

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

AUDIT REPORT

OF

COUNTY AUDITOR

KOSCIUSKO COUNTY, INDIANA

January 1, 2010 to December 31, 2010



FILED

06/14/2011

TABLE OF CONTENTS

| <u>Description</u> | <u>Page</u> |
|---|-------------|
| County Officials | 2 |
| Transmittal Letter | 3 |
| Audit Result(s) and Comment(s): E-911 Fees Commingled..... | 4 |
| Exit Conference..... | 5 |
| Official Response | 6-13 |

COUNTY OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|---|-------------------------------|--|
| Auditor | Marsh McSherry | 01-01-08 to 12-31-11 |
| President of the County Council | Harold Jones Thomas Anglin | 01-01-10 to 12-31-10 01-01-11 to 12-31-11 |
| President of the Board of County Commissioners | Ron Truex Brad Jackson | 10-01-10 to 12-31-10 01-01-11 to 12-31-11 |



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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TO: THE OFFICIALS OF KOSCIUSKO COUNTY

We have audited the records of the Auditor for the period from January 1, 2010 to December 31, 2010, 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(s) and Comment(s). The financial transactions of this office are reflected in the Annual Report of Kosciusko County for the year 2010.

STATE BOARD OF ACCOUNTS

May 16, 2011

COUNTY AUDITOR
KOSCIUSKO COUNTY
AUDIT RESULT(S) AND COMMENT(S)

E-911 Fees Commingled

The County receipted landline and wireless fees received for emergency 911 services into the same fund.

Indiana Codes 36-8-16-13 and 36-8-16.5-43 provide that landline and wireless fees received for emergency 911 services be maintained in separate funds. (The County Bulletin and Uniform Compliance Guidelines, Volume No. 366, January 2009)

COUNTY AUDITOR
KOSCIUSKO COUNTY
EXIT CONFERENCE

The contents of this report were discussed on Marsha McSherry, Auditor, and Ronald Robinson, County Administrator. The official response has been made a part of this report and may be found on pages 6 through 13.



Kosciusko County

Office of the Auditor
Warsaw, Indiana 46580

Marsha McSherry
Auditor

May 16, 2011

State Board of Accounts
302 West Washington Street,
Room E 418
Indianapolis, Indiana 46204-2765

RE: Exit Conference "Official Response"

Please consider this to be an "Official Response" in regards to the audit result and comment for Kosciusko County-Auditor's Office. The exit conference was scheduled for May 16, 2011 at 9:00 am. Those in attendance were Susan Desch, SBOA, Ron Robinson, County Administrator and Marsha McSherry, Auditor.

The reason for the audit result and comment stems from the 911 Fund, as the landline and wireless fees were being maintained in one fund in separate accounts. Due to the nature of our software and the structure of our accounts there was no co-mingling of funds.

Susan Desch, SBOA in the exit conference stated that she did not either last year or during this year's audit process take exception to the 911 Fund being reported in this manner. Once the issue was brought to my attention the landline and wireless dollars were split out into two separate funds according to statute. (See attached documentation).

I strongly believe that transparency and accountability have been and always will be a high priority in Kosciusko County. I respectfully request that the audit result and comment be removed from the audit report.

Respectfully,

Marsha McSherry, Auditor
Kosciusko County

Cc: Debbie Gibson, SBOA
Dean Gerlach, SBOA

Combined Ledger by Location (All Detail) within Date Span 01-01-2011 thru 05-12-2011

Note: Includes transactions after the last posted date of 03/31/2011.

Fund 0713 Emergency Tele Sys E911 for 01/01/2011 thru 05/12/2011

Loc 0000 .

