

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

FINANCIAL STATEMENT EXAMINATION REPORT
OF

FRANKLIN COUNTY CONVENTION, RECREATION,
AND VISITORS COMMISSION
FRANKLIN COUNTY, INDIANA

July 1, 2010 to December 31, 2010



FILED
05/16/2012

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OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|------------------------|-----------------|----------------------|
| Director | JoAnn Prickel | 07-01-10 to 06-02-11 |
| | (Office Vacant) | 06-03-11 to 07-26-11 |
| | Mikel Beck | 07-27-11 to 12-31-12 |
| Treasurer | Robert Felix | 07-01-10 to 12-31-11 |
| | Taya Abbot | 01-01-12 to 12-31-12 |
| President of the Board | Mary Ann Hart | 07-01-10 to 12-31-10 |
| | Beth Siebert | 01-01-11 to 12-31-11 |
| | Natasha Turner | 01-01-12 to 12-31-12 |



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF FRANKLIN COUNTY CONVENTION, RECREATION,
AND VISITORS COMMISSION, FRANKLIN COUNTY, INDIANA

We have examined the financial statement of Franklin County Convention, Recreation, and Visitors Commission (Commission), for the period of July 1, 2010 to December 31, 2010. The Commission's management is responsible for the financial statement. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial statement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

The Commission did not present a financial statement and accompanying notes for the six-month period ended December 31, 2010, in accordance with reporting requirements established by the State Board of Accounts. Presentation of such statement and notes summarizing the Commission's financial position and the results of its operations is required by state statute (IC 5-11-1-6).

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in all material respects, the financial position and results of operations of the Commission for the six-month period ended December 31, 2010, on the basis of accounting required by the State Board of Accounts.

The Commission's response to the Examination Results and Comments identified in our examination is described in the accompanying section of the report entitled Official Response. We did not examine the Commission's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Commission's management and the Commission's Board, and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

November 16, 2011

FRANKLIN COUNTY CONVENTION, RECREATION AND VISITORS COMMISSION
STATEMENT OF CASH AND INVESTMENT BALANCE -
REGULATORY BASIS
December 31, 2010

| | Cash and Investments 12-31-10 |
|--------------|-------------------------------------|
| General Fund | \$ <u>7,548</u> |

FRANKLIN COUNTY CONVENTION, RECREATION AND VISITORS COMMISSION
EXAMINATION RESULTS AND COMMENTS

FINANCIAL REPORT OPINION MODIFICATION

The Commission did not present a financial statement and notes to the financial statements for the six months ended December 31, 2010, in accordance with reporting requirements established by the State Board of Accounts. Presentation of such statement and notes summarizing the Commission's financial position and the results of its operations is required by state statute (IC 5-11-1-6). This was caused by the Commission not preparing an Annual Report (See Examination Result and Comment titled "No Annual Report").

Accounting records and other public records must be maintained in a manner that will support accurate financial statements. Anything other than an unqualified opinion on the independent Accountant's Report on the financial statements may have adverse financial consequences with the possibility of an increase in interest rate cost to the taxpayers of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

NO ANNUAL REPORT

The Commission did not file Special District Annual Report (SDAR) for the year 2010 with the Indiana State Board of Accounts. The SDAR is a financial report that shows cash and investment balances and the financial activity for individual Commission funds and is used in conjunction with the preparation of the Commission's financial statement.

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be filed electronically, in a manner prescribed by the state examiner that is compatible with the technology employed by the political subdivision."

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 Special Districts, Chapter 10)

DISBURSEMENT PROCEDURES NOT FOLLOWED

The following items were noted regarding the Commission's disbursement procedures:

1. A review of claims (Form 354) used to process disbursements showed that claims were not being approved by the officer or person receiving the goods or services and were not being signed by any officer or employee that the claim was audited for correctness.
2. Commission officials stated that claims during the year 2010 were reviewed by a Board member prior to checks being written. A review of canceled checks showed that either the Director and a Board member or two Board members signed checks prior to full Board approval of claims. All claims were subsequently presented to the full Board for approval after the checks were written. A majority of Board members then signs the claim form to document Board approval. However, the date of the approval was not recorded on the claim form as required.

