

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

EXAMINATION REPORT

OF

COUNTY TREASURER

CARROLL 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	Beth L. Myers	01-01-03 to 12-31-10
Treasurer	Jane Brewington	01-01-03 to 12-31-10
President of the County Council	Robert Baker	01-01-06 to 12-31-07
President of the Board of County Commissioners	William R. Brown Loren Hylton	01-01-06 to 12-31-06 01-01-07 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF CARROLL 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 Results and Comments. The financial transactions of this office are reflected in the Examination Report of Carroll County for the year 2006.

STATE BOARD OF ACCOUNTS

August 8, 2007

COUNTY TREASURER
CARROLL COUNTY
EXAMINATION RESULTS AND COMMENTS

CONDITION OF RECORDS

The following deficiencies relating to the recordkeeping, which were disclosed in the prior Report B27996 were again present during our period of examination:

The record balances maintained by the Auditor were not reconciled to the balance statements provided by the respective depositories. At December 31, 2006, the Treasurer's adjusted depository balance was higher by \$22,687.78 than the Auditor's Fund Ledger. We were unable to determine the cause of this variance.

In addition, the total of deposits and investments on the Treasurer's Daily Balance of Cash and Depositories were greater than the reconciled bank balances by \$15,137.98. Of that amount it was determined that \$21,141.40 had been posted twice to the Treasurer's Daily Balance of Cash and Depositories. If this adjustment is made, the reconciled bank balances would be \$6,003 greater than the Daily Balance of Cash and Depositories.

The Treasurer and Auditor have not implemented internal controls which would enable both offices to reconcile the cash and investments on the Treasurer's Daily Balance of Cash and Depositories to the fund balances maintained by the County Auditor.

In addition, there were posting errors identified and not all transactions have been posted to the Treasurer's Daily Balance of Cash and Depositories. Source documents were not always available for examination that would assist in identifying the posting errors.

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."

Each month, the Auditor and Treasurer shall prepare a monthly financial statement and reconcile cash and investment balances as shown on the statements. (Accounting and Uniform Compliance Manual for County Treasurers, Chapter 1) (Accounting and Uniform Compliance Guidelines Manual for County Auditors, Chapter 3)

Officials and employees are required to use State Board of Account's prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Manuals for Treasurers, Chapter 4)

DEPOSITS

In numerous instances, receipts were deposited later than the next business day. After deadlines for current tax payments for both spring and fall collections, payments are not posted nor are collections deposited for up to three weeks. Procedures need to be established so that funds are deposited by the next business day and posting of collections is completed in timely manner.

Indiana Code 5-13-6-1(c) states in part: ". . . all local officers . . . who collect public funds of their respective political subdivisions shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the . . . local boards of finance . . ."

COUNTY TREASURER
CARROLL COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 5, 2007, with Beth L. Myers, Auditor; Loren Hylton, President of the Board of County Commissioners; Robert Baker, President of the County Council; Jane Brewington, Treasurer; and Ann Brown and Ron Slavins, County Council Members. The officials concurred with our examination findings.