

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

AUDIT REPORT
OF
BOARD OF COUNTY COMMISSIONERS
HENRY COUNTY, INDIANA
January 1, 2011 to December 31, 2011



FILED
08/20/2012

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Result and Comment: Credit Cards.....	4
Exit Conference.....	5
Official Response	6-12

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Patricia A. French	01-01-11 to 12-31-14
President of the County Council	Nate LaMar	01-01-11 to 12-31-12
President of the Board of County Commissioners	Kim L. Cronk	01-01-11 to 12-31-12



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 HENRY COUNTY, INDIANA

We have audited the records of the Board of County Commissioners 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 Henry County for the year 2011.

STATE BOARD OF ACCOUNTS

May 1, 2012

BOARD OF COUNTY COMMISSIONERS
HENRY COUNTY
AUDIT RESULT AND COMMENT

CREDIT CARDS

The County has authorized several departments to have credit cards. The County established a policy for use of the credit cards which included the departments maintaining a log which would include the names of individuals requesting usage of the cards, their position, estimated amounts to be charged, fund and account numbers to be charged, the date the card is issued and returned. Not all departments were maintaining the log as required by the County policy. In addition, 4 of the credit statements tested did not contain adequate supporting documentation and 1 statement contained a charge for sales tax.

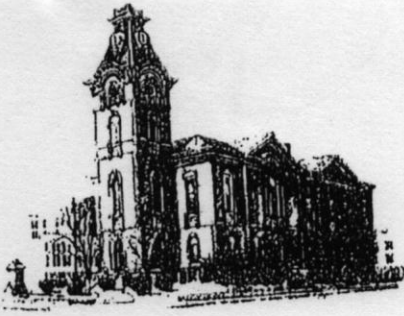
The State Board of Accounts will not take exception to the use of credit cards by a governmental unit provided the following criteria are observed:

1. The governing board must authorize credit card use through an ordinance or resolution, which has been approved in the minutes.
2. Issuance and use should be handled by an official or employee designated by the board.
3. The purposes for which the credit card may be used must be specifically stated in the ordinance or resolution.
4. When the purpose for which the credit card has been issued has been accomplished, the card should be returned to the custody of the responsible person.
5. The designated responsible official or employee should maintain an accounting system or log which would include the names of individuals requesting usage of the cards, their position, estimated amounts to be charged, fund and account numbers to be charged, date the card is issued and returned, etc.
6. Credit cards should not be used to bypass the accounting system. One reason that purchase orders are issued is to provide the fiscal officer with the means to encumber and track appropriations to provide the governing board and other officials with timely and accurate accounting information and monitoring of the accounting system.
7. Payment should not be made on the basis of a statement or a credit card slip only. Procedures for payments should be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee should be the responsibility of that officer or employee.
8. If properly authorized, an annual fee may be paid.

(Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 14)

BOARD OF COUNTY COMMISSIONERS
HENRY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on May 1, 2012, with Patricia A. French, Auditor; Cheryl Scales, Deputy Auditor, Richard Bouslog, member of the County Council; and Kim L. Cronk, President of the Board of Commissioners. The Official Response has been made a part of this report and may be found on pages 6 through 12.



**HENRY COUNTY
COMMISSIONERS**
HENRY COUNTY COURTHOUSE
101 SOUTH MAIN STREET
NEW CASTLE, INDIANA 47362
PHONE 765-529-4705 FAX 765-521-7037

Kim L. Cronk
President
kcronk@henryco.org
William D. Cronk
Vice-President
bcronk@henryco.net
Sam Beckenbaugh
sbeckenbaugh@henryco.net

May 23, 2012

Indiana State Board of Accounts
c/o Bill Vinson
101 South Main Street
New Castle, In. 47362

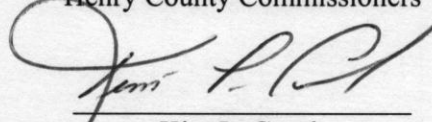
Re: Response to Audit Findings

Dear Mr. Vinson:

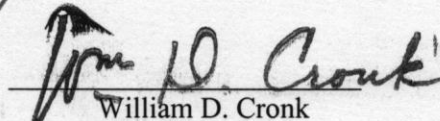
Concerning the Indiana State Board of Accounts finding concerning the use of credit cards, the County of Henry adopted Resolution 2009-08-26-01, a policy concerning the use of credit cards that exceeded the minimum required by the State Board of Accounts. (See attached policy) The County requires each office to keep a written log identifying the names and positions of the person who has the card, the estimated amount to be charged, the fund and account numbers to be charged, the date the card is issued and returned. Many of the offices were keeping their own log. The Commissioners developed the attached log that standardizes the logging process and will be provided to the public and State Board of Accounts upon request. Our procedures exceed required accounting procedures but we feel strict accountability for use of the County Credit Card is a necessity to prevent credit card abuse. If you have any questions, do not hesitate to contact us at the Commissioners' Office. Thank you for your continued cooperation.

Sincerely,

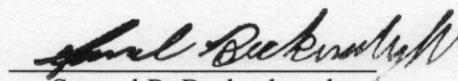
Henry County Commissioners



Kim L. Cronk



William D. Cronk



Samuel R. Beckenbaugh

RESOLUTION NO: 2009-08-26-01

RESOLUTION AUTHORIZING CREDIT CARD USE BY
HENRY COUNTY OFFICIALS

WHEREAS, Henry County Elected Officials and Department Heads, including but not limited to the Henry County Commissioners, Henry County Highway Department, Auditor's Office, Treasurer's Office, Sheriff's Department, Clerk's Office, and other Henry County Offices and Department Heads (collectively Henry County Officials and Department Heads) of those offices have requested the authority to use credit cards for purchases to carry out the official functions of their offices; and

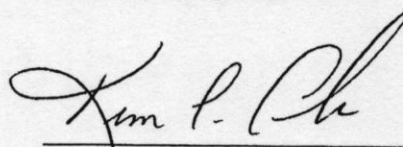
WHEREAS, The Accounting and Compliance Guidelines Manual for County Auditors of Indiana (reissued by Indiana State Board of Accounts, 2002), Chapter 1-14 provides that an audit exception will not be taken to the use of credit cards provided that certain criteria listed therein are followed.

NOW THEREFORE, BE IT RESOLVED by Board of Henry County Commissioners that:

1. Henry County Elected Officials or their designee and/or Department Heads (hereinafter "Responsible Person") are hereby authorized to obtain and use a credit card for use in carrying out the official functions of that office or department and for no other purpose.
2. The Responsible Person shall control the use of such credit card and, when the use of the card has been accomplished, maintain custody of same.
3. The Responsible Person shall maintain an accounting system or log including the names and positions of individuals requesting use of such card, the estimated amounts to be charged, the fund and account numbers to be charged, the date the card is issued and returned.
4. The credit card cannot be used to bypass the county's accounting system.
5. The Responsible Person shall timely submit claim for payment of such charges, together with receipts or paid bills documenting the purchase, in the same manner as other claims.
6. The Responsible Person shall personally pay any interest or penalty incurred due to late submission of late claims or late furnishing of documents.

Adopted this 26th day of August, 2009.

Board of Commissioners of
Henry County, Indiana



Kim L. Cronk, President

Wm D Cronk

William D. Cronk, Vice President

Sam Beckenbaugh

Sam Beckenbaugh, Member

ATTEST:

Linda S. Ratcliff

Linda Ratcliff, Auditor

County Treasurer
Weights and Measures
Motion carried 3-0.

A complaint was received from Mr. Bill New of 221 S. Winter Drive in New Castle. He stated that he had damaged his vehicle when he hit a pothole. A letter will be sent to Mr. New acknowledging his complaint and informing him that while concerned, the county was not the proximate cause of the loss.

