

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

AUDIT REPORT

OF

COUNTY FAIR BOARD

DELAWARE COUNTY, INDIANA

January 1, 2011 to December 31, 2011



FILED
09/10/2012

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of the Fair Board	Jane Lasater James Mansfield	01-01-11 to 12-31-11 01-01-12 to 12-31-12
Treasurer of the Fair Board	John Dorer	01-01-11 to 12-31-12
President of the County Council	James King	01-01-11 to 12-31-12
President of the Board of County Commissioners	Todd Donati	01-01-11 to 12-31-12



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF DELAWARE COUNTY, INDIANA

We have audited the records of the County Fair Board 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 Delaware County for the year 2011.

STATE BOARD OF ACCOUNTS

August 8, 2011

COUNTY FAIR BOARD
DELAWARE COUNTY
AUDIT RESULTS AND COMMENTS

FEES

Fees were collected for building and facility rentals at the fairgrounds. These fees were not approved by the County Commissioners.

Fees should only be collected as specifically authorized by statute or properly authorized resolutions or ordinances, as applicable, which are not contrary to statutory or Constitutional provisions. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

INTERNAL CONTROLS

Controls over the receipting, disbursing, recording, and accounting for the financial activities of the Delaware County Fairgrounds were insufficient. Money is collected by a person who is not an employee of the county and is not covered under the county's insurance policy. No additional bonds were obtained.

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, Chapter 1)

RECEIPT ISSUANCE

In some instances, receipts were not issued or recorded. No receipts were written for collections for parking, grandstand admissions, pit passes, scooter rentals, midway collections, and ice sales.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

CASH DISBURSEMENTS

Disbursements were not always made by check. More than \$39,000 in cash was paid for insurance, announcers, vendors, and prizes for grand stand events at the Delaware County Fair. These items were paid from the proceeds of the ticket sales for the grandstand.

Disbursements, other than proper petty cash disbursements, shall be by check or warrant, not by cash or other methods unless specifically authorized by statute, federal or state rule. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

COUNTY FAIR BOARD
DELAWARE COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

CONTRACTS

Payments totaling \$84,214 were made to the Delaware County Exposition Center, Inc., for the reimbursement of salaries, benefits and contract labor in 2011 without a contract. Payments totaling \$4,200 were made to Clevenger Accounting for accounting services in 2011 without a contract.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

SUPPORTING DOCUMENTATION

Several payments were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records. Payments were made to the Delaware County Exposition Center, Inc., to reimburse them for fair queen expenses, security expenses and other fair related expenditures without adequate documentation. In some cases the only documentation was the check written by the Exposition Center. Due to the lack of supporting information, the validity and accountability for some money disbursed could not be established.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

COUNTY FAIR BOARD
DELAWARE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 13, 2012, with James Mansfield, President of the Fair Board; John Dorer, Treasurer of the Fair Board; Jane Lasater, Vice President of the Fair Board; Pam McCammon, Vice President of the Fair Board; Donna Patterson, Fair Board member; Larry Clendenin, Vice President of the Fair Board; and Joyce Clevenger, former Fair Board Treasurer.

The contents of this report were discussed on August 14, 2012, with Todd Donati, President of the Board of County Commissioner, and James King, President of the County Council.