B45391

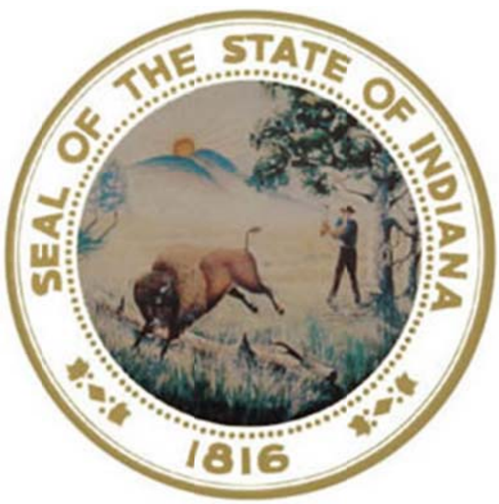
STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

SUPPLEMENTAL COMPLIANCE REPORT

OF

JEFFERSON COUNTY, INDIANA

January 1, 2013 to December 31, 2013



FILED
09/25/2015

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SCHEDULE OF OFFICIALS

Office	Official	Term
County Auditor	Celeste Reed	01-01-11 to 09-05-14
	(Vacant)	09-06-14 to 09-07-14
	Sherry Eblen	09-08-14 to 12-31-18
County Treasurer	Linda M. Greene	01-01-13 to 12-31-16
Clerk of the Circuit Court	Karen L. Mannix	01-01-11 to 12-31-18
County Sheriff	John I. Wallace	01-01-11 to 12-31-18
County Recorder	Leigh Koehler	01-01-13 to 12-31-16
President of the Board of County Commissioners	Thomas Pietrykowski	01-01-13 to 12-31-13
	Mark Cash	01-01-14 to 12-31-14
	Robert A. Little	01-01-15 to 12-31-15
President of the County Council	Judy L. Smith	01-01-13 to 12-31-14
	Joe Craig	01-01-15 to 12-31-15

STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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TO: THE OFFICIALS OF JEFFERSON COUNTY, INDIANA

This report is supplemental to our audit report of Jefferson 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 Plan for the Federal Findings, incorporated within this report, was not verified for accuracy.

Paul D. Joyce

Paul D. Joyce, CPA
State Examiner

June 30, 2015

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COUNTY AUDITOR
JEFFERSON COUNTY

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 Auditor prepares and submits the SEFA, but there is no internal control in place to ensure the accuracy of the 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:

(a) The following federal programs were overstated or (understated) on the SEFA prepared by the County:

CFDA Number	Amount Overstated (Understated)
10.557	$ 36,648
14.228	(151,853)
93.074	(1,134)
93.283	16,695
93.563	(181,773)
97.042	(7,021)
Total	$ (288,438)

(b) The following federal programs were not included on the SEFA prepared by the County, which resulted in the following understatements:

CFDA Number	Amount (Understated)
20.205	$ (73,648)
20.703	(13,372)
93.069	(14,029)
97.067	(13,389)
Total	$ (114,438)

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

1. Preparation of the County's Annual Financial Report: Effective internal control over financial reporting involves the identification and analysis of 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 enters the County's financial activity into the Gateway system, a financial reporting system established by the State of Indiana to allow governmental units to file annual financial reports. No control was identified that would ensure the accuracy of the financial activity entered into the Gateway system. The Annual Financial Report was used to prepare the financial statement presented in this report. Control activities should be in place over the preparation of the County's Annual Financial Report to reduce the risks of errors in financial reporting.

2. 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 and investment balances, receipts, and disbursements. The failure to establish these controls could enable material misstatements or irregularities to remain undetected.

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)

FINDING 2013-003 - REPORTING

Federal Agency: Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA Number: 93.563
Federal Award Number and Year (or Other Identifying Number): FY2013
Pass-Through Entity: Indiana Department of Child Services

Internal Controls

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 Reporting compliance requirements. 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.

The Quarterly Incentive Balance Reports (State Form 54766) submitted to the Indiana Department of Child Services by the County were prepared and certified by the County Auditor. No control was identified that would ensure the accuracy of these reports.

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."

Compliance

The Quarterly Incentive Balance Reports (State Form 54766) submitted for the first and second quarter of 2013 did not agree with the County's records. Incentive fund balances reported were understated by $6,610 and $22,922, in total, for the first and second quarters, respectively.

45 CFR Subpart C, 92.20 "Standards for financial management systems" states in part:

> "(b) The financial management systems of other grantees and subgrantees must meet the following standards:
>
> (1) *Financial reporting.* Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant.
>
> (2) *Accounting records.* Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income."

The failure to establish internal controls enabled 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 that have a direct and material effect to the program.

FINDING 2013-004 - DAVIS-BACON ACT

Federal Agency: Department of Housing and Urban Development
Federal Program: Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii
CFDA Number: 14.228
Federal Award Number and Year (or Other Identifying Number): DR2-09-230
Pass-Through Entity: Indiana Office of Community and Rural Affairs

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 Davis-Bacon Act compliance requirements. 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.

