

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

AUDIT REPORT

OF

COUNTY AUDITOR

HENRY COUNTY, INDIANA

January 1, 2011 to December 31, 2011



**FILED**  
08/20/2012



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Patricia A. French	01-01-11 to 12-31-14
President of the County Council	Nate LaMar	01-01-11 to 12-31-12
President of the Board of County Commissioners	Kim L. Cronk	01-01-11 to 12-31-12



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF HENRY COUNTY, INDIANA

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 Result and Comment. The financial transactions of this office are reflected in the Annual Report of Henry County for the year 2011.

STATE BOARD OF ACCOUNTS

May 1, 2012

COUNTY AUDITOR  
HENRY COUNTY  
AUDIT RESULT AND COMMENT

***RECONCILIATION OF SUBSIDIARY LEDGERS***

There were posting errors in both the Tax Sale Surplus and the Tax Sale Redemption Funds. The posting errors were not found and corrected causing the balances in these funds to not agree with the control accounts in the auditor's ledger. The tax sale surplus fund had items in the amount of \$1,348.34 that were transferred to the general fund twice. In addition, there has been a \$156.93 difference between the tax sale surplus subsidiary ledger and the control account. The redemption fund errors included amounts from the Commissioners Tax Sale that were posted to the redemption fund. Entries were made in an attempt to correct the amounts that should not have been posted to the redemption fund, however, these entries did not agree with the posting errors that were made.

At all times, the manual and 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 Counties, Chapter 14)

COUNTY AUDITOR  
HENRY COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on May 1, 2012, with Patricia A. French, Auditor; Cheryl Scales, Deputy Auditor, Richard Bouslog, member of the County Council; and Kim L. Cronk, President of the Board of County Commissioners. The Official Response has been made a part of this report and may be found on page 6.

**PATRICIA A. FRENCH**

Henry County Auditor  
101 South Main Street  
New Castle IN 47362  
(765) 529-2800

Indiana State Board of Accounts  
% Mr. Bill Vinson  
101 South Main Street  
New Castle IN 47362

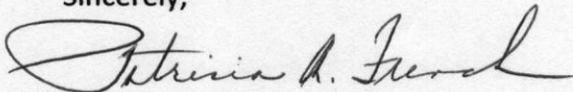
May 25, 2012

Re: Response to Audit Findings

Dear Mr. Vinson,

I am responding to the Indiana State Board of Accounts audit findings of a 2010 posting errors in both the Tax Sale Surplus and the Tax Sale Redemption Funds in the amount of \$1,348.34 which was transferred to the general fund twice causing the balances in these funds to not agree with the control accounts in the auditor's ledger. In addition, a \$156.93 difference between the tax sale surplus subsidiary ledger and the control account was found which occurred before 2006. The redemption fund error included amounts from the Commissioner's Tax Sale that were posted to the redemption fund. Therefore, the County General Fund will at the end of this year from the Tax Sale Surplus Fund make an adjustment to correct these overpayments and posting errors so our records agree and will be in balance.

Sincerely,



Patricia A. French  
Henry County Auditor