FRANKLIN COUNTY CONVENTION, RECREATION AND VISITORS COMMISSION
EXAMINATION RESULTS AND COMMENTS
(Continued)

No administrative rule adopted by the Board was presented for examination identifying the types of expenditures that may be paid prior to approval of the majority of the Board.

Indiana Code 5-11-10-2(a) states in part the following:

"Claims against a political subdivision of the state must be approved by the officer or person receiving the goods or services, be audited for correctness and approved by the disbursing officer of the political subdivision, and, where applicable, be allowed by the governing body having jurisdiction over allowance of such claims before they are paid. . . ."

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 Special Districts, Chapter 10)

Indiana Code 6-9-18-6(a) states in part: "The commission may . . . make rules necessary for the conduct of its business and the accomplishment of its purposes; . . ."

EXPENSE REPORTS – NO SUPPORTING DOCUMENTATION

JoAnn Prickel, former Director, prepared monthly expense reports requesting reimbursement for Commission related expenses paid from her personal funds. The monthly expense reports included a description of the expense; however, there was no supporting documentation in the form of receipts, invoices, etc., to substantiate the following expense reimbursements:

| Expense Report | Check Number | Check Date | Description | Amount |
|----------------|--------------|------------|------------------------------------|------------------|
| July 2010 | 2359 | 08-18-10 | Drinks for workers | \$ 20.00 |
| | | | Water for Idol contestants | 25.00 |
| | | | Apples for workers | 7.65 |
| | | | Lunch with FCED | 7.50 |
| | | | Drink tickets | 20.00 |
| | | | Breakfast | 10.00 |
| | | | Wine auction, pie auction, t-shirt | 50.00 |
| August 2010 | 2386 | 10-07-10 | Sydney retirement party | 12.50 |
| | | | Dinner with Gary Wolf | 28.35 |
| | | | Snacks for Board | 12.50 |
| | | | Drink tickets | 20.00 |
| | | | Lunch | 12.00 |
| | | | Lunch with EDC | 14.50 |
| September 2010 | 2394 | 10-20-10 | Muffins for budget hearing | 10.78 |
| | | | Music Festival | 5.75 |
| | | | Lunch at Pioneer | 17.23 |
| | | | Hermitage | 7.04 |
| | | | Apple bars | 6.25 |
| | | | Farm Show | 13.24 |
| November 2010 | 2422 | 12-14-10 | Farm Show | 7.76 |
| | | | Meeting | <u>51.83</u> |
| Total | | | | <u>\$ 359.88</u> |

FRANKLIN COUNTY CONVENTION, RECREATION AND VISITORS COMMISSION
EXAMINATION RESULTS AND COMMENTS
(Continued)

Indiana Code 5-11-10-1 states in part the following:

"(b) No warrant or check shall be drawn by a disbursing officer in payment of any claim unless the same has been fully itemized . . .

(d) The disbursing officer shall issue checks or warrants for all claims which meet all of the requirements of this section. The disbursing officer does not incur personal liability for disbursements:

(1) processed in accordance with this section . . ."

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

Funds misappropriated, diverted or unaccounted for through malfeasance, misfeasance, or non-feasance in office of any officer or employee may be the personal obligation of the responsible officer or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

A similar comment was made in prior Report B38680

On November 16, 2011, JoAnn Prickel, former Director, was requested to refund \$359.88 to the Commission. (See Summary, page 22)

EXPENSE REPORTS – QUESTIONABLE SUPPORTING DOCUMENTATION

JoAnn Prickel, former Director, prepared monthly expense reports requesting reimbursement for Commission related expenses paid from her personal funds. The monthly expense included a description of the expense; however, the supporting documentation did not match the description and thus was inadequate to substantiate the following expense reimbursements:

