

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

AUDIT REPORT  
OF  
BOARD OF COUNTY COMMISSIONERS  
NOBLE COUNTY, INDIANA  
January 1, 2012 to December 31, 2012



**FILED**  
08/09/2013



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of the County Council	Donald Moore	01-01-12 to 01-13-13
	Wayne Clouse	01-14-13 to 12-31-13
President of the Board of County Commissioners	Joy LeCount	01-01-12 to 12-31-12
	Gary Leatherman	01-01-13 to 12-31-13



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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STATE BOARD OF ACCOUNTS  
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TO: THE OFFICIALS OF NOBLE COUNTY

We have audited the records of the Board of County Commissioners for the period from January 1, 2012 to December 31, 2012, 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 Result and Comment. The financial transactions of this office are reflected in the Financial Statement and Federal Single Audit Report of Noble County for the year 2012.

STATE BOARD OF ACCOUNTS

July 15, 2013

BOARD OF COUNTY COMMISSIONERS  
NOBLE COUNTY  
AUDIT RESULT AND COMMENT

***SUPPORTING DOCUMENTATION - CREDIT CARDS***

The County was using credit cards to purchase items without an approved credit card policy. We noted that the credit cards were in the individual names of County employees instead of in the name of the County Commissioners. We also noted that eleven out of the sixteen payments made to the credit card companies tested, were made from the credit card statements without supporting documentation attached. We also noted that three out of the sixteen payments tested included late fees or finance charges.

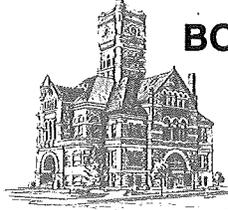
The State Board of Accounts will not take exception to the use of credit cards by a governmental unit provided the following criteria are observed:

- (1) The governing board must authorize credit card use through an ordinance or resolution, which has been approved in the minutes.
- (2) Issuance and use should be handled by an official or employee designated by the board.
- (3) The purposes for which the credit card may be used must be specifically stated in the ordinance or resolution.
- (4) When the purpose for which the credit card has been issued has been accomplished, the card should be returned to the custody of the responsible person.
- (5) The designated responsible official or employee should maintain an accounting system or log which would include the names of individuals requesting usage of the cards, their position, estimated amounts to be charged, fund and account numbers to be charged, date the card is issued and returned, etc.
- (6) Credit cards should not be used to bypass the accounting system. One reason that purchase orders are issued is to provide the fiscal officer with the means to encumber and track appropriations to provide the governing board and other officials with timely and accurate accounting information and monitoring of the accounting system.
- (7) Payment should not be made on the basis of a statement or a credit card slip only. Procedures for payments should be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee should be the responsibility of that officer or employee.
- (8) If properly authorized, an annual fee may be paid.

(Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

BOARD OF COUNTY COMMISSIONERS  
NOBLE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on July 15, 2013, with Gary Leatherman, President of the County Commissioners, and David Dolezal, County Commissioner. The Official Response has been made a part of this report and may be found on page 6.



## BOARD OF COMMISSIONERS

Noble County, Indiana  
ROOM 200, COURTHOUSE  
101 N. Orange Street  
Albion, Indiana 46701  
Phone (260) 636-7877

Date: July 22, 2013

### Noble County Credit Card Policy

Noble County now has a business credit card account with authorized signatures. County Employees will no longer be using personal credit cards for county purchases. Further, all items purchased will be sent to the County or Business address not to their personal address. Further, the authorized personnel have been informed that they will need a copy of the actual receipt / invoice attached to all claims not just a copy of the credit card bill.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Leatherman", is written over a printed name. The signature is fluid and cursive, with a large initial "G".

Gary Leatherman,  
Noble County Commissioner President