

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

SWITZERLAND COUNTY, INDIANA

January 1, 2013 to December 31, 2013



FILED
06/05/2015

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Gayle A. Rayles	01-01-11 to 12-31-18
County Treasurer	Vickie James	01-01-13 to 12-31-16
Clerk of the Circuit Court	Kimberly A. Hambrick Gayle Sullivan	01-01-11 to 12-31-14 01-01-15 to 12-31-18
County Sheriff	Roy A. Leap Nathan E. Hughes	01-01-11 to 12-31-14 01-01-15 to 12-31-18
County Recorder	Darla McAlister	01-01-13 to 12-31-16
President of the Board of County Commissioners	Mark Lohide Steve Lyons	01-01-13 to 12-31-13 01-01-14 to 12-31-15
President of the County Council	Michael L. Jones Glenn Scott	01-01-13 to 12-31-14 01-01-15 to 12-31-15



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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TO: THE OFFICIALS OF SWITZERLAND COUNTY, INDIANA

This report is supplemental to our audit report of Switzerland County (County), for the period from January 1, 2013 to December 31, 2013. It has been provided as a separate report so that the reader may easily identify any Federal Findings and Audit Results and Comments that pertain to the County. It should be read in conjunction with our Financial Statement and Federal Single Audit Report of the County, which provides our opinions on the County's financial statement and federal program compliance. This report may be found at www.in.gov/sboa/.

The Federal Findings, identified in the above referenced audit report, are included in this report and should be viewed in conjunction with the Audit Results and Comments as described below.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit Results and Comments contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Corrective Action Plans for the Federal Findings incorporated within this report, were not verified for accuracy.

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

March 16, 2015

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COUNTY AUDITOR
SWITZERLAND COUNTY

COUNTY AUDITOR
SWITZERLAND COUNTY
FEDERAL FINDINGS

FINDING 2013-001 - PREPARATION OF THE 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 expenditures for six grants totaling \$53,402 were not included on the County's SEFA and one grant included in the County's SEFA was overstated by \$165. Audit adjustments were proposed, accepted by the County, and made to the SEFA presented in this report.

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 of Indiana, Chapter 14)

OMB Circular A-133, Subpart C, section .300 states in part: "The auditee shall: . . . (d) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with section .310."

OMB Circular A-133, Subpart C, section .310(b) states:

"Schedule of expenditures of Federal awards. The auditee shall also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple award years, the auditee may list the amount of Federal awards expended for each award year separately. At a minimum, the schedule shall:

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.
- (4) Include notes that describe the significant accounting policies used in preparing the schedule.

COUNTY AUDITOR
SWITZERLAND COUNTY
FEDERAL FINDINGS
(Continued)

- (5) To the extent practical, pass-through entities should identify in the schedule the total amount provided to subrecipients from each Federal program.
- (6) Include, in either the schedule or a note to the schedule, the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the schedule."

FINDING 2013-002 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

We noted the following deficiencies in the internal control system of the County related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. Clerk of the Circuit Court's Office - Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the Clerk of the Circuit Court's Office to reduce risks to the achievement of financial reporting objectives. The Clerk of the Circuit Court has not separated incompatible activities related to cash, receipts, and disbursements. The person that performs bank reconciliations is also responsible for making bank deposits and writing checks. No other person reviews the bank reconciliation. The failure to establish these controls could enable material misstatements or irregularities to remain undetected.
2. Preparation of the County's Annual Financial Report: Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatements to the County's audited financial statement and then determining how those identified risks should be managed. The County has not identified risks to the preparation of a reliable financial statement and, as a result, has failed to design effective internal controls over the preparation of the financial statement to prevent, or detect and correct, material misstatements, including notes to the financial statement. The County Auditor inputs financial information into the Annual Financial Report. There was no evidence presented to establish that the County has a control in place to ensure the information included in their Annual Financial Report is accurate prior to submission. The Annual Financial Report was used to prepare the financial statement presented in this report. Control activities should be in place to reduce the risk of errors in financial reporting.