| Budget Account Code | Effective Date | Transaction Date | Transaction Type | Amount | Other Data |
|------------------------|--------------------------------|---------------------|---------------------|-----------|------------------------------------|
| 0713.00284.000.0000 | Emergency 911 Wireless Receipt | | | | |
| | 01/14/2011 | 01/14/2011 | Rec/AutoRcpt | 1,656.76 | Rec:052996 BK:003 Mediacom E911 |
| | 01/14/2011 | 01/14/2011 | Rec/AutoRcpt | 168.00 | Rec:052995 BK:003 Vonage E911 |
| | 01/18/2011 | 01/18/2011 | Rec/AutoRcpt | 179.45 | Rec:053038 BK:003 E911 BullsEye |
| | 01/18/2011 | 01/18/2011 | Rec/AutoRcpt | 18.43 | Rec:053035 BK:003 E911ACN |
| | 01/18/2011 | 01/18/2011 | Rec/AutoRcpt | 58.20 | Rec:053039 BK:003 E911ChoiseOne |
| | 01/18/2011 | 01/18/2011 | Rec/AutoRcpt | 6,990.79 | Rec:053037 BK:003 E911Comcast |
| | 01/18/2011 | 01/18/2011 | Rec/AutoRcpt | 138.71 | Rec:053036 BK:003 E911Granite |
| | 01/18/2011 | 01/18/2011 | Rec/AutoRcpt | 87.30 | Rec:053034 BK:003 E911Level 3 |
| | 01/21/2011 | 01/21/2011 | Rec/AutoRcpt | 1,870.55 | Rec:053071 BK:003 911 Eq Share Dis |
| | 01/21/2011 | 01/21/2011 | Rec/AutoRcpt | 18,518.75 | Rec:053070 BK:003 911 Jan 11 Dist |
| | 01/24/2011 | 01/24/2011 | Rec/AutoRcpt | 3.00 | Rec:053078 BK:003 ComplianceE911 |
| | 01/25/2011 | 01/25/2011 | Rec/AutoRcpt | 3,761.36 | Rec:053087 BK:003 Frontier E911 |
| | 01/31/2011 | 01/31/2011 | Rec/AutoRcpt | 23,700.40 | Rec:053128 BK:003 Mediacom E911 |
| | 02/01/2011 | 02/01/2011 | Rec/AutoRcpt | 8.00 | Rec:053148 BK:003 Compliance E911 |
| | 02/10/2011 | 02/10/2011 | Rec/AutoRcpt | 1,956.37 | Rec:053230 BK:003 911 Eq Sh |
| | 02/10/2011 | 02/10/2011 | Rec/AutoRcpt | 19,368.32 | Rec:053230 BK:003 911 Eq Sh |
| | 02/14/2011 | 02/14/2011 | Rec/AutoRcpt | 170.00 | Rec:053252 BK:003 Vonage E911 |
| | 02/15/2011 | 02/15/2011 | Rec/AutoRcpt | 25.22 | Rec:053283 BK:003 ACN E911 |
| | 02/15/2011 | 02/15/2011 | Rec/AutoRcpt | 73.26 | Rec:053265 BK:003 ClearRate E911 |
| | 02/15/2011 | 02/15/2011 | Rec/AutoRcpt | 137.74 | Rec:053284 BK:003 Granite E911 |
| | 02/18/2011 | 02/18/2011 | Rec/AutoRcpt | 7.76 | Rec:053311 BK:003 MTA E911 |
| | 02/18/2011 | 02/18/2011 | Rec/AutoRcpt | 1,656.76 | Rec:053310 BK:003 Mediacom E911 |
| | 02/25/2011 | 02/25/2011 | Rec/AutoRcpt | 3.00 | Rec:053374 BK:003 ComplianceE911 |
| | 03/01/2011 | 03/01/2011 | Rec/AutoRcpt | 75.24 | Rec:053399 BK:003 E911 |
| | 03/03/2011 | 03/03/2011 | Rec/AutoRcpt | 9.70 | Rec:053421 BK:003 Verizon E911 |
| | 03/10/2011 | 03/10/2011 | Rec/AutoRcpt | 1,911.07 | Rec:053491 BK:003 911WirelessMar |
| | 03/10/2011 | 03/10/2011 | Rec/AutoRcpt | 18,454.62 | Rec:053491 BK:003 911WirelessMar |
| | 03/14/2011 | 03/14/2011 | Rec/AutoRcpt | 1,670.34 | Rec:053533 BK:003 Mediacom E911 |
| | 03/15/2011 | 03/15/2011 | Rec/AutoRcpt | 26.19 | Rec:053548 BK:003 ACN E911 |
| | 03/15/2011 | 03/15/2011 | Rec/AutoRcpt | 135.80 | Rec:053547 BK:003 Granite E911 |
| | 03/16/2011 | 03/16/2011 | Rec/AutoRcpt | 172.00 | Rec:053557 BK:003 Vonage E911 |
| | 03/21/2011 | 03/21/2011 | Rec/AutoRcpt | 3.00 | Rec:053597 BK:003 ComplianceE911 |

- 7 -

Combined Ledger by Location (All Detail) within Date Span 01-01-2011 thru 05-12-2011

Note: Includes transactions after the last posted date of 03/31/2011.

