

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

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



FILED
08/22/2014

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of the Board of County Commissioners	James Alsop Carl Schmitz	01-01-12 to 12-31-12 01-01-13 to 12-31-14
President of the County Council	Robert Gentil	01-01-12 to 12-31-14



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF POSEY COUNTY

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

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

March 17, 2014

COUNTY COMMISSIONERS
POSEY COUNTY
AUDIT RESULTS AND COMMENTS

PUBLIC PURCHASES

The County purchased E-911 dispatch equipment that qualified, due to compatibility requirements with other equipment currently in use in the County, as a special purchase allowed to be made without soliciting bids under Indiana Code 5-22-10-8. However, the County did not record and maintain the proper documentation as required for this special purchase.

Indiana Code 5-22-10-3 states in part:

"Contract files; record listing all contracts

- (a) A purchasing agent shall maintain the contract records for a special purchase in a separate file.
- (b) A purchasing agent shall include in the contract file a written determination of the basis for:
 - (1) the special purchase; and
 - (2) the selection of a particular contractor.
- (c) Notwithstanding any other law, a governmental body shall maintain a record listing all contracts made under this chapter for a minimum of five (5) years. The record must contain the following information:
 - (1) Each contractor's name.
 - (2) The amount and type of each contract.
 - (3) A description of the supplies purchased under each contract."

ADVANCE PAYMENTS

The Posey County Commissioners approved a \$282,020 contract with J&S Communications, LLC, for the purchase of E-911 dispatch equipment that was required to meet narrow banding requirements from the Federal Communications Commission. This contract required payment of 50 percent up front, 25 percent when the ordered equipment arrived at J&S Communications, LLC, and the final 25 percent upon completion of the project. During 2012, the County paid \$141,010 in advance of the actual receipt of equipment.

Compensation and any other payments for goods and services should not be paid in advance of receipt of the goods or services unless specifically authorized by statute. Payments made for goods or services which are not received may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

COUNTY COMMISSIONERS
POSEY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 31, 2014, Carl Schmitz, President of the Board of County Commissioners.