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

AUDIT REPORT

OF

COUNTY AUDITOR

WHITE COUNTY, INDIANA

January 1, 2012 to December 31, 2012

FILED
07/19/2013

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COUNTY OFFICIALS

Office	Official	Term
Auditor	Jill Guingrich	01-01-11 to 12-31-12
	Gayle Rogers	01-01-13 to 12-31-14
President of the County Council	Dennis Carter	01-01-12 to 12-31-13
President of the Board of County Commissioners	John Heimlich	01-01-12 to 12-31-13

STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF WHITE COUNTY

We have audited the records of the County Auditor for the period from January 1, 2012 to December 31, 2012, 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 White County for the year 2012.

STATE BOARD OF ACCOUNTS

June 13, 2013

COUNTY AUDITOR
WHITE COUNTY
AUDIT RESULT AND COMMENT

INTERNAL CONTROLS

Internal controls over the receipting, disbursing, recording, and accounting for the financial activities were insufficient:

1. Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the County to reduce risks to achievement of financial reporting objectives. The County has not separated incompatible actives related to cash and investment balances. The failure to establish these controls could enable material misstatements or irregularities to occur undetected.

2. Preparing Financial Statements: Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the County's audited financial statements and then determining how those identified risks should be managed. The County has not identified risks to the preparation of reliable financial statements and as a result has failed to design effective controls over the preparation of the financial statements to prevent or detect material misstatements, including notes to the financial statements.

3. Monitoring of Controls: Effective internal control over financial reporting requires the County Commissioners to monitor and assess the quality of the County's system of internal control. The County Commissioners have not performed either an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility places the County at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner. Additionally, the County has no process to identify or communicate corrective actions to improve controls.

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. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for County Auditors, Chapter 14)

COUNTY AUDITOR
WHITE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 13, 2013, with Gayle Rogers, Auditor. The official concurred with our audit finding.