

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

AUDIT REPORT  
OF  
BOARD OF COUNTY COMMISSIONERS  
SCOTT COUNTY, INDIANA  
January 1, 2011 to December 31, 2011



**FILED**  
09/06/2012



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of the County Council	Mike Zollman	01-01-11 to 12-31-11
	Kelley Robbins	01-01-12 to 12-31-12
President of the Board of County Commissioners	Larry Blevins	01-01-11 to 12-31-11
	Mark Hays	01-01-12 to 12-31-12



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF SCOTT COUNTY

We have audited the records of the Board of County Commissioners 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 Scott County for the year 2011.

STATE BOARD OF ACCOUNTS

August 7, 2012

BOARD OF COUNTY COMMISSIONERS  
SCOTT COUNTY  
AUDIT RESULTS AND COMMENTS

**BOARD MINUTES**

Minutes of meetings held by the Board of County Commissioners were not properly maintained. Minutes of the meetings held by the Board of County Commissioners as required by Indiana Code 5-14-1.5-4(b) for the year 2011 through May 2012 were not presented for audit.

Indiana Code 5-14-1.5-4(b) states:

"As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under IC 5-1.5-2-2.5."

Indiana Code 5-14-1.5-4(c) states: "The memoranda are to be available within a reasonable period of time after the meeting for the purpose of informing the public of the governing body's proceedings. The minutes, if any, are to be open for public inspection and copying."

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 Counties of Indiana, Chapter 1)

**FINANCIAL REPORT OPINION MODIFICATIONS**

As a result of problems with the records maintained by the County, the State Board of Accounts was unable to provide an unqualified opinion on the Independent Auditor's Report for the financial statements. The following problem was identified with the records maintained by the County which lead to the opinion modification:

Minutes of actions taken by the Board of County Commissioners were not available for audit. As a result of not having minutes, information was not available to identify actions taken by the Board that may have financial implications to the County thus preventing the ability to properly plan and audit the financial activity of the County. In addition, it could not be determined if financial statement disclosure of any activity affecting the financial activity subsequent to the date of the financial statement was required.

Accounting records and other public records must be maintained in a manner that will support accurate financial statements. Anything other than an unqualified opinion on the Independent Auditors' Report on the financial statements may have adverse financial consequences with the possibility of an increase in interest rate cost to the taxpayers of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

BOARD OF COUNTY COMMISSIONERS  
SCOTT COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on August 7, 2012, with Mark Hays, President of the Board of County Commissioners and Kelley Robbins, President of the County Council. The officials concurred with our audit findings.