

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

AUDIT REPORT

OF

COUNTY AUDITOR

PUTNAM COUNTY, INDIANA

January 1, 2005 to December 31, 2005



**FILED**

08/10/2006



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials .....	2
Transmittal Letter .....	3
Audit Results and Comments:	
Cash Overdraft .....	4
Penalties, Interest, and Other Charges .....	4
Tax Sale Surplus Fund Reconciliation .....	5
Capital Assets .....	5
Exit Conference .....	6

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Stephanie Campbell	01-01-05 to 12-31-08
President of the County Council	Mitchell Proctor	01-01-05 to 12-31-06
President of the Board of County Commissioners	Gene R. Beck Dennis O'Hair	01-01-05 to 12-31-05 01-01-06 to 12-31-06



**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 PUTNAM COUNTY

We have audited the records of the County Auditor 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 Results and Comments. The financial transactions of this office are reflected in the Annual Report of Putnam County for the year 2005.

STATE BOARD OF ACCOUNTS

June 1, 2006

COUNTY AUDITOR  
PUTNAM COUNTY  
AUDIT RESULTS AND COMMENTS

CASH OVERDRAFT

At December 31, 2005, the following funds had cash overdraft balances:

County General	\$ 299,571
County Health	28,050
Local Health and Maintenance	4,660
Community Transition	2,635
Victims Assistance	1,571
Bioterrorism Coordinator Grant	8,947
Payroll Withholdings (Health Insurance Fund)	76,639

The cash balance of any fund may not be reduced below zero. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

PENALTIES, INTEREST AND OTHER CHARGES

A delinquency charge of \$708, assessed on the late payment of two capital leases was paid to Old National Bank. The lease payments due on March 15, 2005, and March 20, 2005, were paid on April 4, 2005.

Finance charges totaling \$59 were paid from the County Ledger to Visa between January 1, 2005 and December 31, 2005.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

COUNTY AUDITOR  
PUTNAM COUNTY  
AUDIT RESULTS AND COMMENTS  
(Continued)

TAX SALE SURPLUS FUND RECONCILIATION

The Tax Sale Surplus Fund detail is \$ 66,601 greater than the cash balance control account. The unidentified difference is unchanged from December 31, 2004. Posting errors were not discovered in a timely manner because reconcilements were not made between the subsidiary ledgers and the control account. The errors remain unidentified.

At all times, the manual and computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

CAPITAL ASSETS

Capital asset records were being maintained by the county; however they were not updated for 2005.

Every governmental unit should have a complete inventory of all fixed assets owned which reflect their acquisition value. Such inventory should be recorded on the applicable General Fixed Asset Account Group Form. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

COUNTY AUDITOR  
PUTNAM COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on June 1, 2006, with Stephanie Campbell, Auditor. The official concurred with our audit findings.