

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

AUDIT REPORT

OF

COUNTY AUDITOR

SULLIVAN COUNTY, INDIANA

January 1, 2005 to December 31, 2005



FILED
11/17/2006

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Results and Comments:	
Payroll	4
Capital Assets	4
Travel Policy	4
Exit Conference	5

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Jean Harris	03-28-04 to 03-27-08
President of the Board of County Commissioners	Ray McCammon Chris Atkinson	01-01-05 to 12-31-05 01-01-06 to 12-31-06
President of the County Council	Sonner Faught	01-01-05 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF SULLIVAN 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 Audit Report of Sullivan County for the period of January 1, 2005 to December 31, 2005.

STATE BOARD OF ACCOUNTS

October 16, 2006

COUNTY AUDITOR
SULLIVAN COUNTY
AUDIT RESULTS AND COMMENTS

PAYROLL

Our testing of the payroll system revealed the following deficiencies:

1. Employee Service Record (General Form 99A) was not maintained for all employees tested.
2. Vacation and sick leave taken per the employee service records was not recorded as such on the payroll time sheets.
3. Payroll time sheets were not always signed by department heads.
4. Hourly rates for the ambulance department were not included in the salary ordinance.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for County Auditors, Chapter 14)

CAPITAL ASSETS

As noted in prior reports, the most current being B25464, information presented for audit did not indicate an inventory or record of capital assets using Form 146 (1981) General Fixed Asset Account Group.

Every governmental unit should have a complete inventory of all capital 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, Chapter 14)

TRAVEL POLICY

As noted in prior Report B25464, a travel policy was not presented for audit.

Each governmental unit should adopt a written travel policy in conformity with applicable statutes. (Accounting and Uniform Compliance Guidelines Manual for County Auditors, Chapter 14)

COUNTY AUDITOR
SULLIVAN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 16, 2006, with Chris Atkinson, President of the Board of County Commissioners; and Jean Harris, Auditor. The officials concurred with our findings.