

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

AUDIT REPORT

OF

COUNTY SHERIFF

BOONE COUNTY, INDIANA

January 1, 2006 to December 31, 2006



FILED

02/11/2008

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Sheriff	Dennis Brannon Ken Campbell	01-01-03 to 12-31-06 01-01-07 to 01-01-10
President of the County Council	Steven Jacob	01-01-06 to 12-31-07
President of the Board of County Commissioners	Harold "Huck" Lewis	01-01-06 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF BOONE 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 Boone County for the year 2006.

STATE BOARD OF ACCOUNTS

June 28, 2007

COUNTY SHERIFF
BOONE COUNTY
AUDIT RESULTS AND COMMENTS

EXPENSE REIMBURSEMENT ITEMIZATION – MEALS AND OTHER ITEMS

During his eight year term as Sheriff, Dennis Brannon used money from the Commissary Fund to pay for various meals. The majority of these meal expenditures appear to be for more than one person. Dennis Brannon has indicated in the past that many of the payments were for lunch meetings or business trips; however, he failed to provide evidence to show the business purpose of the meals purchased. We have explained to Dennis Brannon during several previous audits that documentation should be available to verify that these expenses were for employees conducting governmental business. During 2006, Dennis Brannon paid a total of \$10,079.76 for meals, as noted below:

	Number of Instances	Total Amount
Under \$20	23	\$ 266.65
\$20 to \$100	51	2,394.22
\$100 to \$500	17	3,070.56
Over \$500	5	4,348.33
 Total		\$ 10,079.76

In addition, Dennis Brannon purchased several items that appeared to be personal items. Dennis Brannon was president of the Indiana Sheriff's Association in 2006. He explained that the following items were purchased for door prizes at the Association's annual conference. He stated that he had no evidence to prove that these items were in fact given away as door prizes.

Description	Number of Items	Amount
Televisions	6	\$ 946.03
Other Electronics	13	488.02
Microwave Ovens	5	169.35
Vera Bradley Bags	17	438.55
Other Personal Items	37	821.56
 Total		\$ 2,863.51

All claims, invoices, receipts, accounts payable vouchers, including those presented to the governing body for approval in accordance with IC 5-11-10, should contain adequate detailed documentation. All claims, invoices, receipts, and accounts payable vouchers regarding reimbursement for meals and expenses for individuals must have specific detailed information of the names of all individuals for whom amounts are claimed, including the nature, name and purpose of the business meeting, to enable the governing body to authorize payment. Payments which do not have proper itemization showing the business nature of the claim may be the personal obligation of the responsible official, employee or other person for whom the claim is made. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

COUNTY SHERIFF
BOONE COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

On January 8, 2008, the Boone County Council adopted resolution 2008-1 in which the Council agrees that the disbursements listed above benefit the Sheriff's Department and were within the parameters of the law. In this document they, as the County fiscal body, gave their approval of these disbursements as appropriate expenditures.

Indiana Code 36-8-10-21(d) allows the Sheriff to disburse money from the commissary fund for specific purposes that benefit the Sheriff's Department including disbursements for "... (9) any other purpose that benefits the sheriff's department that is mutually agreed upon by the county fiscal body and the county sheriff"

We question whether the disbursements listed above meet the requirements of Indiana Code 36-8-10-21(d) even after the County fiscal body's approval since proper documentation of the business nature of these disbursements has still not been provided. Therefore, we have included these items as questioned costs. (See Summary, Summary of Questioned Costs, page 8)

EXPENSE REIMBURSEMENT ITEMIZATION - NO DOCUMENTATION

During 2006, the Sheriff, Dennis Brannon, disbursed a total of \$111,223 from the Commissary fund. The following is a summary of disbursements that did not have any documentation:

Description	Amount
Donations:	
Lebanon Fire Auxiliary	\$ 1,000.00
Lebanon Little League	300.00
Boone County Sheriff	1,033.00
Hotels	85.00
Meals	29.76
Car Washes	50.00
Unknown	281.69
Total	\$ 2,779.45

We have explained to Dennis Brannon, during several previous audits, that without adequate supporting documentation, we are unable to verify that all disbursements were for legitimate governmental expenses. This increases the risk that improprieties could occur and not be detected.

