

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

AUDIT REPORT
OF

CITY COURT
CITY OF CROWN POINT
LAKE COUNTY, INDIANA

January 1, 2011 to December 31, 2011



FILED
06/22/2012

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SCHEDULE OF OFFICIALS

Office

Official

Term

City Judge

Kent A. Jeffirs

01-01-08 to 12-31-15



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE CITY COURT, CITY OF CROWN POINT

We have audited the records of the Crown Point City Court for the period from January 1, 2011 to December 31, 2011, 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 the City of Crown Point for the year 2011.

STATE BOARD OF ACCOUNTS

May 3, 2012

CITY COURT
CITY OF CROWN POINT
AUDIT RESULTS AND COMMENTS

CONDITION OF RECORDS

Record balances were not reconciled to depository balances. At December 31, 2011, the adjusted bank balance was \$7,368.15 in excess of the balance in the Court monthly balance record. The bank has not reconciled to the ledger since 2007, when the City Court began using a new computer system.

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."

REMITTANCES

The City Court collects various fees that are to be remitted to the Lake County Auditor and the City of Crown Point Clerk-Treasurer on a monthly basis. However, fees were remitted up to 59 days after receipt. A similar comment appeared in the prior report.

All State Fines and Forfeitures, Infraction Judgments, Overweight Vehicle Fines, State User Fees, Special Death Benefit Fees, Marijuana Eradication Fees, and Jury Fees are to be sent to the county auditor by the court on a monthly basis. (Accounting and Uniform Compliance Guidelines Manual for City and Town Courts, Chapter 1)

The county's and city's/town's share of court costs, any city/town fines, document fees, administrative fees, facsimile fees, document storage fees, late payment fees, probation fees, credit card service fees, user fees or other items shall be remitted to the city/town fiscal officer on a monthly basis. (Accounting and Uniform Compliance Guidelines Manual for City and Town Courts, Chapter 1)

OLD OUTSTANDING CHECKS

The bank reconciliation at December 31, 2011 included checks totaling \$2,810.08 as outstanding in excess of two years. This total includes \$1,729.62 in outstanding checks dated 2004 to 2006 that are over five years old. The officials have not reported these items to the Indiana Attorney General.

CITY COURT
CITY OF CROWN POINT
AUDIT RESULTS AND COMMENTS
(Continued)

In order to eliminate old outstanding checks from the records, the Court should perform the following:

1. Issue a formal stop payment order to the bank upon which each check is drawn.
2. Enter the amount of each check as a receipt in the cash book. Post the respective amounts to the trust column of the cash book and enter each amount in the name of the payee in the register of trust funds.
3. Since the checks have never cleared the bank, the amount is still on deposit. Therefore, when all such checks are charged to the records and reinstated in the trust register, the original check number will be eliminated as outstanding in the next reconciliation with the bank.
4. If, at the time such checks are restored to the records, the original dates indicate the checks have been outstanding for five or more years, they should be paid over to the Attorney General immediately. The original date should be shown in the register of trust funds. If the checks are not five years old they should be held until the five year period has elapsed.

The entry in the cash book should be:

"Old Outstanding Check No. issued Date, to (Name)," and extend the amounts to the total and trust fund columns.

Since outstanding checks of the court are not included within the meaning of IC 5-11-10.5, city and town courts are to follow the preceding steps in handling old outstanding checks.

City and town courts are required to report these items to the Attorney General annually online. For information on reporting online, contact the Attorney General's office at upholder@indianaunclaimed.com or 1-800-447-5598. (Accounting and Uniform Compliance Guidelines Manual for City and Town Courts, Chapter 4)

CITY COURT
CITY OF CROWN POINT
EXIT CONFERENCE

The contents of this report were discussed on May 3, 2012, with Kent A. Jeffirs, City Judge, and Sally Baran and Lori Mauk, City Court Clerks.