

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2765**

AUDIT REPORT  
OF

HAMILTON COUNTY OFFICE  
OF FAMILY AND CHILDREN  
FAMILY AND SOCIAL SERVICES ADMINISTRATION

January 1, 2005 to December 31, 2005



**FILED**  
7/7/06



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Director	Karen Beaumont	01-01-05 to 12-31-06
Secretary Family and Social Services Administration	Venita Moore (Interim) Mitch E. Roob Jr.	12-18-04 to 01-09-05 01-10-05 to 01-11-09
Director Department of Child Services	James W. Payne	01-10-05 to 01-11-09



**STATE OF INDIANA**  
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STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

TO: THE OFFICIALS OF HAMILTON COUNTY OFFICE OF FAMILY AND  
CHILDREN FAMILY AND SOCIAL SERVICES ADMINISTRATION

We have audited the records of the Hamilton County Office of Family and Children, Family and Social Services Administration, for the period from January 1, 2005 to December 31, 2005, and certify that the records and accountability for cash and other assets are satisfactory to the best of our knowledge and belief, except as stated in the Audit Result and Comment. The financial transactions of this office are reflected in the Comprehensive Annual Report of the State of Indiana.

STATE BOARD OF ACCOUNTS

March 27, 2006

HAMILTON COUNTY OFFICE OF FAMILY AND CHILDREN  
FAMILY AND SOCIAL SERVICES ADMINISTRATION  
AUDIT RESULT AND COMMENT

SPECIAL DISBURSING OFFICER (SDO) ADVANCE

The Hamilton County Office of the Division of Family and Children Agency has not reconciled the Special Disbursing Officer (SDO) advance account since July 2005. Reimbursement requests have not been submitted to the state since September 2005. As a result, several vendor invoices have not been paid due to the lack of funds. There are also items that have been paid but the original receipts have been lost.

To ensure proper safekeeping of the funds advanced, the Hamilton County Office of Family and Children should be preparing timely reconciliements for the funds advanced. This process includes paying vendor invoices and submitting reimbursement requests in a timely manner.

Two reconciliations must be performed for the SDO fund each month. 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. These reconciliations must be formally documented. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, Chapter 7)

At all times, the unreimbursed disbursements plus any advances to office cash or subsidiary checking accounts plus the SDO checking account balance must equal the local purchase advance. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, Chapter 7)

The Special Disbursing Officer is accountable at all times for all sums advanced. The SDO officer may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, Chapter 7)

HAMILTON COUNTY OFFICE OF FAMILY AND CHILDREN  
FAMILY AND SOCIAL SERVICES ADMINISTRATION  
EXIT CONFERENCE

The contents of this report were discussed on March 28, 2006, with Karen Beaumont, County Director; Linda Stackhouse, Account Clerk; and Jacqueline Letourneau, Account Clerk. The officials indicated that they intended to respond to the report, but no response was received.