| Expense Report | Check Number | Check Date | Description | Amount |
|----------------|--------------|------------|----------------------------------|------------------|
| July 2010 | 2359 | 08-18-10 | Goodie basket - Oldenburg (1) | \$ 140.00 |
| | | | Meal (2) | 18.05 |
| | | | Meeting lunch (3) | 6.73 |
| August 2010 | 2386 | 10-07-10 | Dinner with Board President (4) | 19.98 |
| August 2010 | 2386 | 10-07-10 | Prizes for Car Show (5) | 11.92 |
| September 2010 | 2394 | 10-20-10 | Booth items for Farm Show (6) | 8.35 |
| September 2010 | 2394 | 10-20-10 | Goody bags (7) | 27.23 |
| October 2010 | 2417 | 12-11-10 | Mileage to pick up brochures (8) | 62.50 |
| Various | Various | Various | Purchase from Starbucks (9) | 50.13 |
| Total | | | | <u>\$ 344.89</u> |

FRANKLIN COUNTY CONVENTION, RECREATION AND VISITORS COMMISSION
EXAMINATION RESULTS AND COMMENTS
(Continued)

Note to Schedule:

- (1) The supporting documentation consisted of a ticket indicating a purchase at an auction. There was no vendor name or explanation from whom the item was purchased. There was also no documentation presented for examination describing the business nature of the expense.
- (2) The July 2010 expense report showed an Art Trail meeting on July 7, 2010, with an expense associated with the meeting in the amount of \$18.05. However, the meal receipt attached to support this expense was dated August 7, 2010, at 9:47 PM.
- (3) The July 2010 expense report showed a meeting in Lawrenceburg, Indiana, on July 19, 2010, with an associated expense for lunch to wrap up the meeting. The receipt supporting the lunch charge was El Reparo restaurant located in Brookville, Indiana.
- (4) The August 2010 expense report includes a supporting receipt for a purchase from the El Reparo restaurant. A description of the business purpose of the dinner was not documented.
- (5) The August 2010 expense report showed a Brookville Lions Car Show on August 7, 2010, and the purchase of gifts associated with the car show. Supporting receipts for the gifts included: (a) a receipt in the amount of \$3.18 for the purchase of three soft drinks; and (b) a receipt from Ohio Valley Goodwill Store in the amount of \$11.92 for house ware glass and women's clothing.
- (6) The September 2010 expense report showed the purchase of booth items for a Farm Show held September 15, 2010. One of the items listed as purchased for the booth was supported by a receipt from Starbucks dated September 19, 2010, in the amount of \$8.35.
- (7) The September 2010 expense report shows the purchase of candy for goody bags in the amount of \$27.23; however, the receipt supporting this purchase included purchases for canned coffee, nail polish and ibuprofen.
- (8) The October 2010 expense report submitted by JoAnn Prickel, former Director, showed JoAnn Prickel was reimbursed \$62.50 for using her own vehicle to travel to 4401 East New York Street, Indianapolis, Indiana, and return on October 4, 2011, for the purpose of picking up brochures from a company named CORPrint. However, a delivery receipt showed that 2,500 (quantity) "Fun Map/Lake Brochures" were delivered by truck and was not a customer pickup.

A representative of CORPrint provided information that JoAnn Prickel arranged for the brochures to be picked up at a location other than 4401 East New York Street, Indianapolis, Indiana. The representative stated that JoAnn Prickel arranged to pick up most deliveries in Shelbyville, Indiana.
- (9) Purchase of coffee type drinks and the business purpose of these expenses were not documented.

FRANKLIN COUNTY CONVENTION, RECREATION AND VISITORS COMMISSION
EXAMINATION RESULTS AND COMMENTS
(Continued)

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

Funds misappropriated, diverted or unaccounted for through malfeasance, misfeasance, or non-feasance in office of any officer or employee may be the personal obligation of the responsible officer or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

A similar comment was made in prior Report B38680

On November 16, 2011, JoAnn Prickel, former Director, was requested to refund \$344.89 to the Commission. (See Summary, page 22)

