

B40603

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

REVIEW REPORT

OF

INDIANA GAMING COMMISSION

February 1, 2007 to March 31, 2012



FILED
07/20/2012

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AGENCY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	Ernest Yelton	01-17-05 to 01-13-13
Chairman	William Barrett Timothy Murphy	07-18-06 to 12-31-08 01-01-09 to 08-31-13



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE INDIANA GAMING COMMISSION

We have reviewed the activities related to the receipts, disbursements, and assets of the Indiana Gaming Commission for the period of February 1, 2007 to March 31, 2012. Indiana Gaming Commission's management is responsible for the receipts, disbursements, and assets.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the receipts, disbursements, and assets. Accordingly, we do not express such an opinion.

Financial transactions of this office are included in the scope of our audits of the State of Indiana as reflected in the Indiana Comprehensive Annual Financial Reports. Federal programs are included in the scope of our statewide single audits as reflected in the Statewide Single Audit Reports.

Based on our review, nothing came to our attention that caused us to believe that the activities related to the receipts, disbursements, and assets of the Indiana Gaming Commission are not in all material respects in conformity with the criteria set forth in the Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, and applicable laws and regulations, except as stated in the review comments.

This report is intended solely for the information and use of the Indiana Gaming Commission's management and others within the entity, 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 reviewed.

STATE BOARD OF ACCOUNTS

April 26, 2012

INDIANA GAMING COMMISSION
REVIEW COMMENTS
MARCH 31, 2012

SPECIAL DISBURSEMENT OFFICER ACCOUNT

Amount Advanced

The Indiana Gaming Commission's SDO advance reconciliation contains 21 checks that have not been reimbursed as of February 29, 2012. The dates of the 21 checks range from December 20, 2006 to December 22, 2011. The total amount of the unreimbursed checks is \$4,059.30, which indicates that the size of the \$12,500 SDO advance is too large for the Commission.

Whenever a SDO fund is established, money is removed from a Treasurer of State bank account, thus, not being invested. Therefore, consideration should be given to the size of the SDO fund. If an agency is not using the total SDO advance within one or two months, the SDO advance is too large and should be reduced. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, 6.4.10.6)

Outstanding Checks

The Indiana Gaming Commission's SDO bank account reconciliation as of February 29, 2012, contains five outstanding checks which have been outstanding for over two years.

Indiana Code 32-34-1-20, 32-34-1-26, and 32-34-1-27 provide that checks which have been issued and are outstanding for one year after they were written are presumed to be abandoned and are to be remitted to the Attorney General's Office as unclaimed property.

CAPITAL ASSET RECORDS

The Indiana Gaming Commission does not properly report its capital assets within the State's ENCOMPASS financial system. Our testing determined that capital asset deletions were incorrectly reported within the asset module of ENCOMPASS. Specifically, the Commission disposed of six vehicles in 2008 and 2009 and did not record them as disposed in ENCOMPASS until April 11, 2012.

Controls should be in effect to assure that additions, disposals, and transfers to other departments or agencies are recorded timely. Inventories of these assets should be performed each year in each department and compared to the ENCOMPASS listing. Results of inventories should be retained for audit purposes. (Accounting and Uniform Compliance Guidelines Compliance Manual for State and Quasi Agencies, 8.3)

INDIANA GAMING COMMISSION
EXIT CONFERENCE

The contents of this report were discussed on June 28, 2012, with Ernest Yelton, Executive Director; Jennifer Reske, Deputy Director; and Kendra Nigg, Controller. The officials concurred with our findings.