

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

STEUBEN COUNTY, INDIANA

January 1, 2022 to December 31, 2022



**FILED**  
07/25/2023



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Kim Meyers Kelli Johnson	01-01-22 to 12-31-22 01-01-23 to 12-31-23
County Treasurer	Melissa Bixler	01-01-22 to 12-31-23
Clerk of the Circuit Court	Tangi Manahan	01-01-22 to 12-31-23
County Sheriff	Rodney L. Robinson	01-01-22 to 12-31-23
County Recorder	Linda Myers Dani Parrish	01-01-22 to 12-31-22 01-01-23 to 12-31-23
President of the Board of County Commissioners	Wil Howard	01-01-22 to 12-31-23
President of the County Council	Richard Shipe	01-01-22 to 12-31-23



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF STEUBEN COUNTY, INDIANA

This report is supplemental to the audit report of Steuben County (County), for the period from January 1, 2022 to December 31, 2022. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the County. It should be read in conjunction with the Financial Statement Audit Report of the County, which provides our opinions on the County's financial statement. This report may be found at [www.in.gov/sboa/](http://www.in.gov/sboa/).

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 Official Response to the Audit Results and Comments, incorporated within this report, was not verified for accuracy.

Beth Kelley, CPA, CFE  
Deputy State Examiner

July 5, 2023

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COUNTY AUDITOR  
STEUBEN COUNTY

COUNTY AUDITOR  
STEUBEN COUNTY  
AUDIT RESULT AND COMMENT

**INTERNAL CONTROL OVER INTERFUND TRANSFERS**

*Condition and Context*

The County did not ensure interfund transfers were approved by the governing board prior to the transaction taking place. We were unable to observe governance approval for 17 of 22 interfund transfers tested.

*Criteria*

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

COUNTY AUDITOR  
STEUBEN COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on July 5, 2023, with Kelli Johnson, County Auditor; Ann Brant, Deputy County Auditor; Richard Shipe, President of the County Council; Wil Howard, President of the Board of County Commissioners; and Kenneth L. Shelton, County Commissioner.

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COUNTY TREASURER  
STEUBEN COUNTY

COUNTY TREASURER  
STEUBEN COUNTY  
AUDIT RESULT AND COMMENT

***TIMELY RECORDING***

A similar comment appeared in a Management Letter addressed to the County Treasurer for the audit period ending December 31, 2021.

*Condition and Context*

The Treasurer's Daily Balance of Cash and Depositories (Cash Book) reported total cash on hand - closing of \$394,288 at December 31, 2022. The amount was incorrectly labeled as total cash on hand, when it was a deposit that was not recorded in the Cash In Depositories section of the Cash Book until January 3, 2023.

*Criteria*

All financial transactions pertaining to the unit must be recorded in the records of the unit at the time of the transaction. (Accounting and Uniform Compliance Guidelines Manual for County Treasurers of Indiana, Chapter 1)

COUNTY TREASURER  
STEUBEN COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on July 5, 2023, with Melissa Bixler, County Treasurer; Richard Shipe, President of the County Council; Wil Howard, President of the Board of County Commissioners; and Kenneth L. Shelton, County Commissioner.