

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

AUDIT REPORT
OF
COUNTY AUDITOR
MONTGOMERY COUNTY, INDIANA
January 1, 2010 to December 31, 2010



FILED
08/23/2011

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Michelle R. Cash	10-16-07 to 12-31-14
President of the County Council	Richard Chastain	01-01-10 to 12-31-11
President of the Board of County Commissioners	Phillip Bane	01-01-10 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF MONTGOMERY COUNTY

We have audited the records of the County 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 Montgomery County for the year 2010.

STATE BOARD OF ACCOUNTS

June 1, 2011

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

CAPITAL ASSETS

Information presented for audit did not indicate an inventory or record of capital assets using the Capital Assets Ledger Form.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded on the Capital Assets Ledger Form. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

PROPER ESTABLISHMENT OF FUNDS

As part of the grant agreement between the County and the Indiana Family and Social Services Administration, the County was required to establish three ARRA funds for the reimbursement of child support enforcement program activities. The County set up one ARRA fund and receipted all reimbursements into the single ARRA fund.

The County is not in compliance with special tests and provisions requirements for this program. Failure to comply with these requirements could cause the County to be ineligible to receive future federal awards.

We recommended that officials establish the three required ARRA funds and adjust the balances to reflect receipt and disbursement activity.

COUNTY AUDITOR
MONTGOMERY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 1, 2011, with Michelle R. Cash, Auditor; Terry Hockersmith, County Commissioner; Michael Plant, County Councilman; and Daniel L. Taylor, County Attorney.