

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

AUDIT REPORT

OF

COUNTY SHERIFF

HARRISON COUNTY, INDIANA

January 1, 2006 to December 31, 2006



FILED

08/06/2007

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Sheriff	Mike Deatrick	01-01-03 to 12-31-10
President of the County Council	Gary Davis Carl L. Mathes	01-01-06 to 12-31-06 01-01-07 to 12-31-07
President of the Board of County Commissioners	John R. Eckart James Goldman	01-01-06 to 12-31-06 01-01-07 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF HARRISON 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 Harrison County for the year 2006.

STATE BOARD OF ACCOUNTS

June 14, 2007

COUNTY SHERIFF
HARRISON COUNTY
AUDIT RESULTS AND COMMENTS

DEPOSITS

Instances were noted of deposits not being made in the same form (cash, check, money order) as they were received.

Indiana Code 5-13-6-1(c) states in part: ". . . Public funds deposited . . . shall be deposited in the same form in which they were received."

DEPOSITS - INMATE TRUST RECEIPTS

In numerous instances, Inmate Trust receipts were deposited later than the next business day. Receipts of inmate trust funds indicate that monies are received daily; however, only five deposits were made during the month of December.

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. . . ."

INMATE TRUST RECORDS

The inmate trust records are kept on a computerized system. Individual inmate records are kept as a subsidiary record to the Inmate Trust Ledger. Individual inmate trust reports are run monthly. There are no reports with individual inmate trust records that balance to the ledger. The ledger does not currently reconcile to the bank.

At all times, the manual and 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 Counties of Indiana, Chapter 1)

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."

INTERNAL CONTROLS

Controls over the receipting, disbursing, recording, and accounting for the financial activities were insufficient. The Harrison County Sheriff's Department received a grant for the reimbursement of traffic safety equipment. The amount of \$16,500 was posted as a receipt to the Sheriff's Commissary Fund on October 16, 2006, as a reimbursement for the purchase of an in car camera for the Sheriff's Department. The amount of \$25,100 was disbursed from the Sheriff's Commissary Fund on May 17, 2006, for the purchase of the equipment.

This financial information was not reported on the County's Annual Financial Report or on the County Auditor's records.

COUNTY SHERIFF
HARRISON COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

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 control. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

PERSONAL EXPENSES

The following expenditures were made from the Sheriff's Commissary Fund during the audit period:

1. On April 10, 2006, a donation of \$350 was made to Lavonna Napper to sponsor a softball team at Buffalo Trace Park.
2. On June 16, 2006, a donation of \$500 was made to the Lanesville Youth League All Stars for the purchase of uniforms.
3. On October 25, 2006, a donation of \$125 was made to Lavonna Napper to sponsor a softball team.
4. On April 3, 2006, the amount of \$1,033.98 was disbursed to Amsterdam Printing for 525 Expressway pens. The pens were imprinted with the names of the Sheriff and the Chief and the telephone number of the Sheriff's Department. The invoice date was March 23, 2006.
5. On May 23, 2006, the amount of \$2,245.17 was disbursed to Ad Plus for 16,500 napkins. The napkins were imprinted with the names of the County Sheriff and Gehlbach and Royse Funeral Homes, Inc. The napkins were ordered on April 28, 2006.

Public funds may not be used to pay for personal items or for expenses which do not relate to the functions and purposes of the governmental unit. Any personal expenses paid by the governmental entity may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Mike Deatrick, Sheriff, was requested to reimburse the amount of \$4,254.15 to the Sheriff's Commissary Fund. This amount was reimbursed on July 26, 2007, by Mike Deatrick. (See Summary, page 8)

OFFICIAL BOND

Mike Deatrick, Sheriff, has obtained an official bond with American States Insurance for the amount of \$15,000 for the period January 1, 2003 to December 31, 2006.

COUNTY SHERIFF
HARRISON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 26, 2007, with Mike Deatrick, Sheriff; James Goldman, President of the Board of County Commissioners; and Carl L. Mathes, President of the County Council. The official response has been made a part of this report and may be found on page 7.

Harrison County Sheriff Dept.

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Corydon, Indiana 47112
812-738-2195 - Emergency 911
Fax Number 812-738-7120

MIKE DEATRICK
Sheriff

GARY GILLEY
Chief

State Board of Accounts
Field Examiner "Dan Waiz"
302 West Washington Street
Room E 418
Indianapolis, IN 46204-2765

June 28, 2007

State of Indiana

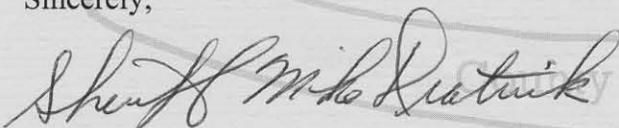
"OFFICIAL RESPONSE"

In regard to the "personal expenses" issues, the following explains the expenditures made from the Sheriff's Commissary Fund.

1. On April 10, 2006, the donation of \$350 was made to Lavonna Napper to sponsor the team in the name of the Harrison County Sheriff Department.
2. On June 16, 2006, the donation of \$500 was made to the Lanesville Youth League All Stars to sponsor the team in the name of the Harrison County Sheriff Department.
3. On October 25, 2006, the donation of \$125 was made to Lavonna Napper for additional uniforms to supplement the previous donation to sponsor the team in the name of the Harrison County Sheriff Department.
4. On April 3, 2006, Expressway Pens were purchased from Amsterdam Printing with the Harrison County Sheriff Department contact information. These pens were and are distributed to department employees.
5. On May 23, 2006, the amount of \$2,245.17 was disbursed to Ad Plus for 16,500 napkins endorsed by the Harrison County Sheriff Department. This has been a tradition by the department for some years now including the prior 4 sheriff's of Harrison County. These napkins are distributed to Fire Departments, Churches, and Schools for community activities throughout Harrison County.

The purpose of all the above donations has been strictly for the benefit of the Harrison County Sheriff Department. Under no circumstances have any of these activities included Mike Deatruck as an individual beneficiary.

Sincerely,



Sheriff Mike Deatruck

COUNTY SHERIFF
HARRISON COUNTY
SUMMARY

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Mike Deatrick, Sheriff:			
Personal Expenses, page 5	\$ 4,254.15	\$	\$
Reimbursed by Mike Deatrick on July 26, 2007, Receipt No. 4076	<u> </u>	<u>4,254.15</u>	<u> </u> -
Totals	<u>\$ 4,254.15</u>	<u>\$ 4,254.15</u>	<u>\$ </u> -