

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

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



**FILED**  
12/27/2012



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Bridgett C. Weber Tami Wenning	01-01-09 to 12-31-11 01-01-12 to 12-31-12
President of the Board of County Commissioners	John Richards Rick Nobbe	01-01-11 to 12-31-11 01-01-12 to 12-31-12
President of the County Council	Ernest Gauck	01-01-11 to 12-31-12



**STATE OF INDIANA**  
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TO: THE OFFICIALS OF DECATUR 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 Decatur County for the year 2011.

STATE BOARD OF ACCOUNTS

November 1, 2012

COUNTY AUDITOR  
DECATUR COUNTY  
EXAMINATION RESULTS AND COMMENTS

**RECEIPT ISSUANCE AND TRANSACTION RECORDING**

Reconciling items, totaling \$35,474, were noted on the County Treasurer's bank reconciliation at December 31, 2011, for which the County Auditor's office had not issued receipts. These items consisted of the following:

1. No receipt had been issued for financial institution tax of \$4,941 and commercial vehicle excise tax of \$25,420. The monies were deposited on December 21, 2011, but no receipt was issued until September 21, 2012.
2. State distributions of wheel tax from July to December 2011 totaling \$3,550 were not recorded on the records until February 8, 2012.
3. Reimbursement from drug free grant deposited December 23, 2011, in the amount of \$1,563 was not recorded on the records until January 5, 2012.

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 County Auditors of Indiana, Chapter 14)

All financial transactions pertaining to the governmental unit should be recorded in the records of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

All documents and entries to records should be done in a timely manner to ensure that accurate financial information is available to allow the governmental unit to make informed management decisions and to help ensure compliance with IC 5-15-1-1 et seq., commonly referred to as the Public Records Law. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

**TAX SALE PENALTY**

A purchaser that backed out of purchasing the property on a tax sale held for the year 2010 was assessed a 25 percent penalty in the amount of \$426. The penalty was deposited into Tax Sale Surplus Fund instead of the General Fund.

The County Auditor was instructed during the prior examination to transfer the penalty of \$426 to the County General Fund. However, no evidence was presented for examination that the correcting transfer was made.

Indiana Code 6-1.1-24-8 states:

"When one who purchases real property at a tax sale fails to pay the bid, the real property shall again be offered for sale. A purchaser who fails to pay the bid shall pay a civil penalty of twenty-five percent (25%) of the amount of the bid. The county prosecuting attorney shall initiate an action in the name of the state treasurer to recover the civil penalty. Amounts collected under this section shall be deposited in the county general fund."

COUNTY AUDITOR  
DECATUR COUNTY  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

**RECORDING OF WHEEL TAX**

The following deficiencies and errors were noted regarding the recording of wheel tax receipts:

1. Quietuses were not issued for wheel tax distributions. Instead, the wheel tax distributions totaling \$578,316 were recorded by means of adjusting entries. We requested a detail printout of all adjustment entries; however, no detail listing was presented for examination.

Upon receipt of the Bureau of Motor Vehicles Wheel Tax Report, the county auditor shall issue a quietus to transfer the net amount of wheel tax from the county treasurer's collections to the County Wheel Tax Fund. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 9)

Supporting documentation for adjusting entries and other public records must be available for examination to provide supporting information for the validity and accountability of monies received or disbursed. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

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.

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 County Auditors of Indiana, Chapter 14)

2. The County's portion of wheel tax during the year 2011, in the amount of \$469,122, was recorded in the Local Road and Street Fund. Wheel tax distributions for all units should be first deposited to the County Wheel Tax Fund and, then, the County's portion of wheel tax distribution should be distributed to the County Highway Fund.

The distributions of surtax and wheel tax to the county should be receipted to the County Highway Fund. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 9)

**DISBURSEMENT PROCEDURES**

A review claims supporting disbursements showed that 24 percent of the claims reviewed did not have the signatures of department head or office holders certifying that the good or services purchased were received.

Indiana Code 5-11-10-1.6(c) states in part: "The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless: . . . (2) the invoice or bill is approved by the officer or person receiving the goods and services . . ."

COUNTY AUDITOR  
DECATUR COUNTY  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

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A similar comment was reported in Report B39601.

COUNTY AUDITOR  
DECATUR COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on November 1, 2012, with Bridgett C. Weber, former Auditor; Tami Wenning, Auditor; Ernest Gauck, President of County Council; and Rick Nobbe, President of the Board of County Commissioners.