

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

REVIEW REPORT  
OF

OFFICE OF COMMISSIONER OF AGRICULTURE  
AND  
INDIANA GRAIN INDEMNITY CORPORATION  
STATE OF INDIANA

February 1, 2012 to December 31, 2013



**FILED**  
11/07/2014



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Agency Officials .....	2
Independent Accountant's Report.....	3
Review Comment: Special Disbursement Officer (SDO).....	4
Exit Conference.....	5

## AGENCY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
ISDA Director	Joseph M. Kelsay	11-02-09 to 12-31-12
	Gina Sheets	01-01-13 to 01-01-14
	Ted McKinney	01-02-14 to 01-08-17
Secretary of Agriculture	Honorable Sue Ellspermann	01-14-13 to 01-08-17
IGIC Chairman	Jerome G. Hawkins	04-01-09 to 04-04-14
	Ted McKinney (Interim)	04-05-14 to 01-08-17



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE OFFICE OF COMMISSIONER OF AGRICULTURE  
AND INDIANA GRAIN INDEMNITY CORPORATION

We have reviewed the activities related to the receipts, disbursements, and assets of the Indiana Office of Commissioner of Agriculture and Indiana Grain Indemnity Corporation for the period of February 1, 2012 to December 31, 2013. The Office of Commissioner of Agriculture's management and the Indiana Grain Indemnity Corporation's management are responsible for the receipts, disbursements, and assets of their respective offices.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the receipts, disbursements, and assets. Accordingly, we do not express such an opinion.

Financial transactions of these offices are included in the scope of our audits of the State of Indiana as reflected in the Indiana Comprehensive Annual Financial Reports. Federal programs are included in the scope of our statewide single audits as reflected in the Statewide Single Audit Reports.

Based on our review, nothing came to our attention that caused us to believe that the activities related to the receipts, disbursements, and assets of the Office of Commissioner of Agriculture and Indiana Grain Indemnity Corporation are not in all material respects in conformity with the criteria set forth in the Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, and applicable laws and regulations, except as stated in the review comments.

This report is intended solely for the information and use of the Office of Commissioner of Agriculture and Indiana Grain Indemnity Corporation's management, and others within the entity, and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the offices reviewed.

STATE BOARD OF ACCOUNTS

September 22, 2014

OFFICE OF COMMISSIONER OF AGRICULTURE AND  
INDIANA GRAIN INDEMNITY CORPORATION  
REVIEW COMMENT

***SPECIAL DISBURSEMENT OFFICER (SDO)***

In our prior report, we reported a shortage totaling \$6,363 in the Special Disbursement Officer (SDO) fund at Office of Commissioner of Agriculture (Department) and certified that report to the Attorney General's Office. We noted during the current review period that the fund still has a shortage of \$6,363. This SDO fund has not had any activity since June 2009.

The SDO check register and bank account do not balance to the SDO advance amount. In our prior review report we cited the Department for not reconciling the SDO advance. During the current review period, the Department continued to not perform monthly reconciliations for the SDO advance.

At all times, the unreimbursed disbursements plus any advances to office cash plus the SDO checking account balance must equal the local purchase advance. If the reconciled SDO advance is less than the amount originally advanced, the SDO officer may be personally responsible for the amount needed to balance the advance. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, 6.4.10)

At least monthly, two reconciliations must be performed for the SDO fund. The bank statement for the checking account must be reconciled to the check register. Also, the check register must be balanced to the total SDO advance. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, 6.4.10)

Whenever an SDO fund is established, money is removed from a Treasurer of State bank account; thus, not being invested. Therefore, consideration should be given to the size of the SDO fund. If an agency is not using the total SDO advance within one or two months, the SDO advance is too large and should be reduced. If no activity in a 24 month period in the SDO account, the account must be closed and the advance returned to the Auditor of State. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, Page 6.4.10)

OFFICE OF COMMISSIONER OF AGRICULTURE AND  
INDIANA GRAIN INDEMNITY CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on September 22, 2014, with Mitzi Moss, Controller, and Kyleen Welling, Chief Operating Officer.