

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

WABASH COUNTY, INDIANA

January 1, 2022 to December 31, 2022



FILED
08/29/2023

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Transmittal Letter	3
Clerk of the Circuit Court:	
Audit Result and Comment:	
Internal Controls	6
Exit Conference	7

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Marcie Shepherd	01-01-22 to 12-31-23
County Treasurer	LuAnn Layman	01-01-22 to 12-31-23
Clerk of the Circuit Court	Lori Draper Cheryl Evenson	01-01-22 to 08-04-23 08-05-23 to 12-31-23
County Sheriff	Ryan Baker	01-01-22 to 12-31-23
County Recorder	Eric Rish	01-01-22 to 12-31-23
President of the Board of County Commissioners	Barry J. Eppley Brian K. Hauptert	01-01-22 to 12-31-22 01-01-23 to 12-31-23
President of the County Council	Kyle Bowman	01-01-22 to 12-31-23



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 WABASH COUNTY, INDIANA

This report is supplemental to the audit report of Wabash 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/.

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 Result and Comment contained herein describes the identified reportable instance 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 Result and Comment, incorporated within this report, was not verified for accuracy.

Beth Kelley, CPA, CFE
Deputy State Examiner

August 15, 2023

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CLERK OF THE CIRCUIT COURT
WABASH COUNTY

CLERK OF THE CIRCUIT COURT
WABASH COUNTY
AUDIT RESULT AND COMMENT

INTERNAL CONTROLS

Condition and Context

The Clerk of the Circuit Court (Clerk) had not properly implemented internal controls over cash and investments.

Monthly bank reconciliations were completed for the Clerk Trust and Clerk ISETS accounts. The reconciliations were to be prepared by the First Deputy Bookkeeper, reviewed by the Assistant Bookkeeper, and signed and approved by the Clerk; however, there was no evidence of the process as described taking place for the ISETS account. The First Deputy Bookkeeper completed the reconciliations without evidence of an oversight, review, or approval process in place to prevent, or detect and correct, errors on the reconciliations.

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. . . ."

CLERK OF THE CIRCUIT COURT
WABASH COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 15, 2023, with Cheryl Evenson, Clerk of the Circuit Court; Marcie Shepherd, County Auditor; Shelly Bauccho, First Deputy Auditor; Brian K. Hauptert, President of the Board of County Commissioners; Barry J. Eppley, County Commissioner; Kyle Bowman, President of the County Council; Matthew Mize, Vice President of the County Council; Gary Ridenour, County Council member; Philip Dale, County Council member; Matthew Dillon, County Council member; and Nick Kopkey, County Council member.