

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

AUDIT REPORT

OF

CLERK OF THE CIRCUIT COURT

CLARK COUNTY, INDIANA

January 1, 2011 to December 31, 2011



FILED

09/13/2012

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk	Barbara Haas	01-01-08 to 12-31-14
President of the County Council	Jack Coffman Kevin Vissing	01-01-10 to 12-31-10 01-01-11 to 12-31-11
President of the Board of County Commissioners	M. Edward Meyer Les Young	01-01-10 to 12-31-11 01-01-12 to 12-31-12



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF CLARK COUNTY

We have audited the records of the Clerk of the Circuit Court 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 Results and Comments. The financial transactions of this office are reflected in the Annual Report of Clark County for the year 2011.

STATE BOARD OF ACCOUNTS

August 13, 2011

CLERK OF THE CIRCUIT COURT
CLARK COUNTY
AUDIT RESULTS AND COMMENTS

CASH NECESSARY TO BALANCE

During 2011 monthly reconcilements of the depository account balance with the Court Cash Book record balance were performed; however, unidentified differences existed in each month. The difference between the record balance and depository balance at December 31, 2011, was \$8,324 with the depository account balance showing less than the record balance.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

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 needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Clerks of the Circuit Courts of Indiana, Chapter 13)

A similar comment was made in prior reports B37133, B38284, and B40237 for the years 2008 to 2010, respectively.

RECONCILIATION OF SUBSIDIARY LEDGER – TRUST ACCOUNTS

The balance per the detail trust subsidiary record did not agree with the balance per the ledger control account. At December 31, 2011, the trust subsidiary record showed a balance of \$1,011,797, whereas the balance per the cash book ledger control account showed a balance of \$1,012,017 for a difference of \$220.

At all times, the manual and 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 needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Clerks of the Circuit Courts of Indiana, Chapter 13)

A similar comment was reported in prior Reports B37133, B38284, and B40237, for the years 2008 to 2010, respectively.

CLERK OF THE CIRCUIT COURT
CLARK COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

TRANSACTION RECORDING

Interest earned on a money market checking account for the period December 2010 to December 2011, and interest on a sweep account for December 2011, were not posted to the financial records.

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 Clerks of the Circuit Courts of Indiana, Chapter 13)

A similar comment was reported in prior Report B40237.

DISTRIBUTION OF ORDINANCE VIOLATION CIVIL PENALTIES

The Clerk of the Circuit Court reported monies collected for municipal ordinance violations in the amount of \$19,835 for the year 2011 to be receipted to County Fund 2501, Continuing Law Enforcement User Fee Fund.

Judgments for municipal corporations should be collected and distributed to the municipal corporation as ordered by the court. The guidance provided by the local government ordinance should then be followed by the municipal corporation's fiscal officer in depositing penalties prescribed by local governmental ordinance.

Indiana Code 34-28-5-1 (c) states: "An action to enforce an ordinance shall be brought in the name of the municipal corporation."

CLERK OF THE CIRCUIT COURT
CLARK COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 13, 2012, with Barbara Haas, Clerk; Nancy J. Shepherd, Chief Deputy Clerk; and on August 14, 2012, with M. Edward Meyer, Vice-President of the Board of County Commissioners; and Brian Lenfert, Vice-President of the County Council. The Official Response has been made a part of this report and may be found on page 7.

Barbara Bratcher Haas

Clerk of Clark Circuit and Superior Courts
501 East Court Avenue Room 137
Jeffersonville, Indiana 47130
Ph: 812 285 6244 Fax: 812 285 6372
Voter Registration: 812 285 6329

August 17, 2012

State Board of Accounts

Re: Audit findings

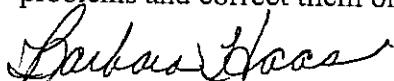
DISTRIBUTION OF ORDINANCE VIOLATION CIVIL PENALTIES

Clark County has established a Violations Bureau under the direct supervision of the Judge of Clark Circuit Court # 3. Employees of the judge collect and process all violation penalties related to Ordinance Violations. It is my response that it is the responsibility of the department collecting the penalties to distribute it to the appropriate municipal corporation. Each morning the employees of the Violations Bureau bring the collections to the Circuit Court Clerk with a report into which the collections have been posted. The Circuit Court Clerk does not determine the appropriate fund into which these collections are placed. Therefore I oppose the written notation of the audit report. Since this matter has been brought to my attention, discussions with all parties involved have resulted in a plan to insure that these penalties are coded properly thus insuring that they are distributed according to the direction of the State Board of Accounts. The penalties will be coded by the employees of the court to be distributed to the various agencies therefore the Clerk of the Circuit Court on a monthly basis will distribute the collections to the financial officer of the municipality. Efforts are underway to identify collections placed in the inappropriate fund in the past and distribute them to the appropriate agency.

RECONCILIATION OF SUBSIDIARY LEDGER – TRUST ACCOUNTS

When I took office on January 1, 2008 the prior administration had not reconciled with the bank. The software being used at the time (GAVEL) we realized later dropped checks in the reconciliation program. The software allowed for transfer of cases but allowed the monies to remain on both cases. This doubled the amounts in the trust book.

Since this office installed the statewide system (Odyssey) the reconciliation has not been a problem. When Odyssey was installed it was decided to begin fresh without converting the obviously incorrect numbers from GAVEL. Odyssey has balanced everyday. Our goal is as cases are transferred from GAVEL to Odyssey we will identify the reconciling problems and correct them one by one. We have already identified several.



Barbara Bratcher Haas
Clerk of the Clark County Circuit Courts