

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

AUDIT REPORT

OF

COUNTY TREASURER

PERRY COUNTY, INDIANA

January 1, 2008 to December 31, 2008



FILED

11/05/2009

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Results and Comments:	
Treasurer's Certification of Delinquent Properties.....	4
Subsidiary Ledgers	4
County Treasurer's Monthly Report and Bank Reconcilements.....	4-5
Prescribed Forms	5
Exit Conference.....	6

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Martha Wooldridge	01-01-07 to 12-31-10
President of the County Council	Pete Franzman	01-01-08 to 12-31-09
President of the Board of County Commissioners	Gary Dauby	01-01-08 to 12-31-09



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF PERRY COUNTY

We have audited the records of the County Treasurer for the period from January 1, 2008 to December 31, 2008, 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 Perry County for the year 2008.

STATE BOARD OF ACCOUNTS

September 23, 2009

COUNTY TREASURER
PERRY COUNTY
AUDIT RESULTS AND COMMENTS

TREASURER'S CERTIFICATION OF DELINQUENT PROPERTIES

The Treasurer's certification of delinquent properties was not prepared within 51 days after the August 22, 2008, tax payment deadline for spring taxes as required. This prevented the County from having a real estate tax sale for 2008.

On or before July 1 of each year (or within fifty-one days after the tax payment due date per Indiana Code 6-1.1-24-1(a)), the county treasurer shall certify to the county auditor, a list of real property on which either any property taxes or special assessments certified to the county auditor for collection by the county treasurer from the prior year's spring installment or before are delinquent as determined under Indiana Code 6-1.1-37-10 or any unpaid costs from a prior tax sale. (Accounting and Uniform Compliance Guidelines Manual for County Auditors, Chapter 9)

SUBSIDIARY LEDGERS

Several balances in the Treasurer's Daily Balancing of Cash and Depositories (Cash Book) do not agree to the subsidiary ledgers or supporting documentation at December 31, 2008. A similar comment was in the prior report.

(a) Though the balance in After Settlement Collections in the Cash Book agreed to the Register of Taxes Collected, there were several remaining balances of property taxes from prior periods due to errors in posting. The balance of unidentified property tax postings from prior periods was \$441,720 as of December 31, 2008.

(b) Though the balance of after settlement excise collections in the Cash Book agreed to the after settlement Bureau of Motor Vehicles reports, there were several remaining balances of excise tax from prior periods due to errors in posting. The balance of unidentified excise tax postings from prior periods was \$33,890 as of December 31, 2008. Additionally, \$1,252,927 was posted to the Cash Book as advances of excise taxes, leaving a negative balance of \$181,509 in excise tax at December 31, 2008.

(c) The balance of the Funds ledger - Cash per the Cash Book was \$71,384 higher than both the balance per the Auditor's Funds Ledger and the Treasurer's amount in the monthly reconciliation between the Treasurer and Auditor.

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 County Treasurers, Chapter 10)

COUNTY TREASURER'S MONTHLY REPORT AND BANK RECONCILEMENTS

All 12 County Treasurer's Monthly Reports for 2008 were filed late. The late reports were filed from 39 to 241 days past the deadline. As of September 23, 2009, all of the 2009 County Treasurer's Monthly Reports have been filed late. The 2009 reports range from 1 to 50 days past the deadline.

COUNTY TREASURER
PERRY COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

The Treasurer's Monthly Report shows the amounts with which the Treasurer is chargeable for the various funds and accounts, the amounts with which the Treasurer is credited for money on deposit and cash on hand, and any cash long or short at the close of each month. This report also serves as the Treasurer's monthly bank reconciliation. Therefore, the bank reconciliements are not being performed monthly as required. A similar comment was in the prior report.

The bank account reconciliation at December 31, 2008, contains several entries that were needed to balance. A net adjustment of \$331,588 was needed to property and excise taxes, an adjustment of \$71,384 is needed to Ledger Accounts-Cash, and there is cash over of \$3,134 and cash short of \$4,071 for a net cash short of \$938. The bank reconciliation at June 30, 2009, shows these adjustments remain at \$335,626 for property and excise taxes, \$1,154 to the Ledger Accounts-Cash, and there is cash over of \$3,576 and cash over of \$4,071 for a net cash short of \$495. As of September 23, 2009, the June 2009 bank reconciliation is the most recent one that has been filed.

On or before the 16th day of each month the treasurer shall prepare a report showing the financial condition of the office as of the close of business on the last day of the preceding month. (Accounting and Uniform Compliance Guidelines Manual for County Treasurers, Chapter 4)

IC 5-13-6-1(e) states: "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 County Treasurers, Chapter 10)

PRESCRIBED FORMS

The Treasurer's Daily Balance of Cash and Depositories is not always used in the prescribed manner. Rows do not always foot across and columns and rows that are supposed to agree as a cross checking mechanism do not always agree.

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 Treasurers, Chapter 10)

COUNTY TREASURER
PERRY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 24, 2009, with Martha Wooldridge, Treasurer. The official concurred with our audit findings.