Fund 0713 Emergency Tele Sys E911 for 01/01/2011 thru 05/12/2011

Loc 0000 .

| Budget Account Code | Effective Date | Transaction Date | Transaction Type | Amount | Other Data | | | |
|---------------------|--------------------------------|------------------|------------------|--------------|------------------------------------|-------------|-------------|----------|
| 0713.00284.000.0000 | Emergency 911 Wireless Receipt | | | | | | | |
| | 04/12/2011 | 04/12/2011 | Rec/AutoRcpt | 1,836.70 | Rec:053781 BK:003 April 2011 Equal | | | |
| | 04/12/2011 | 04/12/2011 | Rec/AutoRcpt | 17,736.50 | Rec:053781 BK:003 April 2011 Equal | | | |
| | 04/12/2011 | 04/12/2011 | Rec/AutoRcpt | 58.20 | Rec:053782 BK:003 ChoiseOneE911 | | | |
| | 04/14/2011 | 04/14/2011 | Rec/AutoRcpt | 86.33 | Rec:053810 BK:003 E911 | | | |
| | 04/14/2011 | 04/14/2011 | Rec/AutoRcpt | 133.86 | Rec:053811 BK:003 E911 | | | |
| | 04/14/2011 | 04/14/2011 | Rec/AutoRcpt | 174.00 | Rec:053812 BK:003 E911 | | | |
| | 04/14/2011 | 04/14/2011 | Rec/AutoRcpt | 1,683.92 | Rec:053813 BK:003 E911 | | | |
| | 04/14/2011 | 04/14/2011 | Rec/AutoRcpt | 29.10 | Rec:053808 BK:003 E911 | | | |
| | 04/14/2011 | 04/14/2011 | Rec/AutoRcpt | 7,222.62 | Rec:053809 BK:003 E911 | | | |
| | 04/21/2011 | 04/21/2011 | Rec/AutoRcpt | 1.00 | Rec:053877 BK:003 Compliance E911 | | | |
| | 04/21/2011 | 04/21/2011 | Rec/AutoRcpt | 4.00 | Rec:053878 BK:003 Compliance E911 | | | |
| | 04/26/2011 | 04/26/2011 | Rec/AutoRcpt | 72.27 | Rec:053900 BK:003 Clear Rate | | | |
| | 04/26/2011 | 04/26/2011 | Rec/AutoRcpt | 2.91 | Rec:053909 BK:003 E911 | | | |
| | 05/04/2011 | 05/04/2011 | Rec/AutoRcpt | 5.82 | Rec:053960 BK:003 Birch E911 | | | |
| | 05/10/2011 | 05/10/2011 | Rec/AutoRcpt | 2,083.25 | Rec:054020 BK:003 May 2011Dist/Equ | | | |
| | 05/10/2011 | 05/10/2011 | Rec/AutoRcpt | 20,117.35 | Rec:054020 BK:003 May 2011Dist/Equ | | | |
| | 05/12/2011 | 05/12/2011 | Rec/AutoRcpt | 175.00 | Rec:054053 BK:003 Vonage E911 | | | |
| | 05/12/2011 | 05/12/2011 | Rec/Adjustment | -154,438.92 | BK:003 s/b 715 | | | |
| | Estimated | | | | | | | |
| | | | Revenue | Receipts | Appropriation | Expenditure | Unexpended: | Balances |
| | Current | | 0.00 | (132,057.50) | 0.00 | 0.00 | | 0.00 |
| | Total | | 0.00 | 0.00 | 0.00 | 0.00 | Cash: | 0.00 |
| 0713.00285.000.0000 | Emergency 911 Landline Receipt | | | | | | | |
| | 01/18/2011 | 01/18/2011 | Rec/AutoRcpt | 19,853.18 | Rec:053040 BK:003 E911 CenturyLink | | | |
| | 01/26/2011 | 01/26/2011 | Rec/AutoRcpt | 2.91 | Rec:053099 BK:003 BudgetPrepayE911 | | | |
| | 01/31/2011 | 01/31/2011 | Rec/AutoRcpt | 9.70 | Rec:053129 BK:003 Verizon E911 | | | |
| | 02/14/2011 | 02/14/2011 | Rec/AutoRcpt | 3,749.82 | Rec:053256 BK:003 Frontier E911 | | | |
| | 02/28/2011 | 02/28/2011 | Rec/AutoRcpt | 19,830.17 | Rec:053389 BK:003 CenturyLinkE911 | | | |
| | 03/22/2011 | 03/22/2011 | Rec/AutoRcpt | 9.70 | Rec:053606 BK:003 Verizon E911 | | | |
| | 03/24/2011 | 03/24/2011 | Rec/AutoRcpt | 19,757.82 | Rec:053628 BK:003 CenturyLinkE911 | | | |

Combined Ledger by Location (All Detail) within Date Span 01-01-2011 thru 05-12-2011

Note: Includes transactions after the last posted date of 03/31/2011.

