

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

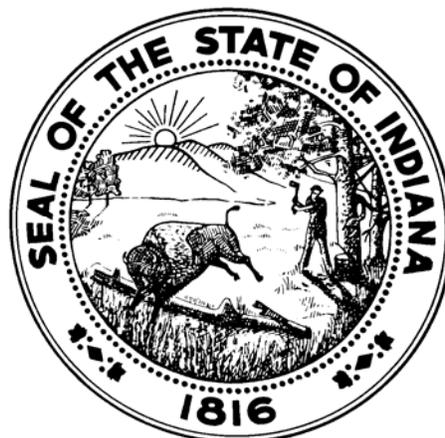
AUDIT REPORT

OF

COUNTY SHERIFF

VERMILLION COUNTY, INDIANA

January 1, 2006 to December 31, 2006



**FILED**

06/21/2007



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Sheriff	Kim H. Hawkins Robert Spence	01-01-03 to 12-31-06 01-01-07 to 12-31-10
President of the County Council	Michael Costello John Yoho	01-01-06 to 12-31-06 01-01-07 to 12-31-07
President of the Board of County Commissioners	Tim J. Wilson	01-01-06 to 12-31-07



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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STATE BOARD OF ACCOUNTS  
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TO: THE OFFICIALS OF VERMILLION COUNTY

We have audited the records of the County Sheriff for the period from January 1, 2006 to December 31, 2006, 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 Vermillion County for the year 2006.

STATE BOARD OF ACCOUNTS

May 9, 2007

COUNTY SHERIFF  
VERMILLION COUNTY  
AUDIT RESULTS AND COMMENTS

DEPOSITS

Receipts for the Inmate Trust Fund were deposited later than the next business day. Three deposits were tested, the receipts included in each were from periods ranging from eight to twenty days. Further review of the records indicated that even though funds are collected on most days, deposits are being made from two to five times per month. Overdraft fees totaling \$217 were incurred during three separate months which can be attributed to the delayed deposit of the collections.

Indiana Code 5-13-6-1(c) states in part: "All local officers . . . who collect public funds of their respective political subdivisions shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the . . . local boards of finance. . . ."

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for County Auditors, Chapter 14)

OLD OUTSTANDING CHECKS (WARRANTS)

Our review of the Sheriff Inmate Trust bank reconciliation as of December 31, 2006, revealed warrants outstanding in excess of two years.

Indiana Code 5-11-10.5-2 states in part: "All warrants or checks drawn upon public funds of a political subdivision that are outstanding and unpaid for a period of two (2) or more years as of the last day of December of each year are void."

Indiana Code 5-11-10.5-3 states in part: "Not later than March 1 of each year, the treasurer of each political subdivision shall prepare or cause to be prepared a list in triplicate of all warrants or checks that have been outstanding for a period of two (2) or more years as of December 31 of the preceding year. The original copy of each list shall be filed with the board of finance of the political subdivision or the fiscal body of a city or town. The duplicate copy shall be transmitted to the disbursing officer of the political subdivision. The triplicate copy of each list shall be filed in the office of the treasurer of the political subdivision. If the treasurer serves also as the disbursing officer of the political subdivision, only two (2) copies of each list need be prepared or caused to be prepared by the treasurer."

COUNTY SHERIFF  
VERMILLION COUNTY  
AUDIT RESULTS AND COMMENTS  
(Continued)

Indiana Code 5-11-10.5-5 states:

"(a) Upon the preparation and transmission of the copies of the list of the outstanding warrants or checks, the treasurer of the political subdivision shall enter the amounts so listed as a receipt into the fund or funds from which they were originally drawn and shall also remove the warrants or checks from the record of outstanding warrants or checks.

(b) If the disbursing officer does not serve also as treasurer of the political subdivision, the disbursing officer shall also enter the amounts so listed as a receipt into the fund or funds from which the warrants or checks were originally drawn. If the fund from which the warrant or check was originally drawn is not in existence, or cannot be ascertained, the amount of the outstanding warrant or check shall be receipted into the general fund of the political subdivision."

RECEIPT ISSUANCE

Receipts were not issued for collections for the Sheriff Commissary Fund from February 8, 2006 through December 31, 2006.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for County Auditor, Chapter 14)

COUNTY SHERIFF  
VERMILLION COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on May 9, 2007, with Kim H. Hawkins, former Sheriff; Robert Spence, current Sheriff; Tim J. Wilson, President of the Board of County Commissioners; and John Yoho, President of the County Council. The officials concurred with our audit findings.