The County hired a Grant Administrator who received and reviewed certified payrolls from contractors paid from the program. The County relied on the Grant Administrator for compliance with the Davis-Bacon Act requirements. No control was identified that would ensure the accuracy of these reports.

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.

SHERRY EBLEN, AUDITOR

JEFFERSON COUNTY

Courthouse - Room 101
300 E. Main Street
Madison, IN 47250

Office: 812-265-8942
Fax: 812-273-5302
sherry.eblen@jeffersoncounty.in.gov

CORRECTIVE ACTION PLAN

****Auditor – For 2013 - Celeste Reed**

FINDING 2013-001- Preparation of the Schedule of Expenditures of Federal Awards

Contact Person Responsible for Corrective Action: Auditor - Sherry Eblen

Contact Phone Number: 812-265-8966

Description of Corrective Action Plan:

In the future Jefferson County will be more pro-active in assuring that all appropriate personnel to oversee the schedule of expenditures in all grants and other federal monies that are receipted and or disbursed as to be in compliance with the State Board of Accounts.

Anticipated Completion Date: Annual Report for 2015

FINDING 2013-002 – Internal Controls over Financial Transactions and Reporting

Description of Corrective Action Plan:

Jefferson County will increase more internal control with bringing this information to the appropriate personnel to assure accurate transactions and reporting to become compliant in our Checks and Balances also with Laws and Regulations.

Anticipated Completion Date: 06/15/2015 ongoing

FINDING 2013-003- Reporting

Description of Corrective Action Plan:

Jefferson County plans to improve Internal Control of the Reporting by making sure there are segregation of duties to assure proper oversight, reviews and approvals take place to the appropriate personnel as to prevent or detect and or correct any deficiency in the reporting process.

Anticipated Completion Date: 06/15/2015 ongoing

FINDING 2013-004- DAVIS-BACON ACT

Description of Correction Action Plan:

Jefferson County will put in place oversight precautions anytime we have or have inter-into with a Federal Programs/Block Grants and Non-Entitlement Grants

Anticipated Completion Date: 06/15/2015 on-going

Sherry Ebers
(Signature)

Auditor
(Title)

6/15/2015
(Date)

OVERDRAWN CASH BALANCES

The financial statement presented for audit included the following funds with overdrawn cash balances at December 31, 2013:

Fund	Amount Overdrawn
General	$ 47,839
Tax Sale Redemption	7,445
Jefferson Co Ordinance Fee	387
Sheriff Reserve Unit Fund	700

A similar comment appeared in prior Report B43077.

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)

APPROPRIATIONS

The records presented for audit indicated the following expenditures in excess of budgeted appropriations:

Fund	Year	Excess Amount Expended
General	2013	$ 199,968
Cum Courthouse	2013	245,122
Health Department	2013	88,213
Cum Jail	2013	352,137

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

COUNTY AUDITOR
JEFFERSON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 30, 2015, with Sherry Eblen, County Auditor; Robert A. Little, President of the Board of County Commissioners; Joe Craig, President of the County Council; and Judy L. Smith, former President of the County Council.

CLERK OF THE CIRCUIT COURT
JEFFERSON COUNTY

CLERK OF THE CIRCUIT COURT
JEFFERSON COUNTY
FEDERAL FINDING

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

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

1. Preparation of the County's Annual Financial Report: Effective internal control over financial reporting involves the identification and analysis of 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 enters the County's financial activity into the Gateway system, a financial reporting system established by the State of Indiana to allow governmental units to file annual financial reports. No control was identified that would ensure the accuracy of the financial activity entered into the Gateway system. The Annual Financial Report was used to prepare the financial statement presented in this report. Control activities should be in place over the preparation of the County's Annual Financial Report to reduce the risks of errors in financial reporting.

2. 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 and investment balances, receipts, and disbursements. The failure to establish these controls could enable material misstatements or irregularities to remain undetected.

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

Jefferson County Clerk
Courthouse, Room 203
300 E. Main Street
Madison, Indiana 47250
Phone: (812) 265-8924 ext. 1924 Fax: (812) 273-5428

FINDING 2013-002
Contact Person Responsible for Corrective Action: Karen L. Mannix, Clerk
Contact Phone Number: 812-265-7614

Description of Corrective Action Plan:

The Jefferson County Clerk of the Circuit Court's office has implemented the following plan which became effect june 22, 2015:

The persons receiving money for payment on fines, fees or judgments is receipted in by five (5) individuals. Cash Receipts for Bonds is included in the receipt of the payments. Each of these five (5) individuals have their own cash bag that they keep locked up in their desk. At the end of the banking day (around 1:00 p.m.) each person balances out their judicial drawer and child support batch. Each person is responsible for their bag and if any money is short, they are responsible for replacing the money with their own private funds. Once the money is balanced, it is brought to the bookkeeper who does another balance check on all judicial drawers and child support batches. The total of all the drawers and batches should equal the total amount of receipts of the day according to the end of day report. The bookkeeper then prepares the deposit slips for the day's receipts. After the deposit is prepared, the report, along with the deposit is given to the Clerk or a designee for confirmation that the two numbers agree and balance. The bank deposit is done by whomever is available (sometimes the bookkeeper does the bank deposit). In the morning, another report is run which then includes the child support amounts. Both the morning report and the day end report are given to the Clerk or a designee for confirmation that the two numbers match (balance).

