

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

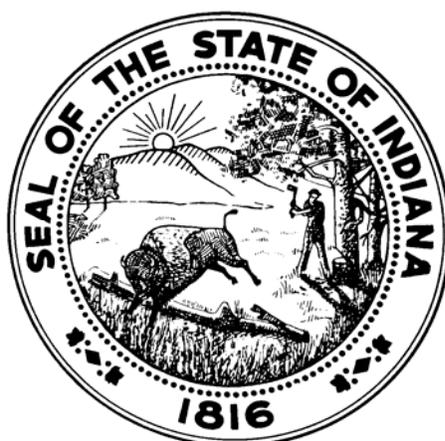
AUDIT REPORT

OF

COUNTY COUNCIL

LAKE COUNTY, INDIANA

January 1, 2006 to December 31, 2006



FILED

11/30/2007

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of the County Council	Will A. Smith, Jr.	01-01-06 to 12-31-06
	Elsie Franklin	01-01-07 to 12-31-07
President of the Board of County Commissioners	Rudolph Clay	01-01-06 to 04-07-06
	Frances DuPey	04-08-06 to 05-16-06
	Gerry J. Scheub	05-17-06 to 12-31-06
	Roosevelt Allen, Jr.	01-01-07 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF LAKE COUNTY

We have audited the records of the County Council 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 Lake County for the year 2006.

STATE BOARD OF ACCOUNTS

September 19, 2007

COUNTY COUNCIL
LAKE COUNTY
AUDIT RESULTS AND COMMENTS

INMATE PROCESSING FEE

On July 10, 2001, the County Council approved Ordinance 1217B establishing an inmate processing fee. Specifically, the ordinance assesses a processing fee of \$25 each time an inmate is booked into the Lake County Jail. The Sheriff collected \$119,940 in inmate processing fees during 2006, which were receipted by the County Auditor into the General Fund. A similar comment appeared in prior audit reports.

Indiana Code 36-1-3-8(a) states in part: ". . . a unit does not have the following: . . . (8) the power to prescribe a penalty for conduct constituting a crime or infraction under statute".

ACCIDENT REPORT AND VEHICLE INSPECTION FEES

As stated in prior audit reports, fees charged for accident reports and vehicle inspections have not been established by local ordinance. The fee currently being charged for accident reports and vehicle inspections is \$5.00.

Indiana Code 9-29-11-1 (a) states: "The main department, office, agency, or other person under whose supervision a law enforcement officer carries on the law enforcement officer's duties may charge a fee that is fixed by ordinance of the fiscal body in an amount not less than five dollars (\$5) for each report."

Indiana Code 9-29-4-2 states: "A person described in subdivision (3) who makes an inspection under IC 9-17-2-12 may charge a fee. A fee charged under this section is subject to the following:

- (1) The fee must be established by ordinance adopted by the unit (as defined in IC 36-1-2-23).
- (2) The fee may not exceed five dollars (\$5)."

MEDICAL CO-PAYMENT

Lake County Jail inmates requiring medical attention must pay a \$10 co-payment. This medical co-payment has not been approved by an ordinance of the County Council. A similar comment appeared in prior audit reports.

COUNTY COUNCIL
LAKE COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

Indiana Code 11-10-3-5 (b) states: "Except as provided in subsection (c), a person committed to the department may be required to make a co-payment in an amount of not more than ten dollars (\$10) for each provision of any of the following services: (1) Medical care. (2) Dental care. (3) Eye care. (4) Any other health care related service."

EXCESS VACATION HOURS PAID

Internal controls over payroll transactions were not adequate to ensure that County Officials complied with all applicable state and local policies and procedures. Of the 25 employees' payroll records tested, 2 employees were paid for 56 and 24 vacation hours, respectively, in excess of those earned in accordance with the approved policy.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

TRAVEL POLICY

As stated in prior audit reports, the County Travel Policy, Ordinance 1202B, addresses only per diem rates; it does not specify when an employee is in travel status and, therefore, eligible for per diem payments. A formal policy defining travel status and eligibility for per diem is necessary to ensure consistency between departments when paying travel expenditures.

Each governmental unit should adopt a written travel policy in conformity with applicable statutes. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

COUNTY COUNCIL
LAKE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 10, 2007, with Elsie Franklin, President of the County Council; and Larry Blanchard, Councilman.