Pat French, Circuit Court Clerk presented three quotes for a new shredder for the Clerk's Office. The quotes are listed below:

Weber Office	\$1,495.00
OffiSource	\$2,599.00
Thomas Business Center	\$2,095.00

A motion was made by Mr. William Cronk and seconded by Mr. Beckenbaugh to allow the purchase of the shredder from Weber Office Equipment for the price of \$1,495.00. Motion carried 3-0.

Mrs. French presented three quotes for a new server for the Court System Computer Program. The quotes are listed below.

CSI Computer Systems	\$28,490.00
Dell – Online Power Edge 2900III	\$10,261.44(Not Complete Quote)
Intech	\$ 8,411.44

A motion was made by Mr. Beckenbaugh and seconded by President Cronk to accept the quote from CSI Computer Systems for \$28,490.00. Motion carried 3-0. Mrs. French will purchase the server from the Clerk's Perpetuation Fund.

Mr. Joe Wiley, Highway Administrator gave the Commissioners a status report of work going on at the Highway.

Mr. Wiley also reported that he had been in contact with Mr. Dave Reel from the town of Middletown. The work that the Commissioners had agreed to do should time permit was discussed and arrangements are being made to do the work.

Mr. Wiley discussed with the Commissioners the possibility of purchasing a new truck with highway money. Mr. Wiley was asked to get some figures together and present them to the Commissioners at the next meeting.

Mr. Wiley also informed the Commissioners that he had been contacted by Mr. Matt Hill on Poplar Street in Spiceland about paving or filling holes. Mr. Wiley suggested that at this time he did not feel it would be a good use of county dollars.

Mr. Richard Byers, Henry County Surveyor presented a request from the 2010 Census Bureau asking for participation in the New Construction Program. Mr. Byers informed the Commissioners that most of the information had been provided to the Census Bureau already and he did not feel that as a County, we should participate at this time. It would be a very time consuming project and yield only six (6) new addresses. A motion was made by Mr. Beckenbaugh and seconded by President Kim Cronk to decline participation in the project at this time. Motion carried 2-0.

Mr. Byers discussed with the Commissioners the receipt of the memo from the County Commissioners Association concerning the Federal Requirements of Creating Scour Plan of Actions and the Monitoring of Scour Critical Bridges during flood events. Mr. Byers informed the Commissioners that the Henry County Bridges are in compliance with Federal Requirements. At this time there is no action to be taken.

Mr. Byers presented a letter from the Indiana Department of Transportation informing the County Commissioners that Contract No B-29683-A (Des# 0500086): Bridge #200) CR 500 S. over Glue Run is within INDOT LPA guidelines for approval. A motion was made by Mr. Beckenbaugh and seconded by Mr. William Cronk to approve the project. Motion carried 3-0.

Mr. Beckenbaugh read an invitation from Jenny Dennis, the Director of Henry County United Fund inviting the Commissioners to the Annual Day of Caring to be held on September 11, 2009. The day will begin at the First Baptist Church Family Center on State Road #3. All volunteers are encouraged to register online and all are welcome.

A resolution authorizing the use of credit cards by Henry County Elected Officials and Department Heads was presented for approval. The resolution is inserted.

RESOLUTION NO: 2009-08-26-01

**RESOLUTION AUTHORIZING CREDIT CARD USE BY
HENRY COUNTY OFFICIALS**

WHEREAS, Henry County Elected Officials and Department Heads, including but not limited to the Henry County Commissioners, Henry County Highway Department, Auditor's Office, Treasurer's Office, Sheriff's Department, Clerk's Office, and other Henry County Offices and Department Heads (collectively Henry County Officials and Department Heads) of those offices have requested the authority to use credit cards for purchases to carry out the official functions of their offices; and

WHEREAS, The Accounting and Compliance Guidelines Manual for County Auditors of Indiana (reissued by Indiana State Board of Accounts, 2002), Chapter 1-14 provides that an audit exception will not be taken to the use of credit cards provided that certain criteria listed therein are followed.

