B47400

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

RUSH COUNTY, INDIANA

January 1, 2014 to December 31, 2015

FILED

12/29/2016

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SCHEDULE OF OFFICIALS

Office	Official	Term
County Auditor	Mary Ann Beard	01-01-13 to 12-31-16
County Treasurer	Cindra Humphrey	01-01-13 to 12-31-16
Clerk of the Circuit Court	Deborah Richardson	01-01-13 to 12-31-16
County Sheriff	Jeffrey Sherwood	01-01-11 to 12-31-14
	James Cowan	01-01-15 to 12-31-18
County Recorder	Sally Niedenthal	01-01-11 to 12-31-14
	Kevin Spilman	01-01-15 to 12-31-18
President of the Board of County Commissioners	Bruce Levi	01-01-14 to 12-31-16
President of the County Council	Gerald Mohr	01-01-14 to 12-31-16

STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF RUSH COUNTY, INDIANA

This report is supplemental to our examination report of Rush County (County), for the period from January 1, 2014 to December 31, 2015. It has been provided as a separate report so that the reader may easily identify any Examination Results and Comments that pertain to the County. It should be read in conjunction with our Financial Statement Examination Report of the County, which provides our opinion on the County's financial statement. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Examination Results and Comments contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Official Response to the Examination Results and Comments, incorporated within this report, was not verified for accuracy.

Paul D. Joyce

Paul D. Joyce, CPA
State Examiner

November 17, 2016

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COUNTY AREA PLANNING COMMISSION
RUSH COUNTY

COUNTY AREA PLANNING COMMISSION
RUSH COUNTY
EXAMINATION RESULT AND COMMENT

RECORD OF HOURS WORKED

A record of hours worked was not presented for examination for one employee selected for testing.

The federal Fair Labor Standards Act (FLSA) requires that records of wages paid, daily and weekly hours of work, and the time of day and day of week on which the employee's work week begins be kept for all employees. These requirements can be met by use of the following prescribed general forms:

General Form 99A, Employees' Service Record
General Form 99B, Employee's Earnings Record
General Form 99C, Employee's Weekly Earnings Record

General Form 99C is required only for employees who are not exempt from FLSA, are not on a fixed work schedule, and are not paid weekly.

Additional information regarding FLSA rules and regulations may be obtained from the Department of Labor.

(Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 5)

Rush County Area Plan Commission

Courthouse, Room 211 * Rushville, Indiana 46173 * (765) 932-3090 * apc@rushcounty.in.gov

"OFFICIAL RESPONSE"
State Board of Accounts
302 West Washington Street
Room E418
Indianapolis, Indiana 46204

Ms. Lisa David,

Rush County officials would like to respond to the State Board of Accounts Audit Compliance report that was presented on November 17, 2016. The comment related to the record of hours worked by the Area Plan Commission was not a misunderstanding of the county officials.

The problem is with the state statute that gives the authority to the Area Plan Commission to appoint the Area Plan Director rather than the County Commissioners. The County Commissioners should be the governing body with the power to appoint and discharge the Area Plan Director.

We urge the State Legislators to change this statue in the 2017 legislative session.

Sincerely,

Gerald W. Mohr
County Council Chair

Gerald W. Mohr
Rush County Council

Marvin L. Rees
Area Plan Director (Interim)

COUNTY AREA PLANNING COMMISSION
RUSH COUNTY
EXIT CONFERENCE

The contents of this report were discussed on November 17, 2016, with Bruce Levi, President of the Board of County Commissioners; Gerald Mohr, President of the County Council; Marvin Rees, Executive Director, Pro Tempore; and Mary Ann Beard, County Auditor.

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CLERK OF THE CIRCUIT COURT
RUSH COUNTY

CLERK OF THE CIRCUIT COURT
RUSH COUNTY
EXAMINATION RESULT AND COMMENT

BANK ACCOUNT RECONCILIATIONS

Depository reconciliation of the Cash Book balance to the bank account balance was completed by the Clerk of the Circuit Court; however, the reconciliation did not balance. As of December 31, 2015, there was an unidentified amount of $2,869.42 on the reconciliation for which an explanation could not be given nor could it be verified through alternative procedures.

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)

Deborah A. Richardson, Clerk
Rush Circuit and Superior Courts
101 E 2nd Street Room 209
Rushville Indiana 46173
Phone 765-932-2086
TTY Users 711 or 800-743-3333
Fax 765-932-4165

November 22, 2016

OFFICIAL RESPONSE
State Board of Accounts
302 West Washington Street
Room E 418
Indianapolis Indiana 46204-2765

Dear Sirs:

My letter is in response to the audit of my cash book account ending December 31, 2015.

When my former bookkeeper retired, I took over reconciling our two bank accounts, unfortunately with minimal training. In Odyssey there is a bank account discrepancy fund that has to be used when there are outstanding deposits. I thought I had figured out how to utilize this account, but the following month, the entries that were put into the account have to be reconciled and reversed. I know I processed this incorrectly. Therefore, Odyssey balanced with the bank statement, but I could not get the 46-CR to balance.

I finally spoke with Deborah Weatherholt this spring at the clerk's meeting. She informed me she would take a look at the reports and assist me. After about a week, she contacted me and said that all the reports I had been using from Odyssey to balance were in error. She created all new reports and we went back to December 31, 2015 and rebalanced the 46-CR. It now balances to the penny, and I have been able to balance it every month this year.

I realize that the problem our audit discovered is a posting error and I need to correct it in the bank account discrepancy fund. I will get it accomplished as soon as possible and report the corrections to your office.

If you have any questions, please let me know.

Sincerely,

Debbie Richardson

Deborah Richardson
Clerk of the Circuit Court

CLERK OF THE CIRCUIT COURT
RUSH COUNTY
EXIT CONFERENCE

The contents of this report were discussed on November 17, 2016, with Bruce Levi, President of the Board of County Commissioners; Gerald Mohr, President of the County Council; Deborah Richardson, Clerk of the Circuit Court; and Mary Ann Beard, County Auditor.