

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

EXAMINATION REPORT
OF
COUNTY TREASURER
STARKE COUNTY, INDIANA
January 1, 2006 to December 31, 2006



FILED
08/23/2007

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Marilyn Folkers	01-01-05 to 12-31-08
President of the County Council	Bruce Fingerhut	01-01-06 to 12-31-07
President of the Board of County Commissioners	Kevin Kroft	01-01-06 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF STARKE COUNTY

We have examined the records of the County Treasurer 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 Result and Comment. The financial transactions of this office are reflected in the Examination Report of Starke County for the year 2006.

STATE BOARD OF ACCOUNTS

July 2, 2007

COUNTY TREASURER
STARKE COUNTY
EXAMINATION RESULT AND COMMENT

BANK ACCOUNT RECONCILIATIONS

The County Treasurer's daily balance of Cash and Depositories has not been correctly reconciled to the bank. Reconciliations were performed monthly, but the ledger balances for the reconciliation did not agree with the fund ledger. Not balancing with the financial records to the depository balance on a monthly basis is an internal control deficiency that may allow errors or irregularities to go undetected.

Indiana Code 5-13-6-1(e) states in part: "All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or 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 Treasurer, Chapter 10)

COUNTY TREASURER
STARKE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 2, 2007, with Marilyn Folkers, Treasurer; and Kevin Kroft, President of the Board of County Commissioners. The officials concurred with our audit finding.