

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

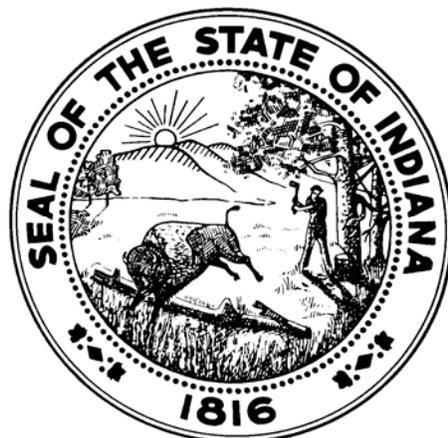
AUDIT REPORT

OF

BOARD OF COUNTY COMMISSIONERS

FAYETTE COUNTY, INDIANA

January 1, 2005 to December 31, 2005



FILED
12/29/2006

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Results and Comments:	
Personal Property Use.....	4
Ghost Employment	5
Exit Conference.....	6

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of the County Council	Richard Pflum	01-01-05 to 12-31-06
President of the Board of County Commissioners	Russell Sidell, Jr.	01-01-05 to 12-31-06



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 FAYETTE COUNTY

We have audited the records of the Board of County Commissioners for the period from January 1, 2005 to December 31, 2005, 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 Fayette County for the year 2005.

STATE BOARD OF ACCOUNTS

November 27, 2006

BOARD OF COUNTY COMMISSIONERS
FAYETTE COUNTY
AUDIT RESULTS AND COMMENTS

PERSONAL PROPERTY USE

Evidence indicates that assets of the County were used in a manner unrelated to the functions and purposes of the County. Instances include, but are not necessarily limited to, the following:

1. As documented in the minutes of the November 25, 2003, meeting of the Fayette County Commissioners, a backhoe belonging to the County Highway Department was used to dig up an Everton sewer line. This was done under the orders of Highway Director of Operations, Tom Fledderman. Mr. Fledderman worked for the Everton Regional Sewer District in addition to working for the County.
2. On multiple occasions, Tom Fledderman was witnessed using a County owned water wagon, pulled by a County owned vehicle, filled with between 300 and 500 gallons of water paid for by the County, to be used to flush the sewer lines of Everton Regional Sewer District. Utility records indicate that water usage rose by an average of 81% while Mr. Fledderman was employed by the Highway Department and declined sharply once he left.
3. Multiple invoices sent to Everton Regional Sewer District show that hundreds of pounds of chemicals used in the operations of the District were delivered to the County Highway Department in care of Tom Fledderman. County vehicles were later used to transport these chemicals to the Everton site.
4. On September 2, 2005, Mr. Fledderman was witnessed carrying a full five gallon gasoline can from the County Highway Department's gasoline pumps to his truck. His County owned truck operates on diesel fuel.
5. In late April or early May of 2004, two bulldozers that had been rented by the County for highway use, were witnessed being used on private property. One was used on the property of Darrel Dunaway, highway worker, and the other was used on the properties of Darrel Cox, highway worker, and Ronnie Cox, current County Councilman. The employees in question told the County Commissioners that they had the permission of their supervisor, Tom Fledderman, to use the bulldozers. Such use violated the rental agreements with the equipment companies and subjected the County to potential liabilities.

Assets of the governmental unit may not be used in a manner unrelated to the functions and purposes of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana Chapter 14-10)

In response to the above events, the County Commissioners terminated Tom Fledderman's employment on March 28, 2006. We recommended that the County Commissioners consult with their attorney and with the County Prosecuting Attorney to determine any further actions.

BOARD OF COUNTY COMMISSIONERS
FAYETTE COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

GHOST EMPLOYMENT

As documented in the minutes of the November 25, 2003, meeting of the Fayette County Commissioners and testimony of parties involved, Tom Fledderman, Highway Director of Operations, oversaw the digging up of sewer lines for the Everton Regional Sewer District during his normal work hours for the County. Additionally, he ordered a County Highway backhoe operator and another County Highway employee, using County equipment to do the digging. The digging was related to Mr. Fledderman's employment with the Sewer District.

Additionally, multiple instances of Mr. Fledderman receiving deliveries of chemicals to be used at the Sewer District are documented. These deliveries were made to the County Highway Department during County work hours.

A person employed by a governmental entity who knowingly or intentionally accepts property from the entity for the performance of duties not related to the operation of the entity commits ghost employment, a Class D felony. [IC 35-44-2-4 (d)]

A public servant who knowingly or intentionally assigns to an employee under his supervision any duties not related to the operation of the governmental entity that he serves commits ghost employment, a Class D felony. [IC 35-44-2-4 (b)]

BOARD OF COUNTY COMMISSIONERS
FAYETTE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on November 27, 2006, with Russell Sidell, Jr., President of the Board of County Commissioners; and Jane L. Klemme, Auditor. The officials concurred with our audit findings.