

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

AUDIT REPORT

OF

COUNTY TREASURER

ORANGE COUNTY, INDIANA

January 1, 2012 to December 31, 2012



FILED
08/23/2013

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Sandy Hill	01-01-09 to 12-31-16
President of the County Council	Kermit Lamb Marshall Noble	01-01-12 to 12-31-12 01-01-13 to 12-31-13
President of the Board of County Commissioners	Don Brewer	01-01-12 to 12-31-13



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF ORANGE COUNTY

We have audited the records of the County Treasurer 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 Annual Report of Orange County for the year 2012.

STATE BOARD OF ACCOUNTS

August 7, 2013

COUNTY TREASURER
ORANGE COUNTY
AUDIT RESULT AND COMMENT

BANK ACCOUNT RECONCILIATIONS

The Treasurer completed depository reconciliations of the fund balances to the bank account balances monthly; however, the reconciliations always included an amount necessary to balance.

On July 7, 2009, the Treasurer's deposit was \$980 less than the amount posted. The shortage occurred during the tax collection period when each employee was responsible for their own cash drawer. On that day, the computerized Session Reconciliation Report for "Pat1" totaled \$13,979.33 cash and \$365 checks. Patricia A. Smetzer, the employee responsible for the drawer, had written the total amount due, the cash received and the change due the customer on the back of each property tax statement receipt. These amounts all agreed with the Session Reconciliation Report.

The deposit for the "Pat1" drawer included a \$365 check and \$12,999.33 cash. This was \$980 less than the amount posted. The shortage was reported to Sandy Hill, Treasurer, as soon as the session was closed and Mrs. Smetzer realized the drawer was short. The Treasurer and her employees tried to identify why the drawer was short, but could not identify any posting error.

On May 19, 2010, the incident was reported to the Orange County Sheriff's Department. A Sheriff's Deputy conducted interviews and did not determine why the funds were missing.

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 County Treasurers of Indiana, Chapter 10)

Patricia A. Smetzer, former Orange County Treasurer's Office Employee, was asked to reimburse the County for the cash shortage in the amount of \$980. (See Summary of Charges, page 6)

COUNTY TREASURER
ORANGE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 6, 2013, with Sandy Hill, Treasurer; Don Brewer, President of the Board of County Commissioners; and Marshall Noble, President of the County Council.

The contents of this report were also discussed on August 7, 2013, with Patricia A. Smetzer, former Orange County Treasurer's Office employee. The officials indicated that they would be responding to the report but no officials response was received.

COUNTY TREASURER
 ORANGE COUNTY
 SUMMARY OF CHARGES

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Patricia A. Smetzer, former Orange County Treasurer's Office Employee:			
Bank Account Reconciliations, page 4	\$ 980	\$	\$
Paid by Patricia A. Smetzer,			
former Orange County Treasurer's Office Employee			
Receipt No. 000133, Deposited August 13, 2013	_____	980	_____ -
Totals	\$ 980	\$ 980	\$ _____ -