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 of Indiana, Chapter 14) (Accounting and Uniform Compliance Guidelines Manual for Clerks of the Circuit Courts of Indiana, Chapter 13)

COUNTY AUDITOR
SWITZERLAND COUNTY
FEDERAL FINDINGS
(Continued)

FINDING 2013-003 - INTERNAL CONTROL OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO STATE HOMELAND SECURITY PROGRAM (SHSP)

Federal Agency: Department of Homeland Security

Federal Program: State Homeland Security Program (SHSP)

CFDA Number: 97.073

Federal Award Number and Year: C44P-2-220A, C44P-2-243A, C44P-2-252A, C44P-2-005B,
C44P-3-156B, C44P-3-379B, and C44P-3-386B

Pass-Through Entity: Indiana Department of Homeland Security

Management of the County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the Equipment and Real Property Management compliance requirement. The Emergency Management Director prepares and submits the inventory list to the state. The County has not established a control to ensure this list is accurate prior to submission to the state.

The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement or a compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable material noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal funds to the County.

We recommended that the County's management establish controls, including segregation of duties, related to the grant agreement and compliance requirements listed above.



Switzerland County Auditor

Gayle A. Rayles

212 W. Main Street · Vevay, Indiana 47043

(812) 427-4470 · Fax (812) 427-4407

auditor@switzerlandcountycourthouse.org

CORRECTIVE ACTION PLAN

FINDING 2013-001: Preparation of the Schedule of Expenditure of Federal Awards

Contact Person Responsible for Corrective Action: Auditor (Gayle Rayles)

Contact Phone Number: 812-427-4401

Description of Corrective Action Plan: After completion of the SEFA the Auditor will forward the report to the various departments who received the funds for verification of the amounts.

Anticipated Completion Date: This procedure will be followed with the 2014 annual report.

FINDING 2013-002: Internal Controls over Financial Transactions & Reporting

Contact person Responsible for Corrective Action: Auditor (Gayle Rayles)

Contact Phone Number: 812-427-4401

Description of Corrective Action Plan: After completion of the Receipts and Expenditures the report will be printed and a second person will compare the figures to applicable reports out of the Harris System. This person is to initial the printed copy to verify that the numbers are correct.

Anticipated Completion Date: This procedure will be followed with the 2014 annual report.

FINDING 2013-003: Internal Controls over Compliance Requirements that have a direct and material effect to State Homeland Security program (SHSP)

Contact person Responsible Corrective Action: Auditor (Gayle Rayles)

Contact Phone Number: 812-427-4401

Description of Corrective Action Plan: Any future inventory list prepared for the State will be prepared by the EMA director and reviewed by someone in the Auditor's office or the Commissioners Assistant for accuracy before submission to the State.

A handwritten signature in cursive script that reads "Gayle A. Rayles".

Gayle A. Rayles

Auditor

04/27/15

COUNTY AUDITOR
SWITZERLAND COUNTY
AUDIT RESULT AND COMMENT

OVERDRAWN CASH BALANCES

The financial statement presented in the Financial Statement and Federal Single Audit Report included the Health fund with an overdrawn cash balance of \$3,140 at December 31, 2013.

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)

COUNTY AUDITOR
SWITZERLAND COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 16, 2015, with Gayle A. Rayles, Auditor; Steve Lyons, President of the Board of County Commissioners; and Mark Lohide, former President of the Board of County Commissioners.

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CLERK OF THE CIRCUIT COURT
SWITZERLAND COUNTY

CLERK OF THE CIRCUIT COURT
SWITZERLAND COUNTY
FEDERAL FINDING

FINDING 2013-002 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

We noted the following deficiencies in the internal control system of the County related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. Clerk of the Circuit Court's Office - Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the Clerk of the Circuit Court's Office to reduce risks to the achievement of financial reporting objectives. The Clerk of the Circuit Court has not separated incompatible activities related to cash, receipts, and disbursements. The person that performs bank reconciliations is also responsible for making bank deposits and writing checks. No other person reviews the bank reconciliation. The failure to establish these controls could enable material misstatements or irregularities to remain undetected.
2. Preparation of the County's Annual Financial Report: Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatements to the County's audited financial statement and then determining how those identified risks should be managed. The County has not identified risks to the preparation of a reliable financial statement and, as a result, has failed to design effective internal controls over the preparation of the financial statement to prevent, or detect and correct, material misstatements, including notes to the financial statement. The County Auditor inputs financial information into the Annual Financial Report. There was no evidence presented to establish that the County has a control in place to ensure the information included in their Annual Financial Report is accurate prior to submission. The Annual Financial Report was used to prepare the financial statement presented in this report. Control activities should be in place to reduce the risk of errors in financial reporting.

