

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

REVIEW REPORT
OF
LOGANSPOUR STATE HOSPITAL
STATE OF INDIANA
July 1, 2009 to May 31, 2012



FILED
09/14/2012

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AGENCY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Secretary of Family and Social Services Administration	Mitch Robb	01-10-05 to 01-11-09
	Michael A. Gargano	01-12-09 to 01-13-13
Superintendent	Robert Clover (Interim)	04-09-09 to 07-26-09
	Mark Schutter	07-27-09 to 06-30-10
	Robert Clover	07-01-10 to 06-30-13



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF LOGANSFORT STATE HOSPITAL

We have reviewed the activities related to the receipts, disbursements, and assets of the Logansport State Hospital for the period of July 1, 2009 to May 31, 2012. The Logansport State Hospital'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 Logansport State Hospital are not in all material respects in conformity with the criteria set forth in the Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, and applicable laws and regulations except as stated in the review comments.

This report is intended solely for the information and use of the Logansport State Hospital's management, Family and Social Services Administration, and others within the entity 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 reviewed.

STATE BOARD OF ACCOUNTS

June 13, 2012

LOGANSPOUR STATE HOSPITAL
REVIEW COMMENTS
May 31, 2012

LATE PAYMENT PENALTY

Auditor of State accounting records reflect late payment penalties paid to vendors and charged to accounts of the Logansport State Hospital as a result of untimely payment of claims. Total penalties for the fiscal year 2011 were \$4,772.62 and for the current fiscal year through April 30 penalties were \$5,964.63. These penalties are an unnecessary use of public funds.

Indiana Code 5-17-5 requires a state agency to: ". . . pay a late payment penalty at a rate of one percent (1%) per month on amounts due on written contracts for public works, personal services, goods and services, equipment, and travel whenever the state agency . . . fails to make timely payment."

Payment of penalties and interest due to late payments to vendors may be the obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines for State and Quasi Agencies, 6.4.7.4)

Each agency, department, quasi, institution, or office is responsible for compliance with applicable statutes, regulations, contract provisions, state policies, and federal requirements. (Accounting and Uniform Compliance Guidelines for State and Quasi Agencies, Organizational Overview – General Guidelines and Policy, IV. Summary of Agency Accounting Responsibilities)

LOGANSPORT STATE HOSPITAL
EXIT CONFERENCE

The contents of this report were discussed on August 20, 2012, with Robert Clover, Superintendent, and Richard Hall, Assistant Superintendent. The officials indicated that they would be responding to the report but no officials response was received.