EXPENSE REPORTS - DUPLICATE PAYMENTS

JoAnn Prickel, former Director, prepared monthly expense reports requesting reimbursement for Commission related expenses paid from her personal funds. JoAnn Prickel included the following invoices on her monthly expense reports that were also paid directly to the vendor by the Commission:

| Vendor | Expense Report | Check Date | Check No. | Amount | Notes |
|-------------------------------|----------------|------------|-----------|------------------|-------|
| Dafadilly's Flowers and Gifts | August | 10-07-10 | 2386 | \$ 50.12 | (1) |
| Villiage Store | August | 10-07-10 | 2386 | 3.18 | (2) |
| Villiage Store | September | 10-20-10 | 2394 | <u>51.69</u> | (3) |
| Total | | | | <u>\$ 104.99</u> | |

Notes to Schedule:

- (1) This invoice was also paid directly to the vendor by the Commission on check number 2371 on September 13, 2010.
- (2) This invoice was also paid directly to the vendor by the Commission on check number 2381 on October 7, 2010.
- (3) This invoice was also paid directly to the vendor by the Commission on check number 2381 on October 7, 2010.

JoAnn Prickel was also responsible for preparing claims that included the above invoices that were paid directly to the vendor by the Commission.

Funds misappropriated, diverted or unaccounted for through malfeasance, misfeasance, or non-feasance in office of any officer or employee may be the personal obligation of the responsible officer or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

FRANKLIN COUNTY CONVENTION, RECREATION AND VISITORS COMMISSION
EXAMINATION RESULTS AND COMMENTS
(Continued)

A similar comment was made in prior Report B38680

On November 16, 2011, JoAnn Prickel, former Director, was requested to refund \$104.99 to the Commission. (See Summary, page 22)

PETTY CASH REIMBURSEMENTS – NO SUPPORTING DOCUMENTATION

There was no supporting documentation in the form of receipts, invoices, etc., to substantiate the reimbursements to the Petty Cash Fund for the following amounts:

| <u>Date of Check</u> | <u>Check No.</u> | <u>Total of Supporting Receipts</u> | <u>Amount Reimbursed</u> | <u>Undocumented Expenses</u> |
|------------------------------|------------------|---|------------------------------|----------------------------------|
| 09-01-10 | 2367 | \$ 81.14 | \$ 101.12 | \$ 19.98 |
| 09-22-10 | 2379 | 96.74 | 98.12 | 1.38 |
| 11-08-10 | 2407 | <u>95.34</u> | <u>98.12</u> | <u>2.78</u> |
| Totals | | <u>\$ 273.22</u> | <u>\$ 297.36</u> | <u>\$ 24.14</u> |

JoAnn Prickel, former Director, was the custodian of the Petty Cash Fund.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

A similar comment was made in prior Report B38680.

On November 16, 2011, JoAnn Prickel, former Director, was requested to refund \$24.14 to the Commission. (See Summary, page 22)

PETTY CASH – QUESTIONABLE SUPPORTING DOCUMENTATION

The following is a schedule of reimbursements to the petty cash fund for expenses that did not include documentation describing the business purpose of the expenses:

FRANKLIN COUNTY CONVENTION, RECREATION AND VISITORS COMMISSION
EXAMINATION RESULTS AND COMMENTS
(Continued)

| | Date of Paid Receipt | Amount |
|-------------------------------|----------------------------|----------|
| Caramel frappe from McDonalds | 09-13-10 | \$ 2.99 |
| Two salad bars at Hearthstone | 09-15-10 | 18.62 |
| EI Raparo lunch with Dennis | 10-13-10 | 17.36 |
| Caramel frappe from McDonalds | 10-18-10 | 2.99 |
| Total | | \$ 41.96 |

JoAnn Prickel, former Director, was the custodian of the Petty Cash Fund.

All claims, invoices, receipts, accounts payable vouchers, including those presented to the governing body for approval in accordance with IC 5-11-10, should contain adequate detailed documentation. All claims, invoices, receipts, and accounts payable vouchers regarding reimbursement for meals and expenses for individuals must have specific detailed information of the names of all individuals for whom amounts are claimed, including the nature, name and purpose of the business meeting, to enable the governing body to authorize payment. Payments which do not have proper itemization showing the business nature of the claim may be the personal obligation of the responsible official, employee or other person for whom the claim is made. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

A similar comment was made in prior Report B38680.

