

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

EXAMINATION REPORT
OF
COUNTY SHERIFF
SCOTT COUNTY, INDIANA
January 1, 2006 to December 31, 2006



FILED

12/20/2007

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Sheriff	John L. Lizenby	01-01-03 to 12-31-10
President of the County Council	Stephan Patrick Bridgewater Kelley Robbins	01-01-06 to 12-31-06 01-01-07 to 12-31-07
President of the Board of County Commissioners	Mark Hays Robert C. Tobias	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 SCOTT COUNTY

We have examined 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 Examination Results and Comments. The financial transactions of this office are reflected in the Examination Report of Scott County for the year 2006.

STATE BOARD OF ACCOUNTS

November 1, 2007

COUNTY SHERIFF
SCOTT COUNTY
EXAMINATION RESULTS AND COMMENTS

JAIL REGISTER

The prescribed Jail Register, Form 75, is not being maintained. The prescribed Jail Register should be used to log prisoners and for the preparation of the meal claim.

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 Counties of Indiana, Chapter 1)

UNTIMELY DEPOSITS

Instances were noted in which receipts were deposited 4 to 16 days after being received.

As a result of the failure to make timely deposits, bank overdraft fees of \$154 were incurred in July and August 2006 for not having sufficient funds to cover checks presented to the bank for payment. In July and September 2006, the bank forgave the insufficient funds charges and credited the bank account for the charges incurred.

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. . . ."

CONDITION OF RECORDS

A review of the Sheriff's Department financial records revealed the following problems:

1. The Sheriff's Cash Book was not being properly maintained. At December 31, 2006, there was a negative balance of \$1,618 for tax warrants. These funds are to be held in trust for later payment and as such should never have a negative balance. As a result of not properly maintaining the financial records, duplicate payments were made to the State for tax warrants and the error went undetected. The Indiana Department of Revenue was contacted in regards to the duplicate payments to attempt to receive a refund. The Department of Revenue indicated that any overpayments received would have been refunded to the taxpayer and the taxpayer should be contacted to attempt to receive a refund. The Sheriff's Department attempted to contact the individuals who were erroneously refunded the amounts by the Department of Revenue; however, a response was not received. On August 24, 2007, the Sheriff repaid \$1,618 to the County for the amount of the tax warrant overpayments.

COUNTY SHERIFF
SCOTT COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

2. At December 31, 2006, after adjustments to the records for known errors, there was a negative \$1,600 balance for cash bonds. These funds are to be held in trust for later payment and as such should never have a negative balance.
3. Reconcilements of the depository account balance with the record balance were not being properly performed. The Department's reconcilements indicated differences between the depository account balance and the record balance; however, financial activity was not reviewed to determine the reasons for the differences in order to make the necessary corrections to the financial records.

At all times, the manual and/or 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)

COUNTY SHERIFF
SCOTT COUNTY
EXIT CONFERENCE

The contents of this report were discussed on November 1, 2006, with John L. Lizenby, Sheriff, and on November 20, 2007, with Robert C. Tobias, President of the Board of County Commissioners. The official response has been made a part of this report and may be found on page 7.

SCOTT COUNTY SHERIFF

JOHN LIZENBY

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Scottsburg, Indiana 47170

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Tip Line: 812-752-7898

November 1, 2007

To Whom It May Concern:

This letter is written in response to the exit interview with State Board of Accounts on this date. The auditor Ms. Melissa Hayes was of great help to this administration during her review of the dept. books. There is no disagreement with the findings noted. The response I wish noted is that these issues have been resolved in the last quarter of 2007. There is a different member of the department doing the books, making the deposits, and dealing with tax warrants. As a result of the change in duties I am sure that the next audit will not have these issues. Again I would like to thank Ms. Hayes for her help.

Sincerely,



John C. Lizenby

John C. Lizenby
Sheriff Scott County

