

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

AUDIT REPORT
OF
COUNTY TREASURER
PORTER COUNTY, INDIANA
January 1, 2010 to December 31, 2010



FILED
10/24/2011

This report was originally filed on 10-24-11 and was reissued on 10-31-11. A correction was made on page 3.

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Result and Comment: Interest Not Recorded	4
Exit Conference.....	5

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Michael Bucko	01-01-10 to 12-31-13
President of the County Council	Daniel Whitten	01-01-10 to 12-31-11
President of the Board of County Commissioners	Robert Harper John Evans	01-01-10 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

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF PORTER COUNTY

We have audited the records of the County Treasurer 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 and Comment. The financial transactions of this office are reflected in the Annual Report of Porter County for the year 2010.

STATE BOARD OF ACCOUNTS

June 30, 2011

COUNTY TREASURER
PORTER COUNTY
AUDIT RESULT AND COMMENT

INTEREST NOT RECORDED

The proceeds from the sale of the hospital have been recorded in three separate funds: Hospital Sale Proceeds, Hospital Interest, and the Hospital Liability Fund. At December 31, 2010, these three funds reconciled to the corresponding bank and investment accounts, except for the interest earned (change in cost value) on the investment bank account. The investment bank account was valued at \$160,000,000 on the Treasurer's Cash Book and the Auditor's Fund Ledger. The hospital sale proceeds investment management account invests in Certificates of Deposits, U.S. Treasury Notes, and Treasury Obligations and earns capitalized interest. Interest earned on these investments is noted on the investment bank statement as the change in cost of the amounts invested and reinvested. This change during 2010 was \$977,943.71. At December 31, 2010, interest of \$977,943.71 was not recorded on the County's hospital funds.

In 2010, \$20,048.98 of interest earned on the Major Moves money market bank account at LaPorte Savings was not posted to any of the Major Moves funds (Funds 309, Major Moves PC Investment; Fund 324, Major Moves Borrowing; and Fund 325, Major Moves Interest).

All financial transactions pertaining to the governmental unit should be recorded in the records of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Counties in Indiana, Chapter 1)

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 objectives, and compliance with laws and regulations. (Accounting and Uniform Compliance Guidelines Manual for County Treasurer's in Indiana, Chapter 10)

COUNTY TREASURER
PORTER COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 12, 2011, with Michael Bucko, Treasurer; John Evans, President of the Board of County Commissioners; Daniel Whitten, President of the County Council; and Gwenn R. Rinkenberger, County Attorney.