

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

EXAMINATION REPORT  
OF  
PROSECUTING ATTORNEY  
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>
Prosecuting Attorney	James B. Rosenberry	01-01-11 to 12-31-14
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**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF DECATUR COUNTY

We have examined the records of the Prosecuting Attorney 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

PROSECUTING ATTORNEY  
 DECATUR COUNTY  
 EXAMINATION RESULTS AND COMMENTS

**BANK ACCOUNT RECONCILIATIONS**

The office of Prosecuting Attorney maintains a Prosecutor Bad Check Fund (Prosecutor Fund). Depository reconciliations between record balances of cash to the bank account balances for the months of October, November, and December of the year 2011 were not presented for examination. Also, the listing of outstanding checks did not include the year of issue of each check, only the month and day.

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."

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 of Indiana, Chapter 1)

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)

**UNTIMELY DEPOSITS**

The following were instances of untimely deposits that occurred during the year 2011:

<u>Date Monies Collected</u>	<u>Amount</u>	<u>Date of Deposit</u>	<u>Days Held</u>
01-25-11	\$ 67.50	03-15-11	49
02-07-11	145.34	03-15-11	36
02-28-11	97.50	03-15-11	15
04-28-11	454.51	05-19-11	21
05-27-11	102.50	08-01-11	64
06-27-11	62.50	08-01-11	35
06-28-11	200.00	08-01-11	34
08-09-11	124.44	09-15-11	37
08-26-11	296.46	09-15-11	19
08-29-11	92.50	09-15-11	18

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. . . ."

PROSECUTING ATTORNEY  
DECATUR COUNTY  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

Indiana Code 5-13-14-3 (effective July 1, 2011) states in part:

"A public servant who knowingly or intentionally:

- (1) fails to deposit public funds; or
- (2) deposits . . .

except in the manner prescribed in this article, commits a Class A misdemeanor. . . ."

**RECORD INFORMATION**

The following items were noted regarding the financial records of the Prosecutor Bad Check Fund (Prosecutor Fund):

- 1. A personal type checkbook was used to record the financial activity of the Prosecutor Fund in lieu of using a formal Cash Book.

Indiana Code 5-13-5-1(a) states the following:

"Every public officer who receives or distributes public funds shall:

- (1) keep a cashbook into which the public officer shall enter daily, by item, all receipts of public funds; and
- (2) balance the cashbook daily to show funds on hand at the close of each day."

General form 358 (Ledger of Receipts, Disbursements, and Balances) is Prescribed to be used as a Cash Book to record financial activity.

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 Counties of Indiana, Chapter 1)

- 2. The personal type checkbook did not show the receipt numbers that made up posting of deposits.

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 of Indiana, Chapter 1)

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DECATUR COUNTY  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

3. There were instances of funds deposited, but no evidence that a receipt was issued for the funds received.

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)

PROSECUTING ATTORNEY  
DECATUR COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on November 1, 2012, with James B. Rosenberry, Prosecuting Attorney; Rick Nobbe, President of the Board of County Commissioners; and Ernest Gauck, President of the County Council.