Fund 0713 Emergency Tele Sys E911 for 01/01/2011 thru 05/12/2011

Loc 0000 .

| Budget Account Code | Effective Date | Transaction Date | Transaction Type | Amount | Other Data |
|---------------------|----------------|------------------|--------------------------------|-----------|-----------------------------------|
| 0713.00285.000.0000 | | | Emergency 911 Landline Receipt | | |
| | 03/25/2011 | 03/25/2011 | Rec/AutoRcpt | 3,737.69 | Rec:053634 BK:003 Frontier E911 |
| | 03/29/2011 | 03/29/2011 | Rec/AutoRcpt | 65.34 | Rec:053654 BK:003 Clear Rate E911 |
| | 04/21/2011 | 04/21/2011 | Rec/AutoRcpt | 3,689.61 | Rec:053876 BK:003 Frontier E911 |
| | 04/28/2011 | 04/28/2011 | Rec/AutoRcpt | 19,656.25 | Rec:053923 BK:003 CenturyLinkE911 |
| | 05/06/2011 | 05/06/2011 | Rec/AutoRcpt | 9.70 | Rec:053973 BK:003 Verizon E911 |
| | 05/11/2011 | 05/11/2011 | Rec/AutoRcpt | 80.00 | Rec:054029 BK:003 CenturyLinkE911 |

Estimated

| Revenue | Receipts | Appropriation | Expenditure | Balances |
|---------|----------|---------------|-------------|-----------|
| Current | 0.00 | 89.70 | 0.00 | 0.00 |
| Total | 0.00 | 90,451.89 | 0.00 | 90,451.89 |

Unexpended:
Cash:

Estimated

| Revenue | Receipts | Appropriation | Expenditure | Balances |
|-------------------------|----------|---------------|-------------|-----------|
| Normal Current | 0.00 | (131,967.80) | 0.00 | 0.00 |
| Normal Total | 0.00 | 90,451.89 | 0.00 | 90,451.89 |
| Investment Current | 0.00 | | 0.00 | |
| Investment Total | 0.00 | | 0.00 | 0.00 |
| Transfer Current | 0.00 | | 0.00 | |
| Transfer Total | 0.00 | | 0.00 | 0.00 |
| Location Totals Current | 0.00 | (131,967.80) | 0.00 | |
| Location Totals Total | 0.00 | 90,451.89 | 0.00 | 90,451.89 |

Unexpended:
Cash:
Cash:
Cash:

- 6 -

Combined Ledger by Location (All Detail) within Date Span 01-01-2011 thru 05-12-2011

Note: Includes transactions after the last posted date of 03/31/2011.

Fund 0713 Emergency Tele Sys E911 for 01/01/2011 thru 05/12/2011

| | | Estimated Revenue | Receipts | Appropriation | Expenditure | | Balances |
|-------------|---------|----------------------|--------------|---------------|-------------|-------------|-----------|
| Normal | Current | 0.00 | (131,967.80) | 0.00 | 0.00 | Unexpended: | 0.00 |
| | Total | 0.00 | 90,451.89 | 0.00 | 0.00 | Cash: | 90,451.89 |
| Investment | Current | | 0.00 | | 0.00 | | |
| | Total | | 0.00 | | 0.00 | Cash: | 0.00 |
| Transfer | Current | | 0.00 | | 0.00 | | |
| | Total | | 0.00 | | 0.00 | Cash: | 0.00 |
| Fund Totals | Current | 0.00 | (131,967.80) | 0.00 | 0.00 | | |
| | Total | 0.00 | 90,451.89 | 0.00 | 0.00 | Cash: | 90,451.89 |

Combined Ledger by Location (All Detail) within Date Span 01-01-2011 thru 05-12-2011

Note: Includes transactions after the last posted date of 03/31/2011.