NOW THEREFORE, BE IT RESOLVED by Board of Henry County Commissioners that:

1. Henry County Elected Officials or their designee and/or Department Heads (hereinafter "Responsible Person") are hereby authorized to obtain and use a credit card for use in carrying out the official functions of that office or department and for no other purpose.
2. The Responsible Person shall control the use of such credit card and, when the use of the card has been accomplished, maintain custody of same.
3. The Responsible Person shall maintain an accounting system or log including the names and positions of individuals requesting use of such card, the estimated amounts to be charged, the fund and account numbers to be charged, the date the card is

BE IT REMEMBERED THAT THE BOARD OF COUNTY COMMISSIONERS met in the Commissioners Courtroom, Henry County Courthouse, Wednesday, August 26, 2009 at 7:00 p.m. in the city of New Castle, Ind., with the following members present: Kim L. Cronk, President, William D. Cronk, Samuel R. Beckenbaugh, Linda S. Ratcliff, Auditor and Joe Bergacs, County Attorney.

The meeting was called to order by President Kim Cronk. The Pledge of Allegiance was recited followed by a moment of silent prayer.

The minutes were presented from the August 12, 2009 meeting. A motion to approve the minutes as presented was made Mr. Beckenbaugh and seconded by Mr. Cronk. Motion carried 3-0.

A motion was made by Mr. William Cronk and seconded by Mr. Beckenbaugh to approve the payment of claims as presented. Motion carried 3-0.

A motion was made to approve payroll, timecards, and deductions as presented by Mr. William Cronk. The motion was seconded by Mr. Beckenbaugh. Motion carried 3-0.

Ordinance 2009-07-08-26 was presented for approval by the Commissioners. The ordinance appears below:

ORDINANCE NO. 2009-07-08-26

AN ORDINANCE TO VACATE A PORTION OF AN ALLEY IN THE ORIGINAL PLAT OF KNIGHTSTOWN LAKE ADDITION A PUBLIC WAY IN HENRY COUNTY, INDIANA

WHEREAS, Jeff Dubbs has applied to vacate a certain portion of a public way/public place, described as:

A part of Brook Road as laid on Map One Knightstown Lake, between lots 260 through 266 and lots 1559, 1572 and 1573 continuing easterly to the west line of creek. Also a part of area known as public place adjacent to and east of lots 266, 1573 and 1571 to the west line of creek and bounded on the south by a line from center of fountain, parallel with Star Blvd. easterly to the west line of creek. Also being the north boundary of area vacated on 12-31-2008 as recorded in the Henry County Recorders office in document #200807582. Also being bounded on the north by the south R/W of US 40.

WHEREAS, the County of Henry has no need for this public way and it is not used as a means of ingress and egress by the public generally; and

WHEREAS, it is in the best interests of Henry County, Indiana, to vacate said public way.

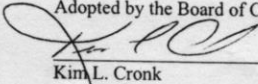
NOW THEREFORE, BE IT ORDAINED by the Board of County Commissioners of Henry County, Indiana, that the petition of Jeff Dubbs to vacate a certain public way, which is contiguous to real estate owned by him in Henry County, Indiana, be granted.

The portion of the public way to be vacated is not located in the corporate limits of any town, but is located within the boundaries of Henry County, Indiana, and is more particularly described as follows:

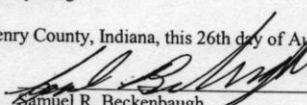
A part of Brook Road as laid on Map One Knightstown Lake, between lots 260 through 266 and lots 1559, 1572 and 1573 continuing easterly to the west line of creek. Also a part of area known as public place adjacent to and east of lots 266, 1573 and 1571 to the west line of creek and bounded on the south by a line from center of fountain, parallel with Star Blvd. easterly to the west line of creek. Also being the north boundary of area vacated on 12-31-2008 as recorded in the Henry County Recorders office in document #200807582. Also being bounded on the north by the south R/W of US 40.

This Ordinance shall become effective immediately upon passage.

