

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

AUDIT REPORT

OF

COUNTY AUDITOR

HENRY COUNTY, INDIANA

January 1, 2012 to December 31, 2012



FILED
08/19/2013

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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	Nathan S. LaMar	01-01-12 to 12-31-13
President of the Board of County Commissioners	Kim L. Cronk Joseph E. Yanos	01-01-12 to 12-31-12 01-01-13 to 12-31-13



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 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 Result and Comment. The financial transactions of this office are reflected in the Annual Report of Henry County for the year 2012.

STATE BOARD OF ACCOUNTS

June 27, 2012

COUNTY AUDITOR
HENRY COUNTY
AUDIT RESULT AND COMMENT

INTERNAL CONTROLS

The County did not have a proper system of internal control in place to prevent or detect and correct errors on the Schedule of Expenditures of Federal Awards (SEFA).

During the audit of the SEFA, we noted the following errors: Grants with the wrong amounts of expenditures, grants included on the grant schedule that did not have current federal expenditures and grants that had federal expenditures in 2012, but were not on the grant schedule.

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 controls.

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, Chapter 14)

COUNTY AUDITOR
HENRY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 27, 2013, with Patricia A. French, Auditor, Cheryl Scales, Deputy Auditor; Joseph E. Yanos, President of the Board of County Commissioners; and Richard Bouslog, Vice President of the County Council. The officials concurred with our audit finding.