

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

AUDIT REPORT

OF

COUNTY SHERIFF

HAMILTON COUNTY, INDIANA

January 1, 2007 to December 31, 2007



**FILED**  
08/19/2008



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Sheriff	Douglas Carter	01-01-07 to 12-31-10
President of the County Council	Brad Beaver Rick McKinney	01-01-07 to 12-31-07 01-01-08 to 12-31-08
President of the Board of County Commissioners	Steven Dillinger Christine Altman	01-01-07 to 12-31-07 01-01-08 to 12-31-08



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TO: THE OFFICIALS OF HAMILTON COUNTY

We have audited the records of the County Sheriff for the period from January 1, 2007 to December 31, 2007, 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 Hamilton County for the year 2007.

STATE BOARD OF ACCOUNTS

May 30, 2008

COUNTY SHERIFF  
HAMILTON COUNTY  
AUDIT RESULTS AND COMMENTS

SUPPORTING DOCUMENTATION – COMMISSARY

Several credit card payments were observed which did not contain adequate supporting documentation for all charges prior to payment, such as receipts, invoices, and other public records.

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)

COMMISSARY DISBURSEMENTS

Several payroll disbursements were noted for noncommissary personnel.

Indiana Code 36-8-10-21(d) states:

"The sheriff, or the sheriff's designee, at the sheriff's or the sheriff's designee's discretion and without appropriation by the county fiscal body, may disburse money from the fund for:

- (1) merchandise for resale to inmates through the commissary;
- (2) expenses of operating the commissary, including, but not limited to, facilities and personnel;
- (3) special training in law enforcement for employees of the sheriff's department;
- (4) equipment installed in the county jail;
- (5) equipment, including vehicles and computers, computer software, communication devices, office machinery and furnishings, cameras and photographic equipment, animals, animal training, holding and feeding equipment and supplies, or attire used by an employee of the sheriff's department in the course of the employee's official duties;
- (6) an activity provided to maintain order and discipline among the inmates of the county jail;

COUNTY SHERIFF  
HAMILTON COUNTY  
AUDIT RESULTS AND COMMENTS  
(Continued)

- (7) an activity or program of the sheriff's department intended to reduce or prevent occurrences of criminal activity, including the following:
  - (A) Substance abuse.
  - (B) Child abuse.
  - (C) Domestic violence.
  - (D) Drinking and driving.
  - (E) Juvenile delinquency;
- (8) expenses related to the establishment, operation, or maintenance of the sex and violent offender registry web site under IC 36-2-13-5.5; or
- (9) any other purpose that benefits the sheriff's department that is mutually agreed upon by the county fiscal body and the county sheriff.

Money disbursed from the fund under this subsection must be supplemental or in addition to, rather than a replacement for, regular appropriations made to carry out the purposes listed in subdivisions (1) through (8)."

INMATE TRUST RECORDS

The financial records presented for audit did not reflect the actual bank activity or the detail of inmate trust. In 2007, the inmate release system was updated to issue debit cards to the inmates upon release; however, the transactions for these items were not always recorded properly. Attempts were made in 2007 to correct these errors and as a result, the general ledger account activity did not reflect the bank activity for the calendar year 2007.

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)

COUNTY SHERIFF  
HAMILTON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on June 17, 2008, with Douglas Carter, Sheriff; and Cheryl Garner, Administrative Assistant. The officials concurred with our audit findings.