Adopted by the Board of County Commissioners of Henry County, Indiana, this 26th day of August, 2009



Kim L. Cronk



Samuel R. Beckenbaugh

William D. Cronk

Attest: _____
Linda Ratcliff, Auditor

A motion was made by Mr. Beckenbaugh and seconded by Mr. William Cronk to approve the ordinance. Motion carried 3-0.

Members of the Knightstown Planning Commission were present to present a copy of their comprehensive plan to the County Commissioners for acceptance. After presentation by the Planning Commission and questions from the Commissioners, a motion was made by Mr. Beckenbaugh and seconded by Mr. William Cronk to present the plan to the Planning Commission. Motion carried 3-0.

A transmittal letter was presented to the Commissioners for signatures and to be returned to the Indiana Department of Transportation the Greenfield Division for payment of the Engineering Services performed by Butler, Fairman, Seufert for the Wilbur Wright Trail, Phase I. Project No. STP-9933. A motion was made by Mr. William Cronk and seconded by Mr. Beckenbaugh to sign and return the letter. Motion carried 3-0.

A claim was presented by Butler, Fairman, Seufert for payment in the amount of \$6,910.00 for the construction phase of the Wilbur Wright Trail. A motion was made by Mr. William Cronk and seconded by Mr. Beckenbaugh to pay the claim. Motion carried 3-0.

A copy of a letter was received from the Board of Aviation of the New Castle-Henry County Municipal Airport Board of Aviation Commissioners concerning audit findings reported by the State Board of Accounts. The Board of Aviation will make an effort to comply with requests from the State Board of Accounts.

Notice was received from the Indiana Department of Transportation concerning "Handicapped Parking Only" designation for the Town of Lewisville. The designation shall be established on the north side of US 40 (East Main Street) from a point 20 feet east of the east curb line of Border Street to a point 40 feet east of the east curb line of Border street, a distance of approximately 20 feet.

A motion was made by Mr. William Cronk and seconded by Mr. Beckenbaugh to accept the reports of the following:
IPEP

issued and returned.

4. The credit card cannot be used to bypass the county's accounting system.
5. The Responsible Person shall timely submit claim for payment of such charges, together with receipts or paid bills documenting the purchase, in the same manner as other claims.
6. The Responsible Person shall personally pay any interest or penalty incurred due to late submission of late claims or late furnishing of documents.

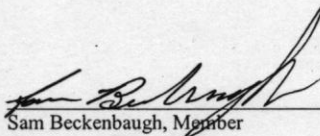
Adopted this ____ day of _____, 2009.

Board of Commissioners of
Henry County, Indiana



Kim L. Cronk, President

William D. Cronk, Vice President



Sam Beckenbaugh, Member

ATTEST:

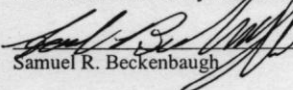
Linda Ratcliff, Auditor

A motion was made by Mr. Beckenbaugh and seconded by Mr. William Cronk to approve the resolution as presented. Motion carried 3-0.

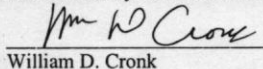
President Cronk noted that the County had received hail damage in the recent storm. The Courthouse, the Masonic Building, the Justice Center, the Park and the AADP (Now the ambulance building) had all received damage and estimates were being obtained for repairs.

President Cronk presented a proposal that the County should follow the federal guidelines for comp time. The time build up maximum for non public safety personnel is 240 hours and for public safety personnel it is 480 hours. A motion was made by Mr. William Cronk and seconded by Mr. Beckenbaugh to approve the recommendation. Motion carried 3-0.

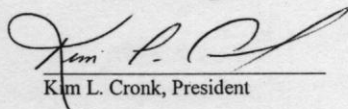
A motion was made by Mr. William Cronk and seconded by Mr. Beckenbaugh to adjourn. Motion carried 3-0.



Samuel R. Beckenbaugh



William D. Cronk



Kim L. Cronk, President



Linda S. Ratcliff, Auditor