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 of Indiana, Chapter 14) (Accounting and Uniform Compliance Guidelines Manual for Clerks of the Circuit Courts of Indiana, Chapter 13)

Switzerland County Circuit Court

212 W. Main Street

Vevay, IN 47043

812-427-4415

CORRECTIVE ACTION PLAN

FINDIND NO. 2013-002-INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

Contact Person Responsible for Corrective Action: Gayle Sullivan

Contact Phone Number: 812-427-4417

Description of Corrective Action Plan:

As of 1/2/15 the Segregation of Duties has changed. There will be one person that handles the deposits and check writing and a second that handles the monthly bank reconcilements. There will not be a time when one person handles both duties.

Gayle Sullivan

Switzerland Co. Circuit Clerk

February 24, 2015

CLERK OF THE CIRCUIT COURT
SWITZERLAND COUNTY
AUDIT RESULT AND COMMENT

OFFICIAL BOND

The Clerk of the Circuit Court did not obtain an individual Surety Bond for 2013. An individual Surety Bond was subsequently obtained for the period September 15, 2014 through December 31, 2014.

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).

(b) The fiscal body of a city, town, county, or township may by ordinance authorize the purchase of a blanket bond or a crime insurance policy endorsed to include faithful performance to cover the faithful performance of all employees, commission members, and persons acting on behalf of the local government unit, including those officers described in subsection (a).

(c) Except as provided in subsections (h) and (i), the fiscal bodies of the respective units shall fix the amount of the bond of city controllers, city clerk-treasurers, town clerk-treasurers, Barrett Law fund custodians, county treasurers, county sheriffs, circuit court clerks, township trustees, and conservancy district financial clerks as follows:

- (1) The amount must equal thirty thousand dollars (\$30,000) for each one million dollars (\$1,000,000) of receipts of the officer's office during the last complete fiscal year before the purchase of the bond, subject to subdivision (2).
- (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. The amount of the bond of any other person required to file an individual bond shall be fixed by the fiscal body of the unit at not less than fifteen thousand dollars (\$15,000)."

CLERK OF THE CIRCUIT COURT
SWITZERLAND COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 16, 2015, with Gayle Sullivan, Clerk; Steve Lyons, President of the Board of County Commissioners; Mark Lohide, former President of the Board of County Commissioners; and Gayle A. Rayles, Auditor.

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COUNTY COUNCIL
SWITZERLAND COUNTY

COUNTY COUNCIL
SWITZERLAND COUNTY
AUDIT RESULT AND COMMENT

PAYMENTS TO ENTITIES WITHOUT CONTRACTS

The County Council has been the governing body primarily responsible for authorizing financial assistance to various governmental and nongovernmental entities. During the year 2013, the County provided financial assistance to governmental and nongovernmental entities from their Riverboat Revenue Sharing fund and their Riverboat fund. However, the County did not enter into contracts, grant agreements, or memorandums of understanding describing the purpose of the financial assistance or how the financial assistance was to be used. In addition, without a contract, grant agreement, or memorandum of understanding, there is no guarantee that the entities were adequately informed of the reporting and examination requirements in Indiana Code 5-11-1.

A contract, grant agreement, or memorandum of understanding is a starting point in establishing internal controls to provide assurance that public funds paid to other entities are being used for intended public purposes. The County made the following payments to governmental and nongovernmental entities from its Riverboat Revenue Sharing fund and its Riverboat fund without a contract, grant agreement, or memorandum of understanding during the year 2013:

Entity	Riverboat Revenue Sharing	Riverboat	Total
Switzerland County Fire Chief's Association (1)	\$ 576,411	\$ -	\$ 576,411
Switzerland County Public Library (2)	36,032	-	36,032
Switzerland County EMS (1)	410,893	-	410,893
Switzerland County YMCA (1)	170,679	-	170,679
YMCA Debt (3) (1)	-	293,945	293,945
Vevay American Legion (1)	18,964	-	18,964
Veteran's of Foreign Wars (1)	18,964	-	18,964
Switzerland County 4-H (1)	72,065	-	72,065
Safe Passage (1)	-	7,073	7,073
Heart House (1)	-	5,000	5,000
Switzerland County Historical Society (1)	36,032	11,000	47,032
Life Time Resources (1)	-	15,000	15,000
Swiss Wine Festival (1)	-	15,000	15,000
Hoosier Theater (1)	-	7,500	7,500
Fraternal Order of Police Lodge #174 (1)	-	1,250	1,250
East Enterprise Sewer District (2)	-	15,000	15,000
Totals	<u>\$ 1,340,040</u>	<u>\$ 370,768</u>	<u>\$ 1,710,808</u>

Note to Schedule:

(1) Nongovernmental Entity.