JoAnn Prickel, former Director, was requested on November 16, 2011, to refund \$41.96 to the Commission. (See Summary, page 22)

BANK ACCOUNT OVERDRAFTS

The bank assessed the Commission \$84 for incurring bank overdrafts three times between July 1, 2010 and December 31, 2010. JoAnn Prickel, former Director, was responsible for performing bookkeeping duties that included monitoring whether sufficient bank account balances were available to process Commission checks.

Officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit. Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

A similar comment was made in prior Report B38680.

On November 16, 2011, we requested JoAnn Prickel, former Director, to reimburse the Commission \$84. (See Summary, page 22)

FRANKLIN COUNTY CONVENTION, RECREATION AND VISITORS COMMISSION
EXAMINATION RESULTS AND COMMENTS
(Continued)

NO OFFICIAL BOND – INFORMATION ONLY

The Commission did not present for examination an official's bond or other documentation showing insurance coverage for the faithful performance of duties and employee dishonesty for officials and/or employees for the period July 1, 2010 to December 31, 2010.

OPTICAL IMAGES OF CHECKS

The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks.

Indiana Code 5-15-6-3 concerning optical imaging of checks states in part:

"(a) . . . 'original records' . . . includes the optical image of a check or deposit document when:

- (1) the check or deposit document is recorded, copied, or reproduced by an optical imaging process . . . ; and
- (2) the drawer of the check receives an optical image of the check after the check is processed for payment . . . "

Further, Indiana Code 26-2-8-111 states in part:

"(a) If a law requires that certain records be retained, that requirement is met by retaining an electronic record of the information in the record that:

- (1) accurately reflects the information set forth in the record after it was first generated in its final form as an electronic record or otherwise: and
- (2) remains accessible for later reference."

"(e) If a law requires retention of a check, that requirement is satisfied by retention of an electronic record of the information on the front and back of the check in accordance with subsection (a)."

PERSONNEL REPORT NOT FILED

Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R) due January 31, 2011, was not filed in the office of the State Examiner.

Indiana Code 5-11-13-1 states in part:

"Every state, county, city, town, township, or school official, elective or appointive, who is the head of or in charge of any office, department, board, or commission of the state or of any county, city, town, or township, and every state, county, city, town, or township employee or agent who is the head of, or in charge of, or the executive officer of any department, bureau, board, or commission of the state, county, city, town, or township, and every executive officer by

FRANKLIN COUNTY CONVENTION, RECREATION AND VISITORS COMMISSION
EXAMINATION RESULTS AND COMMENTS
(Continued)

whatever title designated, who is in charge of any state educational institution or of any other state, county, or city institution, shall during the month of January of each year prepare, make, and sign a written or printed certified report, correctly and completely showing the names and business addresses of each and all officers, employees, and agents in their respective offices, departments, boards, commissions, and institutions, and the respective duties and compensation of each, and shall forthwith file said report in the office of the state examiner of the state board of accounts. However, no more than one (1) report covering the same officers, employees, and agents need be made from the state or any county, city, town, township, or school unit in any one year."

Indiana Code 5-11-13-3 states:

"A person who violates section 1 of this chapter commits a Class C infraction. If violated by an elected state officer, the officer is liable to impeachment, and if violated by any other person, the person is subject to removal for neglect of duty under the procedures described in IC 34-17."

FRANKLIN COUNTY CONVENTION, RECREATION, AND VISITORS COMMISSION
EXIT CONFERENCE

The contents of this report were discussed on November 16, 2011, with JoAnn Prickel, former Director, and Jack R. Shields, Attorney for Ms. Prickel. The Official Response has been made a part of this report and may be found on pages 15 through 21.

The contents of this report were discussed on November 29, 2011, with Beth Seibert, President of the Board; Robert Felix, Treasurer; David Cook, Vice President of the Board; and, Tim Ziemke, Board member.

