

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

AUDIT REPORT
OF
COUNTY AUDITOR
MONROE COUNTY, INDIANA
January 1, 2011 to December 31, 2011



FILED
07/31/2012

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Amy Gerstman	01-01-09 to 12-31-12
President of the County Council	Julie Thomas Victor Kelson Geoff McKim	01-01-11 to 12-31-11 01-01-12 to 03-12-12 03-13-12 to 12-31-12
President of the Board of County Commissioners	Patrick Stoffers Mark Stoops	01-01-11 to 03-23-12 03-24-12 to 12-31-12



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 MONROE COUNTY

We have audited the records of the County Auditor 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 Financial Statement and Federal Single Audit Report of Monroe County for the year 2011.

STATE BOARD OF ACCOUNTS

May 16, 2012

COUNTY AUDITOR
MONROE COUNTY
AUDIT RESULTS AND COMMENTS

INTERNAL CONTROLS OVER CREDIT CARDS

Controls over the use of credit cards were insufficient. Personal expenses, penalties and interest were being charged to county credit cards used by the County Auditor and Human Resource Director. Credit card balances were not being paid monthly. Adequate support documentation was not attached to the claims for payment.

Review of county credit card payments did not show the county had paid for any of the personal expenses, penalties or interest.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for County Auditor's, Chapter 1)

INTERNAL CONTROLS OVER FEDERAL FINANCIAL REPORTING

Controls over the receipting, disbursing, recording, and accounting for the financial activities were insufficient to prepare the federal Schedule of Expenditures of Federal Awards. Grant information presented on the Gateway system did not contain all the grants and information needed to complete the schedule. Considerable time was spent obtaining the CFDA numbers, the grant ID numbers and the grant receipts in order to compile the Schedule of Expenditures of Federal Awards.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for County Auditor's, Chapter 1)

COUNTY AUDITOR
MONROE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 14, 2012, with Amy Gerstman, Auditor; Steve Saulter, County Financial Director; Therese K. Chambers, Chief Deputy Auditor; Mark Stoops, President of the Board of County Commissioners; Iris F. Kiesling, Vice President of the Board of County Commissioners; Patrick Stoffers, County Commissioner; Geoff McKim, President of the County Council; Marty Hawk, County Council; Julie Thomas, County Council; David Schilling, Administrative Attorney; R. Michael Flory, Attorney County Council; Kevin W. Dogan, County Attorney; and Jason Carnes, Commissioners' Administrator. The officials concurred with our audit finding.