Internal Controls

➢ The purpose of the internal control process is to provide reasonable assurance that the mission and objectives of an organization will be achieved.

➢ Objectives
  ▪ Operations
  ▪ Compliance
  ▪ Reporting
Internal Controls Components

- Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring

Indiana Code 5-13-7
- County: Board of Commissioners and County Treasurer

Duties
- Annual meeting/ elect officers
- Investment policy
- Review of Investment Report
Board of Finance Additional Duties

- Indiana Code 5-13-8
  - Designation of Depositories
  - [https://www.in.gov/tos/deposit/2377.htm](https://www.in.gov/tos/deposit/2377.htm)
  - Revocation of commission of depository
  - Number of Depositories

Deposit of Public Funds
IC 5-13-6

- Timely Deposit of Receipts

- Taxes collected by County Treasurer
  - Advance Draws
**Investment of Public Funds**  
**IC 5-13-9**

- CD’s and other Investments
- Posting a purchased investment
- Posting interest

---

**Investment Officers’ Duties**  
**IC 5-13-9**

- Investment policy
- Investments that mature after 2 years
- Contracts for Advisors
Total Monies on Deposit
Vs.
Funds Specific Investments

Money in the bank not associated with one specific fund
No posting the purchase or sale of Investments to the Auditors Ledger
Any interest earned should be posted to “Interest Earned” following county’s interest policy
Not Reported on the Supplemental AFR
Fund Specific Investments

- Posting to the Auditors Ledger:
  - Disbursement posted to “Purchase of Investments” when purchased
  - Receipt posted to “Sale of Investments” when matured
  - Any interest earned should be posted to “Interest Earned”

- Posting to the Treasurers Cashbook:
  - Included on Left side as a Purchase or Sale of Fund Investment
  - Reported on Supplemental AFR as an Investment

Register of Investments

- Form 350 should include all investments shown at purchase cost
- Agrees to Investment Section on Right Side of Cashbook
  - Monthly Reconciliation
Supplemental AFR

Supplemental Annual Financial Report
RETURN THE COMPLETED FORM TO THE OFFICIAL OF THE GOVERNMENTAL UNIT BY JANUARY 20TH.

Name of Governmental Unit: _______________ Contact Person: _______________
Office Name: _______________ Phone Number: _______________
Year: _______________ E-mail Address: _______________

List all accounts/lunds managed by this office

<table>
<thead>
<tr>
<th>Fund Name</th>
<th>Beginning Investment Balance</th>
<th>Ending Investment Balance</th>
<th>Beginning Cash Balance</th>
<th>Ending Cash Balance</th>
<th>Fund Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rev. Settlement Cdr.</td>
<td>2,148,987.53</td>
<td>1,984,987.46</td>
<td>2,148,987.53</td>
<td>1,984,987.46</td>
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</tr>
<tr>
<td>Misc (1175)</td>
<td>10,000.00</td>
<td>12,000.00</td>
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<tr>
<td>General (1000)</td>
<td>400,000.00</td>
<td>600,000.00</td>
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<td></td>
</tr>
</tbody>
</table>

Certification: This is to certify that the data contained in the report is accurate and agrees with the financial records, to the best of my knowledge and belief.

Signature of Dept Official: ___________________________ Title: _______________
Printed Name of Dept Official: _______________ Date Signed: _______________

Indiana State Board of Accounts

Audit Expectations

➢ Review of Internal Controls
➢ Compliance - Statute & Local Policy
➢ Annual Financial Report
➢ Investment Statements

Indiana State Board of Accounts
Governmental Technical Assistance & Compliance Directors

Lori Rogers
Ricci Hofherr
Staci Byrns

Email: Counties@sboa.in.gov
Phone: (317)232-2512