JACK R. SHIELDS
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STATE BOARD OF ACCOUNTS

Anita Palmer
Legal secretary/paralegal

Janet Shields
Legal secretary/office manager

December 7, 2011

Mr. Ron Robertson
Indiana State Board of Accounts
302 West Washington Street
Room E418
Indianapolis, Indiana 46204

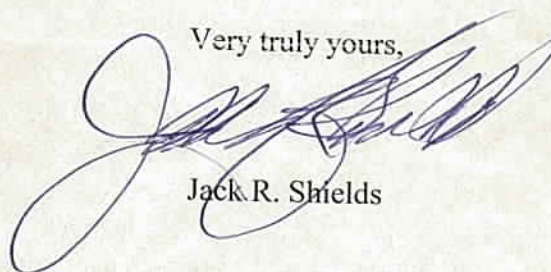
Re: Franklin County Convention Recreation and
Visitors Commission
Joann Prickel

Dear Mr. Robertson:

Enclosed herewith you will find my client's responses to the allegations contained in your Preliminary Discussion Draft which we discussed at the meeting in my office November 16 at which you, Nancy Wright, Ms. Prickel and I were present. I had absolutely no input into her responses.

If you need any further information please advise.

Very truly yours,



Jack R. Shields

JRS.arp

Enclosure

cc: Ms. Nancy Wright
Ms. Joann Prickel

Franklin County Convention Recreation and Visitors Commission

December 31, 2010

Financial Reports Opinion: On November 16, 2011 was the first time I heard Nancy Wright say that Franklin County Convention Recreation and Visitor's Commission was required to file a financial report. The commission has paid an accountant for two years for her expertise. I remember Nancy Wright talking with Jane Klenke (accountant) about Quick books not being a state board approved bookkeeping system. The financial statement and reports were something the accountant and state board was responsible for not me as the director. Please check the records for payment to Jane Klenke for her services.

No Annual Report: How would Franklin County Convention Recreation and Visitor's Commission know they were to file a "Special District Annual Report"? Was Franklin County in a 'special' district? I was never told to file a report and if I had been told I would have talked with the commission paid accountant.

Disbursements Procedures Not Followed: 1. The state board auditor nor Franklin County Convention Recreation and Visitor's Commission accountant told the board of directors or myself that Form 354 were to be signed by the officer or person receiving the goods. It would have been nice to know this information before this audit. This was not mentioned the previous audit.

2. The State Board approved forms were ordered by Franklin County Commission Recreation and Visitor's Commission accountant per Nancy Wright. Mrs. Wright told Mary Ann Hart and I that checks could be written and signed before monthly board meetings and at the board of directors monthly meeting the remainder of the board members could then sign and approve the prescribed forms. The prescribed forms were approved at monthly board meeting, the dates of the approved monthly board meeting minutes would reflect the dates for the signed forms.

Expense Reports-No Supporting Documentation: Per the Franklin County Convention Recreation and Visitor's Commission board of Directors, I worked, attended, participated in county festivals and purchased sodas, water, food, for volunteers at the event. Festivals and events do not have receipts.

Expense Reports:

July 2010

Drinks for workers, \$20.00 please check the date, I'm sure this was water, sodas for workers at the two day Canoefest.

Water for Idol Contestants, \$25.00, Canoefest Idol contestant is a two part show with the first round on Friday evening and the second on Saturday night. I purchased water from a vendor at the festival for the Idol contestants. This is a festival were you do not receive a receipt. I worked the festival per the board of directors.

Apples for workers, \$7.65, I picked up apples at the local orchard for the Canoefest workers that registered the canoe racers in the morning. I think I also brought donuts in the morning for the workers.

Lunch with FCED \$7.50, Mr. Thompson the Franklin County Economic Development Director and I had lunch weekly working on projects to increase visitors to the county. I'm sure the receipt was paper clipped to the report.

Drink tickets \$20.00 Please check the date. I'm sure this was the Oldenburg Freudenfest, a festival. I purchased water and sodas for volunteers working the festival. I worked this and all the festivals per the board of directors.

Breakfast \$10.00 The Boy Scouts has a kick off breakfast with free will offering at the Freudenfest. This was the breakfast I attended as part of the festival I was to work per the board of directors.

Wine auction, pie auction, t-shirt \$50.00 Items purchased at the Freudenfest festival. The pie was given to workers at the festival; the Freudenfest t-shirt is on the mantel in the tourism office.

