

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

AUDIT REPORT

OF

COUNTY AUDITOR

HENDRICKS COUNTY, INDIANA

January 1, 2007 to December 31, 2007



**FILED**  
06/12/2008



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Nancy L. Marsh Cinda Kattau	01-01-07 to 12-31-07 01-01-08 to 12-31-08
President of the County Council	Larry R. Hesson	01-01-07 to 12-31-08
President of the Board of County Commissioners	David A. Whicker	01-01-07 to 12-31-08



**STATE OF INDIANA**  
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TO: THE OFFICIALS OF HENDRICKS COUNTY

We have audited the records of the County Auditor for the period from January 1, 2007 to December 31, 2007, 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 Results and Comments. The financial transactions of this office are reflected in the Annual Report of Hendricks County for the year 2007.

STATE BOARD OF ACCOUNTS

April 15, 2008

COUNTY AUDITOR  
HENDRICKS COUNTY  
AUDIT RESULTS AND COMMENTS

SURPLUS TAX

As stated in prior Report B31280, the Auditor has not maintained the Excess Surplus Tax Record since 2004.

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 1)

TAX SALE REDEMPTION FUND

At December 31, 2007, \$2,339.97 in Tax Sale Redemption Funds had been held for more than a year.

Indiana Code 32-34-1-20(c) states: "Property that is held, issued, or owed in the ordinary course of a holder's business is presumed abandoned if the owner or apparent owner has not communicated in writing with the holder concerning the property or has not otherwise given an indication of interest in the property during the following times, . . . (7) For property held by a state or other government, governmental subdivision or agency, or public corporation or other public authority, one (1) year after the property becomes distributable. . . ."

APPROPRIATIONS

The records presented for audit indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Excess Amount Expended</u>
Family and Children	\$ 136,734
Loan and Interest Payment	822

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."

COUNTY AUDITOR  
HENDRICKS COUNTY  
AUDIT RESULTS AND COMMENTS  
(Continued)

INTERNAL CONTROL

The County has not implemented internal controls for the proper, recording and accounting of federal and state grant reimbursing activities. Reimbursement invoices were not received at the auditor's office so that the proper posting of expenditures reimbursed by Federal and state agencies could be made. As a result, the Annual Financial Report (CAR-1), part 6 reported state grant receipts and disbursements as Federal grant receipts and disbursements.

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 objective, 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 for County Auditors, Chapter 14)

ANNUAL REPORT

An annual report for the County was not filed within 30 days of the close of the fiscal year.

Indiana Code 5-11-1-4(a) concerning annual reports, state is part: ". . . these reports shall be prepared, verified, and filed with the state examiner within thirty (30) days after the close of each fiscal year."

COUNTY AUDITOR  
HENDRICKS COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on May 15, 2008, with David A. Whicker, President of the Board of County Commissioners; Nancy L. Marsh, former Auditor; Cinda Kattau, current Auditor; and Tamela Mitchell, Financial Administrator. The officials concurred with our audit findings.