

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

EXAMINATION REPORT

OF

COUNTY AUDITOR

SULLIVAN COUNTY, INDIANA

January 1, 2006 to December 31, 2006



FILED

10/25/2007

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Jean Harris	03-28-04 to 12-31-10
President of the Board of County Commissioners	Chris Atkinson	01-01-06 to 12-31-06
	Carter Phegley	01-01-07 to 12-31-07
President of the County Council	Sonner Faught	01-01-06 to 12-31-06
	Marilyn Salesman	01-01-07 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF SULLIVAN 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 Sullivan County for the period of January 1, 2006 to December 31, 2006.

STATE BOARD OF ACCOUNTS

August 22, 2007

COUNTY AUDITOR
SULLIVAN COUNTY
EXAMINATION 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. Payroll time sheets were not always signed by department heads.

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 Report B28790, information presented for examination did not indicate an inventory or record of capital assets using Form 146 (1981) General Capital Asset Account Group.

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded on the applicable General Capital Asset Account Group. 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 reports, the most current being Report B28790, a travel policy was not presented for examination.

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)

CASH OVERDRAFTS

At December 31, 2006, the County had cash overdrafts in the following funds:

<u>Fund</u>	<u>Amount of Overdraft</u>
Public Health Coordinator	\$ 1,685
Victim Advocacy	1,116

The cash balance of any fund may not be reduced below zero. (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 August 22, 2007, with Marilyn Salesman, President of the County Council; and Jean Harris, Auditor; and on August 27, 2007, with Carter Phegley, President of the Board of County Commissioners. The officials concurred with our findings.