Sydney retirement party. \$12.50 was paid at the Hearthstone were the retirement party was held. The receipt was paper clipped to the report.

August 2010

Dinner with Gary Wolf \$28.35 A receipt for dinner would have been paper clipped to the directors report.

Snacks for the board \$12.50 I prepared food for the board meeting for my pantry. Per Nancy Wright we were told that food was ok at the meeting, but not to go overboard on the expense. If I was told by State Board that I would be responsible for these expenses I wouldn't have taken my time at my residence the night before preparing snacks for the board that they ate and enjoyed.

Drink tickets \$20.00 Please check the date, but I'm sure this was the Festival in Metamora were I purchased water and soda tickets for volunteers. Festival, no receipt. I attended this and other festivals per my board of directors.

Lunch \$12.00, lunch at the Festival, no receipt.

Lunch with EDC \$14.50, the receipt was paper clipped to the report. Weekly meeting to work on increasing businesses and visitors to Franklin County.

Muffins for budget hearing \$10.78, a receipt was paper clipped to the report for the muffins and banana nut bread for the budget hearing. Mary Ann Hart attended the budget hearing with me. The meeting was at the Government Center and attended by county council and the county commissioners.

Sept 2010

Music Festival \$5.75, without the report I think this was lunch at the Olde Time Music Festival that I attended per the board of directors. No receipt, festival.

Lunch at Pioneer \$17.23 lunch with member of Gaston Memorial Fishing tourney to work on tourney details. I need the director's report to verify the dates.

Apple bars \$6.25 food for the monthly board of directors meeting, purchased from the local apple orchard.

Farm Show \$13.24 items for Franklin County Convention Recreation and Visitors Commission booth at the four days Antique Farm Machinery Show.

Farm Show \$7.76 items for the farm show. Receipts paper clipped to report.

November 2010 Meeting \$51.83 without the directors report and by the date on the audit it appears that the meeting was the monthly board of directors meeting.

"A similar comment was made in prior Report B38680" What report is the State Board referring too? I am requesting a copy of the Report B38680.

Expense Reports-Questionable Supporting Documentation

July 2010 Goodie basket-Oldenburg \$140.00 Oldenburg basket was purchased at the Oldenburg Freudenfest auction on Friday night and held in the tourism office were it was given to Madison In, Jefferson County as part of a multiply county Art Trail promotion to help move guests through the counties. There was an auction receipt that was paper clipped to the report and approved by the board of directors.

Meal \$18.05, wrong receipt, the correct receipt was paper clipped to the report

Lunch \$6.73 this was the Art Trail meeting for Franklin County following the am meeting in Lawrenceburg. The Art Trail project is a 6 county trail that travels though each county and took a lot of time to complete with numerous county and local meetings.

August 2010 Dinner with Board \$19.98, I need additional documentation to know who attended the dinner meeting. I believe it was Mary Ann who attended a meeting earlier in the day and we meet for dinner to discuss county tourism projects.

Prizes \$11.92, I purchased baskets, glassware and a t-shirt for the 3 baskets I put together for prizes at the Lions Car Show, per the board of directors. I purchased 3 sodas for myself and two other car show judges.

September 2010 Booth items for Farm Show \$8.35, labeled incorrect. Without my report and documentation, I believe I meet a member form Corprint at Shelbyville Statrbucks to work on Franklin County projects.

Goody Bags \$27.23, items on the receipt for the office and should have been listed as misc office expenses. Canned coffee that is still in the office, I hate coffee so believe me it's not at my house. I purchased nail polish remover because I was working on spray painting bike trail stencils on the roads and got bright yellow paint on my hands and it wouldn't come off with soap and water. I work at a nail salon in Batesville and I sure don't need to buy polish remover, there is plenty at work and I never polish my nails so I wouldn't have bought it for myself. As far as the ibuprofen, I probably bought it because I had a headache and the medicine is probably at the office.

October 2010

Mileage to pick up brochures \$62.50 The brochures were picked up at the printing house located on New York Street in Indianapolis as the report states. The Fun Map/Lake Brochures were to be shipped but we needed the brochures so I picked them up. The representative from Corprint is correct that most brochures were picked up in Shelbyville at Starbucks where we would exchange information for the next brochure.

