11-1-4 states in part:

"The state examiner shall require from every . . . local governmental unit . . . financial reports covering the full period of each fiscal year. These reports shall be . . . 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 . . ."

A similar comment was included in prior Reports B28270 and B34039.

**SUBSIDIARY LEDGER FOR PAYROLL FUNDS**

The Payroll Fund is used as a clearing account to account for the transfer of gross payroll from the Operating Account and the payment of net payroll and various payroll withholdings. No subsidiary payroll ledger or other record was maintained identifying the amounts owed to or held in behalf of other agencies or entities. The Payroll Fund had an unidentified cash balance in the amount \$45,549 at December 31, 2010.

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 Cities and Towns, Chapter 10)

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 Special Districts, Chapter 10)

A similar comment was included in prior Report B34039.

CLARK-FLOYD COUNTIES CONVENTION AND TOURISM BUREAU  
EXIT CONFERENCE

The contents of this report were discussed on November 1, 2011, with James Keith, Executive Director; Janet Huff, President of the Board; James Becker, Board member, Carlene Bottorff, Board member; Rita Marking, Administrative Assistant; and Jack Vissing, Attorney. The Official Response has been made a part of this report and may be found on pages 11 and 12.

**VISSING, GRANNAN & ELSTON, LLC**

Attorneys at Law

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November 2, 2011

Ron Robertson  
Indiana State Board of Accounts  
302 W. Washington Street, Room E418  
Indianapolis, IN 46204

Re: Clark & Floyd Counties Convention & Tourism Bureau  
Response to Exit Conference

Dear Ron:

Your agent, Chris, did a fine job. He is a fine young man and very polite and was gracious to work with. It was a relief to know that there was nothing wrong with the books of the Convention & Tourism Bureau and that all monies are appropriately accounted for.

There are a couple of points we need to respond to. Reading his report, we understand that the annual financial reports for 2008, 2009 and 2010 were actually prepared by the State Board of Accounts and show no irregularities. From here on, we will be filing them electronically. That is a little different version.

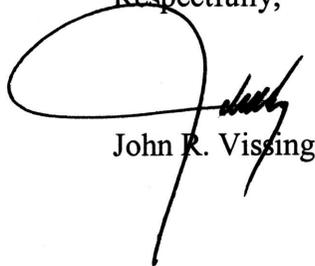
The Gateway version is not yet completed and we will certainly be willing to ask for a little assistance and training about how to use that since it is designed by the local government Finance Board for review of budgets that are geared around tax levies of property tax and not about special funds management such as us where we have a room tax which has no particular way to predict other than historically.

The conversion from paper to electronics is something that I suspect is the world we live in and we will be grateful for any help you can give us in making that conversion.

You have received all of the cooperation that you have suggested or needed. We have had all of the funds accounted for to you and prior to this audit, all of the final annual accountings were done by your office at the conclusion of the reports and their examination of our books.

Once again, thank you. It is good to know that no funds were misused and that all monies were accounted for.

Respectfully,

A handwritten signature in black ink, appearing to read 'John R. Vissing', written over the printed name.

John R. Vissing

JRV/lkh  
cc: Jim Keith

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RECEIVED  
NOV 02 2011  
STATE BOARD OF ACCOUNTS  
John R. Vissing