

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

AUDIT REPORT

OF

COUNTY AUDITOR

CLINTON COUNTY, INDIANA

January 1, 2012 to December 31, 2012



FILED
09/18/2013

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Cathy Hamilton	01-01-09 to 12-31-16
President of the County Council	Steve Woods Alan Dunn	01-01-12 to 12-31-12 01-01-13 to 12-31-13
President of the Board of County Commissioners	Mike Beard Skip Evans	01-01-12 to 12-31-12 01-01-13 to 12-31-13



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF CLINTON COUNTY

We have audited the records of the County Auditor 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 Results and Comments. The financial transactions of this office are reflected in the Annual Report of Clinton County for the year 2012.

STATE BOARD OF ACCOUNTS

July 25, 2013

COUNTY AUDITOR
CLINTON COUNTY
AUDIT RESULTS AND COMMENTS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The County did not have a proper system of internal control in place to prevent or detect and correct errors on the Schedule of Expenditures of Federal Awards (SEFA). The County should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected.

During the audit of the SEFA, we noted the following errors: An incorrect CFDA number was listed for one federal award, incorrect expenditure amounts were listed for selected grants and there were some grants which were not reported on the SEFA. Audit adjustments were proposed, accepted by the county and made to the SEFA presented in this report. These adjustments resulted in a presentation of the SEFA that is materially correct in relation to the financial statements.

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, Chapter 14)

ANNUAL REPORT

The Annual Report for 2012 did not properly reflect all of the financial activity of Clinton County. County department receipts, disbursements, and balances were not included in the electronically filed annual report.

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7."

COUNTY AUDITOR
CLINTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 14, 2013, with Cathy Hamilton, Auditor; Steve Frey, County Council member; and Skip Evans, President of the Board of County Commissioners. The officials concurred with our audit findings.