

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

EXAMINATION REPORT
OF

MARION COUNTY SMALL CLAIMS COURT,
PERRY TOWNSHIP DIVISION
MARION COUNTY, INDIANA

January 1, 2006 to December 31, 2007



FILED
03/06/2009

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COURT OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Judge of the Small Claims Court	Hon. Robert Spear	01-01-03 to 12-31-10
Chairman of the Township Board	Cindy Kirchhofer	01-01-06 to 12-31-06
	Marvin Hawkins	01-01-07 to 12-31-07
	Michael L. Kalscheur	01-01-08 to 12-31-08



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TO: THE OFFICIALS OF MARION COUNTY

We have examined the records of the Marion County Small Claims Court, Perry Township Division for the period from January 1, 2006 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 Examination Results and Comments. The financial transactions of this office are reflected in the Examination Report of Perry Township, Marion County, for the years of 2006 and 2007.

STATE BOARD OF ACCOUNTS

January 13, 2009

MARION COUNTY SMALL CLAIMS COURT,
PERRY TOWNSHIP DIVISION
MARION COUNTY
EXAMINATION RESULTS AND COMMENTS

PRESCRIBED FORMS

The Register of Trust (General Form 102) was not in use. The cashbook trust balance was not supported by a subsidiary listing.

A similar comment appeared in prior Reports B27443 and B24169.

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 Townships, Chapter 13)

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the cashbook balances to the bank account balances as of December 31, 2007, were not presented for examination until July 2008. Each month's reconciliation includes an adjustment figure. The adjustment figure is cumulative and includes several years of adjustments. The adjustment amount increased by \$592 during the examination period. No detailed information concerning the items that are included in the total was provided for examination.

IC 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 Townships, Chapter 13)

CONDITION OF RECORDS

The following deficiencies relating to the recordkeeping were noted.

Record balances were not reconciled to depository balances in a timely manner. The December 2007 bank reconciliation for the Marion County Small Claims Court, Perry Township Division was not reconciled until June 2008. We also observed considerable number of errors in the 2007 cashbook that required a correction at the end of the month and one day's receipts that was not posted to the cashbook.

IC 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."

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

MARION COUNTY SMALL CLAIMS COURT,
PERRY TOWNSHIP DIVISION
MARION COUNTY
EXIT CONFERENCE

The contents of this report were discussed on January 13, 2009, with Hon. Robert Spear, Judge.