

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

EXAMINATION REPORT
OF
COUNTY AUDITOR
POSEY COUNTY, INDIANA
January 1, 2006 to December 31, 2006



FILED
07/19/2007

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Joleen R. Elpers	01-01-04 to 12-31-07
President of the County Council	Dallas S. Robinson Thomas R. Schneider	01-01-06 to 12-31-06 01-01-07 to 12-31-07
President of the Board of County Commissioners	John K. Sherretz W. Scott Moye	01-01-06 to 12-31-06 01-01-07 to 12-31-07



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 POSEY COUNTY

We have examined the records of the County Auditor for the period from January 1, 2006 to December 31, 2006, 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 Examination Results and Comments. The financial transactions of this office are reflected in the Examination Report of Posey County for the year 2006.

STATE BOARD OF ACCOUNTS

June 19, 2007

COUNTY AUDITOR
POSEY COUNTY
EXAMINATION RESULTS AND COMMENTS

APPROPRIATIONS

Records presented for examination indicated expenditures for the Cumulative Capital Development Fund exceeded budgeted appropriations by \$187,672. A similar comment was contained in the prior Report B28700.

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

CAPITAL ASSETS

The County has adopted a capital asset capitalization policy as Ordinance 99-3-15-2; however, the policy is not followed. The County does not maintain capital asset records in compliance with the ordinance, nor has a physical inventory of capital assets been performed. A similar comment was contained in several prior reports.

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 Capital Asset Ledger. 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 Auditor's, Chapter 14)

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies that it adopts. (Accounting and Uniform Compliance Guidelines Manual for County Auditor's, Chapter 14)

PENALTIES, INTEREST AND OTHER CHARGES

Penalties totaling \$361 were paid to Vectren for late payments of utility bills throughout 2006. A similar comment was contained in the prior Report B28700.

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.

COUNTY AUDITOR
POSEY COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

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 Auditor's, Chapter 14)

OVERDRAWN FUND BALANCES

The Indiana Law Enforcement Fund, Prosecutor's Incentive IV-D (old) Fund, Courthouse Security Sub-Grant and the Wastewater Study - Wadesville/Blairsville Fund were overdrawn in 2006. A similar comment was contained in the prior Report B28700.

The balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for County Auditor's, Chapter 14)

PAYMENT OF CELL PHONE CHARGES

The County pays sheriff's deputies \$39 a month for cell phone expenses, and some jail employees' entire cell phone bill; however, a written cell phone policy has not been implemented.

All types of employee benefits should be detailed in a written policy. Payments for expenses not authorized in a written policy cannot be allowed. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 5)

COUNTY AUDITOR
POSEY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 19, 2007, with Joleen R. Elpers, Auditor; W. Scott Moye, President of the Board of County Commissioners; and Thomas R. Schneider, President of the County Council. The officials concurred with our audit findings.