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

REVIEW REPORT

OF

INDIANA HISTORICAL BUREAU

March 1, 2010 to March 31, 2012

FILED
07/24/2012

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AGENCY OFFICIAL

Office	Official	Term
Executive Director	Pam Bennett	03-01-10 to 06-30-13

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE INDIANA HISTORICAL BUREAU

We have reviewed the activities related to the receipts, disbursements, and assets of the Indiana Historical Bureau for the period of March 1, 2010 to March 31, 2012. The Indiana Historical Bureau'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 Historical Bureau are not in all material respects in conformity with the criteria set forth in the Accounting and Uniform Compliance Guidelines Manual for State Agencies, and applicable laws and regulations, except as stated in the review comments.

The Indiana Historical Bureau's response to the Review Results and Comments identified in our review is described in the accompanying section of the report entitled Official Response. We did not examine the Indiana Historical Bureau's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Indiana Historical Bureau's management, 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

June 11, 2012

INDIANA HISTORICAL BUREAU
REVIEW RESULTS AND COMMENT
MARCH 31, 2012

CAPITAL ASSETS

During our review of the Historical Bureau, we found that the capital asset inventory in Encompass is incomplete.

For accountability and safeguarding of assets, business units are responsible for maintaining all assets costing $500 or more in Encompass Asset Management Module. (State of Indiana Capital Asset Policy, section 2)

SDO ADVANCE

During our review of the Historical Bureau we found that the SDO Fund had no activity other than maintaining a $100 petty cash fund.

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 Compliance Guidelines Manual for State and Quasi Agencies, 6.4.10.6)

INDIANA HISTORICAL BUREAU
EXIT CONFERENCE

The contents of this report were discussed on June 27, 2012, with Pam Bennett, Executive Director. The Official Response has been made a part of this report and may be found on page 6.

STATE OF INDIANA
Mitchell E. Daniels, Jr., Governor

Pamela J. Bennett, Director
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July 6, 2012

To: Bruce Hartman, State Examiner
State Board of Accounts

From: Pamela J. Bennett, Director

Pamela J. Bennett

RE: Official Response to Review Results and Comment, March 31, 2012

CAPITAL ASSETS

In May and June 2009, it was determined that our collection of historical markers throughout the state (some dating back to 1946) should be considered as assets. New markers purchased since that time have been entered as assets in ENCOMPASS.

IHB has placed over 500 markers throughout the state since 1946. Starting in 2008, we began a survey of markers throughout the state to determine physical condition in order to gain control over the markers in the field. The survey is continuing with the help of volunteers throughout the state. As a part of the survey, we are determining which markers are missing. Over the next two years, we will be adding standing markers as assets in ENCOMPASS when we know the original cost of the markers.

After a quick review of records, markers installed before roughly 1990 appear to have been under $500 and would not qualify as assets. We have purchase information in administrative files for newer markers. We will have those markers in the asset database by the next review in 2 years.

SDO ADVANCE

LPN #3414 – 6000/113200 – balance $1,000 – established 1979; remains open because of the need to have petty cash for our Book Shop in our office in the State Library, room 130.

We still need to keep $100 for petty cash in our shop cash register. The balance in this account has remained at $900 until this time.

We inquired at Chase Bank last week regarding the minimum balance that must remain in the account to maintain the account. After that information has been received, we will reduce the balance in the account. We are waiting for a response from Chase Bank.