

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

AUDIT REPORT

OF

COUNTY AUDITOR

HARRISON COUNTY, INDIANA

January 1, 2011 to December 31, 2011



FILED
08/01/2012

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Karen Engleman	01-01-11 to 12-31-14
President of the County Council	Gary Davis	01-01-11 to 12-31-12
President of the Board of County Commissioners	James Goldman	01-01-11 to 12-31-12



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF HARRISON COUNTY

We have audited the records of the County Auditor for the period from January 1, 2011 to December 31, 2011, 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 Harrison County for the year 2011.

STATE BOARD OF ACCOUNTS

July 16, 2012

COUNTY AUDITOR
HARRISON COUNTY
AUDIT RESULT AND COMMENT

ACCOUNT RECONCILIATIONS - PAYROLL CLEARING FUND

The County's Payroll Clearing Fund went from having a balance of \$169,261 at December 31, 2008, to a balance of (\$25,411) at December 31, 2009. Disbursements continued to exceed transfers into the Payroll Clearing Fund during 2010 resulting in a balance of (\$127,850) as of December 31, 2010. On October 31, 2011, a transfer of \$160,259 was receipted into the Payroll Clearing Fund from Riverboat Ord. 98-12 Fund to reduce the negative fund balance. Also, on November 1, 2011, individual withholding funds were established to account for payroll withholdings and the Payroll Clearing Fund was no longer being used. As a result, the balance of the Payroll Clearing Fund as of December 31, 2011, was \$56,544. This balance does not reconcile to any particular withholding accounts.

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 need to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

COUNTY AUDITOR
HARRISON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 16, 2012, with James Goldman, President of the Board of County Commissioners; Gary Davis, President of the County Council; and Karen Engleman, Auditor. The officials concurred with our audit finding.