

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

AUDIT REPORT

OF

COUNTY TREASURER

WASHINGTON COUNTY, INDIANA

January 1, 2006 to December 31, 2006



FILED

11/29/2007

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Treasurer	Shirley Batt	01-01-05 to 12-31-08
President of the County Council	John D. Fultz	01-01-06 to 12-31-07
President of the Board of County Commissioner	Phillip E. Lofton Byron Green Lana Sullivan	01-01-06 to 06-05-06 06-06-06 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 WASHINGTON COUNTY

We have audited 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 Audit Result and Comment. The financial transactions of this office are reflected in the Annual Report of Washington County for the year 2006.

STATE BOARD OF ACCOUNTS

October 4, 2007

COUNTY TREASURER
WASHINGTON COUNTY
AUDIT RESULT AND COMMENT

INTERNAL CONTROLS

Controls over the receipting, disbursing, recording, and accounting for financial activities were insufficient. The Treasurer obtained a certificate of deposit for the Property Reassessment Fund from Mid-Southern Savings Bank in the amount of \$450,000, for a period of 18 months, at an interest rate of 3.67%, with a maturity date of September 4, 2006. The principal of \$450,000 and interest of \$25,427.42 were received from the bank on February 5, 2007. The Treasurer stated that she forgot to renew the investment from the time of maturity of September 4, 2006 until February 5, 2007. During this five month period of time, the amount of \$450,000 was at the bank earning no interest.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for County Treasurers of Indiana, Chapter 10)

COUNTY TREASURER
WASHINGTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 5, 2007, with Shirley Batt, Treasurer.

The contents of this report were also discussed on October 4, 2007, with Lana Sullivan, President of the Board of County Commissioners; and John D. Fultz, President of the County Council.