

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

EXAMINATION REPORT  
OF  
COUNTY AUDITOR  
BLACKFORD COUNTY, INDIANA  
January 1, 2011 to December 31, 2011



**FILED**  
10/31/2012



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Sheila D. Meadows	01-01-11 to 12-31-14
President of the County Council	Cathy Weschke	01-01-11 to 12-31-12
President of the Board of County Commissioners	Fred Walker	01-01-11 to 12-31-12



**STATE OF INDIANA**  
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TO: THE OFFICIALS OF BLACKFORD COUNTY

We have examined 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 Examination Results and Comments. The financial transactions of this office are reflected in the Annual Report of Blackford County for the year 2011.

STATE BOARD OF ACCOUNTS

October 11, 2012

COUNTY AUDITOR  
BLACKFORD COUNTY  
EXAMINATION RESULTS AND COMMENTS

***CAPITAL ASSETS***

The County does not maintain a record of capital assets. A similar comment appeared in prior Report B39457.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded on the Capital Assets Ledger Form. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

***SURPLUS TAX***

Financial records of the Surplus Tax Fund did not provide sufficient information to audit receipts, disbursements and ending balances, or the accuracy or correctness of the transactions. The Surplus Tax Ledger did not have an accurate detail of each item of surplus tax collected. A similar comment appeared in prior Report B39457.

Excess (surplus) tax shall be reported by the treasurer on the County Treasurer's Certificate of Tax Collections, County Form No. 49TC. The county treasurer is also required to file Ledger Form No. 65-STF, Surplus Tax Fund Ledger, listing in detail by taxing district each item of surplus tax collected, the total of which shall be receipted into the "Surplus Tax Fund." The detail ledger sheets shall be placed in the county auditor's ledger and be disbursed in the manner discussed on page 7-9. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 9)

***ANNUAL REPORT***

The County Annual Report is a required financial report to summarize the financial activity of the County. The County Annual Report had the following deficiencies.

COUNTY AUDITOR  
BLACKFORD COUNTY  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

1. The financial information for the County Treasurer was omitted from the report.
2. The General Drain Improvement Fund and a General Drain Improvement Investment Fund were reported individually. These two funds should have been combined.
3. The County Annual Report contained errors in the classification of financial activity. Often receipts were not properly classified. Instances were noted in which intergovernmental receipts related to federal grants were incorrectly identified as other receipts. Also, errors were noted in receipts classified as other receipts when another category would be appropriate. Disbursements for debt payments were classified as other services and charges rather than debt service.

Adjustments were made to the financial report to correctly report overall total receipts, disbursements, and beginning and ending cash and investment balances. However, adjustments were not made to properly classify the types of receipts and disbursement transactions.

A similar comment appeared in prior Report B39457.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

COUNTY AUDITOR  
BLACKFORD COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on October 11, 2012, with Sheila D. Meadows, Auditor; Judy Confer, Chief Deputy Auditor; Cathy Weschke, President of the County Council; and Fred Walker, President of the Board of County Commissioners. The officials concurred with our examination findings.