The checks are prepared and printed according to the morning report. They are then prepared for mailing. The report is looked at by another deputy clerk in the office who confirms the amounts given and the checks written. The checks are then mailed out.

Cash and Investment Balances: When the bank statement is received by the Clerk's office, the Clerk now reconciles the bank statements for all four accounts (Judicial, Child Support, Savings Trust (investment) Account, and a Trust Account for a PL case).

Anticipated Completion Date:

This process is an ongoing check and balances. The implementation has already taken effect. However, polishing it and reviewing the same is an ongoing procedure. Therefore, no "completion date" is written.

Cash and Investment Balances: This procedure will take effect immediately.

Karen Mannix
(Signature)

Clerk
(Title)

June 24, 2015
(Date)

CLERK OF THE CIRCUIT COURT
JEFFERSON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 30, 2015, with Karen L. Mannix, Clerk of the Circuit Court; Robert A. Little, President of the Board of County Commissioners; Joe Craig, President of the County Council; Judy L. Smith, former President of the County Council; and Sherry Eblen, County Auditor.

COUNTY SHERIFF
JEFFERSON COUNTY

COUNTY SHERIFF
JEFFERSON COUNTY
AUDIT RESULT AND COMMENT

PUBLIC RECORDS RETENTION

The County Sheriff did not retain a copy of the Inmate Trust Subsidiary Ledger for audit. The Inmate Trust bank account was in agreement with the control but could not be verified to the Subsidiary Ledger.

A similar comment appeared in prior Report B43078.

Indiana Code 5-15-6-3(d) states:

"No financial records or records relating thereto shall be destroyed until the earlier of the following actions:

(1) The audit of records by the state board of accounts has been completed, report filed, and any exceptions set out in the report satisfied.

(2) The financial record or records have been copied or reproduced as described in subsection (e)."

COUNTY SHERIFF
JEFFERSON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 30, 2015, with John I. Wallace, County Sheriff; Robert A. Little, President of the Board of County Commissioners; Joe Craig, President of the County Council; Judy L. Smith, former President of the County Council; and Sherry Eblen, County Auditor.

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BOARD OF COUNTY COMMISSIONERS
JEFFERSON COUNTY

BOARD OF COUNTY COMMISSIONERS
JEFFERSON COUNTY
FEDERAL FINDING

FINDING 2013-005 - REPORTING

Federal Agency: Department of Housing and Urban Development
Federal Program: Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii
CFDA Number: 14.228
Federal Award Number and Year (or Other Identifying Number): DR2-09-230
Pass-Through Entity: Indiana Office of Community and Rural Affairs

Internal Controls

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 Reporting compliance requirements. 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.

Semiannual Reports submitted by the County were prepared by a grant administrator and certified by the President of the Board of County Commissioners. Our review of these reports identified errors in the reports submitted. The review of the reports by the County did not prevent or detect the errors.

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.

Compliance

The ending cash balance was overstated by $528,513 on 2 of the 4 Semiannual Reports tested. Project expenditures reported did not agree to the County's records by $53,774 and $42,524 on 2 of the 4 Semiannual Reports tested.

24 CFR 85.20 "Standards for financial management systems" states in part:

"(b) The financial management systems of other grantees and subgrantees must meet the following standards:

(1) Financial reporting. Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant.

(2) Accounting records. Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially - assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income."

The failure to establish internal controls enabled 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 that have a direct and material effect to the program.

SHERRY EBLEN, AUDITOR

Courthouse - Room 101
300 E. Main Street
Madison, IN 47250

JEFFERSON COUNTY

Office: 812-265-8942
Fax: 812-273-5302
sherry.eblen@jeffersoncounty.in.gov

CORRECTIVE ACTION PLAN

FINDING 2013-005- Reporting

Contact Person Responsible for Corrective Action: Commissioner President - Bobby Little
Auditor - Sherry Eblen

Contact Phone Number: 812-265-8966

Description of Corrective Action Plan:

Jefferson County Commissioners will set in place Internal Control RE: Federal Programs to so that proper oversight, reviews and approvals take place as to prevent any discrepancy in future.

Anticipated Completion Date: 06/16/2015 ongoing

(Signature)

Commissioner.
(Title)

6-30-15
(Date)

BOARD OF COUNTY COMMISSIONERS
JEFFERSON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 30, 2015, with Robert A. Little, President of the Board of County Commissioners; Joe Craig, President of the County Council; Judy L. Smith, former President of the County Council; and Sherry Eblen, County Auditor.

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COUNTY RECORDER
JEFFERSON COUNTY

COUNTY RECORDER
JEFFERSON COUNTY
AUDIT RESULT AND COMMENT

OFFICIAL BOND

The County Recorder's Surety Bond, in the amount of $8.500, 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).

(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 RECORDER
JEFFERSON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 30, 2015, with Leigh Koehler, County Recorder; Robert A. Little, President of the Board of County Commissioners; Joe Craig, President of the County Council; Judy L. Smith, former President of the County Council; and Sherry Eblen, County Auditor.