

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

AUDIT REPORT
OF
COUNTY AUDITOR
SCOTT COUNTY, INDIANA
January 1, 2012 to December 31, 2012



FILED
04/04/2014

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Results and Comments:	
Board Minutes.....	4
Overdrawn Fund Balances	5
Official Bond	5-6
Exit Conference.....	7

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Teresa Vannarsdall	01-01-11 to 12-31-14
President of the County Council	Kelley Robbins	01-01-12 to 12-31-12
	Eric Gillespie	01-01-13 to 12-31-13
	Ab Watts	01-01-14 to 12-31-14
President of the Board of County Commissioners	Mark Hays	01-01-12 to 12-31-12
	Robert Tobias	01-01-13 to 12-31-13
	Mark Hays	01-01-14 to 12-31-14



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF SCOTT 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 Financial Statement and Federal Single Audit Report of Scott County for the year 2012.

STATE BOARD OF ACCOUNTS

February 12, 2014

COUNTY AUDITOR
SCOTT COUNTY
AUDIT RESULTS AND COMMENTS

BOARD MINUTES

Minutes of meetings held by the Board of County Commissioners and County Council were not properly maintained. The following deficiencies were noted:

1. Minutes of the meetings held by the Board of County Commissioners as required by Indiana Code 5-14-1.5-4(b), for part of the year 2013 were not presented for audit. On September 9, 2013, the latest minutes available were for February 6, 2013.
2. Notations in the Board of County Commissioners' minutes indicated approval of the minutes by the Board of County Commissioners; however, the approval was typically several months after the meeting was held. Based on a review of the Board of County Commissioners' meeting agendas, approval of minutes for the September 19, 2012 through December 28, 2012 meetings were made at the March 6, 2013 Commissioners' meeting.
3. Minutes of the meetings conducted by the County Council for the years 2012 through 2013 were not always signed by each of the Board members attesting to accuracy and completeness.
4. Minutes of the County Council meetings were not completed in a timely manner. A review of all available minutes on September 26, 2013, showed the latest minutes available were dated May 21, 2013.
5. Notations in the County Council minutes indicated approval of the minutes by the Council members; however, the approval was typically several months after the meeting was held. Based on a review of the Council meeting agendas, approval of minutes for the October 3, 2012, January 15, 2013 through May 13, 2013 meetings were made at the June 18, 2013 Council meeting.

Indiana Code 5-14-1.5-4 states in part:

"(b) As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under IC 5-1.5-2-2.5.

(c) The memoranda are to be available within a reasonable period of time after the meeting for the purpose of informing the public of the governing body's proceedings. The minutes, if any, are to be open for public inspection and copying."

All official action taken by the board at regular or special meetings together with ordinances passed should be entered in the Minute Record. This record should be kept current and all minutes signed by the proper official and attested to by the county auditor. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 4)

COUNTY AUDITOR
SCOTT COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

OVERDRAWN FUND BALANCES

The following funds had overdrawn fund balances at December 31, 2012:

Fund	Amount Overdrawn
Children Health Clinic	\$ 3,629
Drug Interdiction Officer	30,274
Co Corrections Grant	22,391
Prosecutors Jabig	1,124
Bioterrorism (Hd)	8,660
Payroll Federal	2,607
Payroll Social Security	1,884
Payroll Medicare	505
Payroll Cancer Ins	1,058
Payroll Life Ins	700
Payroll E Loan Pmt	425
Payroll-Flex One	3,577
Payroll Conseco	2

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

OFFICIAL BOND

The County Auditor's surety bond in the amount of \$15,000 for 2012 was insufficient per the Indiana Code.

Indiana Code 5-4-1-18 states in part:

"(a) Except as provided in subsection (b), the following city, town, county, or township officers and employees shall file an individual surety bond:

- (1) City judges, controllers, clerks, and clerk-treasurers.
- (2) Town judges and clerk-treasurers.
- (3) Auditors, treasurers, recorders, surveyors, sheriffs, coroners, assessors, and clerks.
- (4) Township trustees.
- (5) Those employees directed to file an individual bond by the fiscal body of a city, town, or county.
- (6) Township assessors (if any). . . .

COUNTY AUDITOR
SCOTT COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

(c) . . .

- (2) The amount may not be less than thirty thousand dollars (\$30,000) nor more than three hundred thousand dollars (\$300,000) unless the fiscal body approves a greater amount for the officer or employee. County auditors shall file bonds in amounts of not less than thirty thousand dollars (\$30,000), as fixed by the fiscal body of the county."

COUNTY AUDITOR
SCOTT COUNTY
EXIT CONFERENCE

The contents of this report were discussed on February 12, 2014, with Teresa Vannarsdall, Auditor; Mark Hays, President of the Board of County Commissioners; and Ab Watts, President of the County Council.