

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

AUDIT REPORT

OF

COUNTY SHERIFF

HENDRICKS COUNTY, INDIANA

January 1, 2006 to December 31, 2006



FILED

12/12/2007

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Sheriff	M. James Quearry Dave Galloway	01-01-06 to 12-31-06 01-01-07 to 12-31-10
President of the County Council	Larry R. Hesson	01-01-06 to 12-31-07
President of the Board of County Commissioners	David A. Whicker	01-01-06 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF HENDRICKS 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 Hendricks County for the year 2006.

STATE BOARD OF ACCOUNTS

October 17, 2007

COUNTY SHERIFF
HENDRICKS COUNTY
AUDIT RESULTS AND COMMENTS

PUBLIC RECORDS RETENTION

The Sheriff's commissary ledgers were not presented for audit. The commissary records were maintained on accounting software whose forms have not been approved by the Indiana State Board of Accounts. Due to a computer hard drive failure, all computer records for the commissary account were lost for the audit period. As a result, a full accountability could not be made of commissary receipts, disbursements and balances for the audit period.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

The commissary receipts and invoices were not presented for audit. The commissary receipts and invoices for the period of audit were placed in storage by the prior administration; however, the records could not be located and presented for audit.

Indiana Code 5-15-6-3(f) concerning destruction of public records, states in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission."

Supporting documentation such as receipts, canceled checks, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 14)

APPROVAL OF FORMS

The Hendricks County Sheriff Department was not using the prescribed General Check (General Form 356) for the Sheriff cash book disbursements, inmate trust disbursements and commissary disbursements. Instead they were using checks purchased from the bank which had not been approved by the Indiana State Board of Accounts.

The Hendricks County Sheriff Department maintained commissary records on accounting software whose forms had not been approved by the Indiana State Board of Accounts. The prescribed Ledger of Receipts, Disbursements and Balance (General Form 358) were not used to account for the record keeping of the commissary account.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

The Hendricks County Sheriff Department recorded inmate trust transactions on software provided by the Commissary Vendor instead of the prescribed Ledger of Receipts, Disbursements and Balance (General Form 358), and the prescribed Register of Trust Funds (General Form 102). The vendor software forms had not been approved prior to use by the Hendricks County Sheriff Department. In addition, some receipts were not on the prescribed General Receipt (General Form 352).

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

COUNTY SHERIFF
HENDRICKS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 17, 2007, with Dave Galloway, Sheriff; Nancy L. Marsh, Auditor; and David A. Whicker, President of the Board of County Commissioners.