All claims, invoices, receipts, accounts payable vouchers, including those presented to the governing body for approval in accordance with IC 5-11-10, should contain adequate detailed documentation. All claims, invoices, receipts, and accounts payable vouchers regarding reimbursement for meals and expenses for individuals must have specific detailed information of the names of all individuals for whom amounts are claimed, including the nature, name and purpose of the business meeting, to enable the governing body to authorize payment. Payments which do not have proper itemization showing the business nature of the claim may be the personal obligation of the responsible official, employee or other person for whom the claim is made. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

COUNTY SHERIFF
BOONE COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

On January 8, 2008, the Boone County Council adopted resolution 2008-1 in which the Council agrees that the disbursements listed above, except for \$1,033.00, benefit the Sheriff's Department and were within the parameters of the law. In this document they, as the County fiscal body, gave their approval of these disbursements as appropriate expenditures.

Indiana Code 36-8-10-21(d) allows the Sheriff to disburse money from the commissary fund for specific purposes that benefit the Sheriff's Department including disbursements for ". . . (9) any other purpose that benefits the sheriff's department that is mutually agreed upon by the county fiscal body and the county sheriff. . . ."

We question whether the disbursements listed above meet the requirements of Indiana Code 36-8-10-21(d) even after the County fiscal body's approval since proper documentation of the business nature of these disbursements has still not been provided. Therefore, we have included these items, except for \$1,033.00, as questioned costs. (See Summary, Summary of Questioned Costs, page 8)

We requested the former Sheriff, Dennis Brannon, repay the Commissary fund \$1,033.00, for payment made directly to Mr. Brannon that did not have adequate documentation to verify the business nature of the claim and was not subsequently approved by the Boone County Council. Former Sheriff Brannon reimbursed the Boone County Sheriff's Commissary Fund on December 18, 2007. (See Summary, Summary of Charges, page 8)

COUNTY SHERIFF
BOONE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 17, 2007, with Dennis Brannon, former Sheriff; Mark Applegate, County Council member; and Gretchen Smith, Auditor.

COUNTY SHERIFF
BOONE COUNTY
SUMMARY

	Charges	Credits	Balance Due
Summary of Charges:			
Dennis Brannon, former Sheriff:			
Expense Reimbursement Itemization -			
No Documentation, pages 5 and 6	\$ 1,033.00	\$ -	\$ 1,033.00
Payment received 12-18-07		(1,033.00)	(1,033.00)
	<u>\$ 1,033.00</u>	<u>\$ (1,033.00)</u>	<u>\$ -</u>
Totals			
	<u>\$ 1,033.00</u>	<u>\$ (1,033.00)</u>	<u>\$ -</u>
Summary of Questioned Costs:			
Expenses Reimbursed Itemization -			
Meals and Other Items, pages 4 and 5	\$ 12,943.27		
Expenses Reimbursed Itemization -			
No Documentation, pages 5 and 6	1,746.45		
	<u>\$ 14,689.72</u>		
Total	<u>\$ 14,689.72</u>		

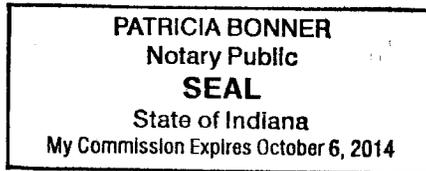
AFFIDAVIT

STATE OF INDIANA)
)
 _____ COUNTY)

I, Melissa Hanchar, CPA, Field Examiner, being duly sworn on my oath, state that the foregoing report based on the official records of the County Sheriff, Boone County, Indiana, for the period from January 1, 2006, to December 31, 2006, is true and correct to the best of my knowledge and belief.

Melissa Hanchar, CPA
Field Examiner

Subscribed and sworn to before me this 13 day of December, 2007.



Patricia Bonner
Notary Public

My Commission Expires: 10-06-2014

County of Residence: Hamilton