Fund 0715 Emergency Wireless Tele E911 for 01/01/2011 thru 05/12/2011, Begin Date: 05/12/2011

Loc 0000 .

| Budget Account Code | Effective Date | Transaction Date | Transaction Type | Amount | Other Data |
|---------------------|----------------|------------------|--|------------|-------------------|
| 0715.00284.000.0000 | 05/12/2011 | 05/12/2011 | Emergency 911 Wireless Receipt Rec/Adjustment | 154,438.92 | BK:003 wrong fund |
| Estimated | | | | | |
| | | | Revenue | Receipts | Appropriation |
| | Current | | 0.00 | 154,438.92 | 0.00 |
| | Total | | 0.00 | 154,438.92 | 0.00 |
| | | | | | Expenditure |
| | | | | | 0.00 |
| | | | | | Unexpended: |
| | | | | | 0.00 |
| | | | | | Cash: |
| | | | | | 154,438.92 |
| Balances | | | | | |
| Estimated | | | | | |
| | | | Revenue | Receipts | Appropriation |
| Normal | Current | | 0.00 | 154,438.92 | 0.00 |
| | Total | | 0.00 | 154,438.92 | 0.00 |
| | | | | | Expenditure |
| | | | | | 0.00 |
| | | | | | Unexpended: |
| | | | | | 0.00 |
| | | | | | Cash: |
| | | | | | 154,438.92 |
| | | | | | Balances |
| Investment | Current | | | 0.00 | |
| | Total | | | 0.00 | |
| | | | | | Expenditure |
| | | | | | 0.00 |
| | | | | | Unexpended: |
| | | | | | 0.00 |
| | | | | | Cash: |
| | | | | | 0.00 |
| Transfer | Current | | | 0.00 | |
| | Total | | | 0.00 | |
| | | | | | Expenditure |
| | | | | | 0.00 |
| | | | | | Unexpended: |
| | | | | | 0.00 |
| | | | | | Cash: |
| | | | | | 0.00 |
| Location Totals | Current | | 0.00 | 154,438.92 | 0.00 |
| | Total | | 0.00 | 154,438.92 | 0.00 |
| | | | | | Expenditure |
| | | | | | 0.00 |
| | | | | | Unexpended: |
| | | | | | 0.00 |
| | | | | | Cash: |
| | | | | | 154,438.92 |

- 11 -

Combined Ledger by Location (All Detail) within Date Span 01-01-2011 thru 05-12-2011

Note: Includes transactions after the last posted date of 03/31/2011.

Fund 0715 Emergency Wireless Tele E911 for 01/01/2011 thru 05/12/2011, Begin Date: 05/12/2011

| | | Estimated Revenue | Receipts | Appropriation | Expenditure | | Balances |
|-------------|---------|----------------------|------------|---------------|-------------|-------------|------------|
| Normal | Current | 0.00 | 154,438.92 | 0.00 | 0.00 | Unexpended: | 0.00 |
| | Total | 0.00 | 154,438.92 | 0.00 | 0.00 | Cash: | 154,438.92 |
| Investment | Current | | 0.00 | | 0.00 | | |
| | Total | | 0.00 | | 0.00 | Cash: | 0.00 |
| Transfer | Current | | 0.00 | | 0.00 | | |
| | Total | | 0.00 | | 0.00 | Cash: | 0.00 |
| Fund Totals | Current | 0.00 | 154,438.92 | 0.00 | 0.00 | | |
| | Total | 0.00 | 154,438.92 | 0.00 | 0.00 | Cash: | 154,438.92 |

Combined Ledger by Location (All Detail) within Date Span 01-01-2011 thru 05-12-2011

Note: Includes transactions after the last posted date of 03/31/2011.

| | | Estimated Revenue | Receipts | Appropriation | Expenditure | | Balances |
|--------------|---------|----------------------|------------|---------------|-------------|-------------|------------|
| Normal | Current | 0.00 | 22,471.12 | 0.00 | 0.00 | Unexpended: | 0.00 |
| | Total | 0.00 | 244,890.81 | 0.00 | 0.00 | Cash: | 244,890.81 |
| Investment | Current | | 0.00 | | 0.00 | | |
| | Total | | 0.00 | | 0.00 | Cash: | 0.00 |
| Transfer | Current | | 0.00 | | 0.00 | | |
| | Total | | 0.00 | | 0.00 | Cash: | 0.00 |
| Grand Totals | Current | 0.00 | 22,471.12 | 0.00 | 0.00 | | |
| | Total | 0.00 | 244,890.81 | 0.00 | 0.00 | Cash: | 244,890.81 |

- 13 -