(2) Governmental Entity.

(3) Payment on debt was made to U.S. Department of Agriculture - Rural Development.

COUNTY COUNCIL
SWITZERLAND COUNTY
AUDIT RESULT AND COMMENT
(Continued)

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 Counties of Indiana, Chapter 1)

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Indiana Code 5-11-1-16(a) states in part: "As used in this article, 'municipality' means any county . . . or other political subdivision of Indiana."

Indiana Code 5-11-1-24 (f) states: "The state or a municipality may not enter into a contract with an entity subject to examination under this chapter if the contract does not permit the examinations and require the reports prescribed by this chapter."

A similar comment appeared in prior Reports B41780 and B43266.

COUNTY COUNCIL
SWITZERLAND COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 16, 2015, with Gayle A. Rayles, Auditor; Steve Lyons, President of the Board of County Commissioners; and Mark Lohide, former President of the Board of County Commissioners.

The contents of this report were discussed on March 23, 2015, with Glenn Scott, President of the County Council.

COUNTY CORONER
SWITZERLAND COUNTY

COUNTY CORONER
SWITZERLAND COUNTY
AUDIT RESULT AND COMMENT

OFFICIAL BOND

The County Coroner did not obtain an individual surety bond for 2013.

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).

(b) The fiscal body of a city, town, county, or township may by ordinance authorize the purchase of a blanket bond or a crime insurance policy endorsed to include faithful performance to cover the faithful performance of all employees, commission members, and persons acting on behalf of the local government unit, including those officers described in subsection (a).

(c) Except as provided in subsections (h) and (i), the fiscal bodies of the respective units shall fix the amount of the bond of city controllers, city clerk-treasurers, town clerk-treasurers, Barrett Law fund custodians, county treasurers, county sheriffs, circuit court clerks, township trustees, and conservancy district financial clerks as follows:

- (1) The amount must equal thirty thousand dollars (\$30,000) for each one million dollars (\$1,000,000) of receipts of the officer's office during the last complete fiscal year before the purchase of the bond, subject to subdivision (2).
- (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. The amount of the bond of any other person required to file an individual bond shall be fixed by the fiscal body of the unit at not less than fifteen thousand dollars (\$15,000)."

COUNTY CORONER
SWITZERLAND COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 16, 2015, with Steve Lyons, President of the Board of County Commissioners; Mark Lohide, former President of the Board of County Commissioners; and Gayle A. Rayles, Auditor.

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COUNTY SURVEYOR
SWITZERLAND COUNTY

COUNTY SURVEYOR
SWITZERLAND COUNTY
AUDIT RESULT AND COMMENT

OFFICIAL BOND

The County Surveyor did not obtain an individual surety bond for 2013.

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).

(b) The fiscal body of a city, town, county, or township may by ordinance authorize the purchase of a blanket bond or a crime insurance policy endorsed to include faithful performance to cover the faithful performance of all employees, commission members, and persons acting on behalf of the local government unit, including those officers described in subsection (a).

(c) Except as provided in subsections (h) and (i), the fiscal bodies of the respective units shall fix the amount of the bond of city controllers, city clerk-treasurers, town clerk-treasurers, Barrett Law fund custodians, county treasurers, county sheriffs, circuit court clerks, township trustees, and conservancy district financial clerks as follows:

- (1) The amount must equal thirty thousand dollars (\$30,000) for each one million dollars (\$1,000,000) of receipts of the officer's office during the last complete fiscal year before the purchase of the bond, subject to subdivision (2).
- (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. The amount of the bond of any other person required to file an individual bond shall be fixed by the fiscal body of the unit at not less than fifteen thousand dollars (\$15,000)."

COUNTY SURVEYOR
SWITZERLAND COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 16, 2015, with Steve Lyons, President of the Board of County Commissioners; Mark Lohide, former President of the Board of County Commissioners; and Gayle A. Rayles, Auditor.