Various

Purchases from Starbucks \$50.13, I had numerous meetings at Starbucks in Shelbyville at Starbucks to pick up and exchange art work with the printer and or the graphic artist. While at the meetings I bought a chi tea for myself, I was away from the office and I was conducting business. Why is this not a valid expense?

"A similar comment was made in prior Report B38680" If this report is the last audit report, the report was given to me and the officers of the Franklin County Convention Recreation and Visitor's Commission the first week in December 2010. These expenditures were all before the audit report was presented to the board and me.

Expenses Reports-Duplicate Payments

If these expenses were paid twice I will repay \$104.99. I would like to have copies of the duplicate payments and documentation.

Petty Cash

I would like to have copies of the undocumented expenses that are in question. On first reading I thought it was possible an adding error.

Petty Cash-Questionable Supporting Documentation:

| | |
|-------------------------------|--|
| Caramel frappe/McDonalds | \$2.99 meeting with FCED, Frank Thompson |
| Two salad bars at Hearthstone | \$18.62 need additional information and documents dates. |
| El Reparo lunch with Dennis | \$17.36 Dennis Kolb is past board member and a member of FCEDC. We talked about land at Brookville Lake for a conference/hotel center. |
| Caramel frappe/McDonalds | \$2.99 meeting with FCED director Frank Thompson. |

Bank Account Overdrafts: \$84.00

Jane Klenke has a contract with Franklin County Convention Recreation and Visitor's Commission to pay bill, fill out the approved state board forms, create financial reports and balance both the operating account and money market account as the accountant for the commission. Please check for cancelled checks for her services.

No Official Bond: A bond was secured by Franklin County Convention Recreation and Visitors Commission as soon as Nancy Wright from State Board of Accounts told the board of directors and me that one was needed. We were told a bond was needed the first part of December 2010 at the exit interview for the audit performed July 2007-June 2010.

Optical Images of Checks: I have no idea what I could do about the bank not returning checks. I was not told we needed cancelled checks and I believe this is an accountant questions, not the director.

Personnel Report Not Filed: The exit conference on November 16, 2011 was the first time anyone from State Board of Accounts told me that a certified Report had to be filed. How is someone to know that such a report is needed? I had not heard of such a report and knew nothing about filing any reports with State Board or any other government agency. Again, wouldn't this be an accountant report or at least something an accountant should know about?

FRANKLIN COUNTY CONVENTION, RECREATION AND VISITORS COMMISSION
SUMMARY

| | Charges | Credits | Balance Due |
|---|-----------|---------|-------------|
| JoAnn Prickel, former Director: | | | |
| Expense Reports - No Supporting Documentation, pages 5 and 6 | \$ 359.88 | \$ - | \$ 359.88 |
| Expense Reports - Questionable Supporting Documentation, pages 6 through 8 | 344.89 | - | 344.89 |
| Expense Reports - Duplicate Payments, pages 8 and 9 | 104.99 | - | 104.99 |
| Petty Cash Reimbursements - No Supporting Documentation, page 9 | 24.14 | - | 24.14 |
| Petty Cash - Questionable Supporting Documentation, pages 9 and 10 | 41.96 | - | 41.96 |
| Bank Account Overdrafts, page 10 | 84.00 | - | 84.00 |
| Totals | \$ 959.86 | \$ - | \$ 959.86 |

AFFIDAVIT

STATE OF INDIANA)
Decatur) COUNTY)

We, Nancy J. Wright and Ron Robertson, Field Examiners, being duly sworn on our oaths, state that the foregoing report based on the official records of the Franklin County Convention, Recreation and Visitors Commission, Franklin County, Indiana, for the period from July 1, 2010 to December 31, 2010, is true and correct to the best of our knowledge and belief.

Nancy J. Wright
Field Examiner

Ron Robertson
Field Examiner

Subscribed and sworn to before me this 19th day of March, 2012.

Janet S. Chadwell
Clerk of the Circuit Court