

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

AUDIT REPORT

OF

PARKS AND RECREATION

PORTER COUNTY, INDIANA

January 1, 2011 to December 31, 2011



FILED
09/17/2012

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Superintendent	Walter Lenckos	01-01-11 to 12-31-12
President of the Park Board	Richard Hudson	01-01-11 to 12-31-12
President of the County Council	Daniel Whitten	01-01-11 to 12-31-12
President of the Board of County Commissioners	John Evans	01-01-11 to 12-31-12



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF PORTER COUNTY

We have audited the records of the Porter County Parks and Recreation 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 Porter County for the year 2011.

STATE BOARD OF ACCOUNTS

July 23, 2012

PARKS AND RECREATION
PORTER COUNTY
AUDIT RESULTS AND COMMENTS

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were incorrect. At December 31, 2011, the bank reconciliation disclosed a \$1,500 deposit in transit. The receipt associated with this transaction had cleared the bank earlier in the month; however, receipt 3360 for \$1,200 had not cleared the bank and should have been included as a deposit in transit. After the corrections were made, the bank was cash short by \$300.00.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or 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 of Indiana, Chapter 1)

DEPOSITS

Deposits for the audit period were made anywhere from 4 days to 31 days after the monies were received. A similar comment appeared in the prior audit.

Indiana Code 5-13-6-1(c) states in part: ". . . all local officers . . . who collect public funds of their respective political subdivisions shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the . . . local boards of finance. . . ."

NONUSE OF TICKET STUBS AND TICKET SALES REPORT

Each year the Park Department has two events, "Spring Out to Sunset" and "Winter Lights". Both of these events charge an entrance fee of \$5.00 per car. Neither ticket stubs nor a Ticket Sales Report (Form SA-4) are used to account for the monies collected for these events. Money is remitted to the Park Department office and a receipt is written; however, there is no accountability to the accuracy of the amount remitted. A similar comment appeared in the prior audit.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

PARKS AND RECREATION
PORTER COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

RECEIPT ISSUANCE

Receipts were not issued for two transactions during the 2011 calendar year. Receipts were not issued for the Winter Lights event collections totaling \$5,104 and December cash donations totaling \$5,467.23. Both collections were deposited in the bank.

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 of Indiana, Chapter 1)

REPORT OF COLLECTIONS

The Park Department's collections are to be remitted monthly to the County Auditor. In 2011, the Report of Collections did not include \$9,546.30. We instructed officials to remit this amount to the County Auditor's office. A similar comment appeared in the prior audit.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

PARKS AND RECREATION
PORTER COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 23, 2012, with Walter Lenckos, Superintendent, and Shirley Massey, Secretary. The officials concurred with our audit findings.