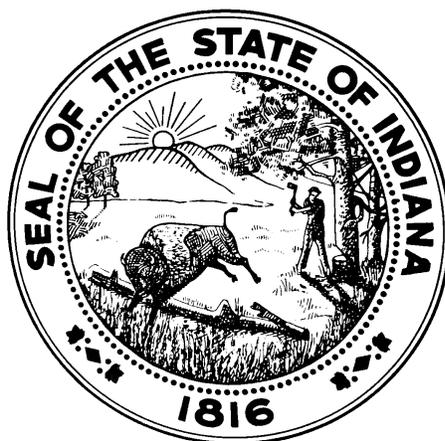


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

AUDIT REPORT
OF
COUNTY SHERIFF
HARRISON COUNTY, INDIANA
January 1, 2007 to December 31, 2007



FILED

09/24/2008

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Sheriff	Mike Deatrick	01-01-07 to 12-31-10
President of the County Council	Carl L. Mathes	01-01-07 to 12-31-08
President of the Board of County Commissioners	James Goldman	01-01-07 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF HARRISON 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 Harrison County for the year 2007.

STATE BOARD OF ACCOUNTS

August 28, 2008

COUNTY SHERIFF
HARRISON COUNTY
AUDIT RESULTS AND COMMENTS

INMATE TRUST RECORDS

The inmate trust records are kept on a computerized system. Individual inmate records are kept as a subsidiary record to the Inmate Trust ledger. Individual inmate trust reports are run monthly. As of December 31, 2007, the balance of the individual inmate trust records, amounts identified as profits to be remitted to the Sheriff Commissary Fund, and amounts identified to be paid to Swanson for items purchased, totaled \$22,494. As of December 31, 2007, the net adjusted bank balance was \$45,323. The difference between the trust records and the net adjusted bank balance of \$22,829 could not be identified.

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)

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

DEPOSITS

In numerous instances, inmate trust receipts were deposited later than the next business day. Receipts of inmate trust funds indicate that monies are received daily; however, as many as seventeen days were noted between the date funds were receipted and the date collections were deposited into the bank account.

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. . . ."

EXPENSE REIMBURSEMENT ITEMIZATION

Records presented for audit included claims for reimbursement to the Sheriff totaling \$733.02 for meals. Detailed documentation was not attached to the information presented for reimbursement which would enable a determination that all expenses were for conducting governmental business. The following are examples of the reimbursements:

- (1) On March 8, 2007, three meals at Olive Garden in Clarksville, Indiana for \$30.95.
- (2) On March 31, 2007, two dinner buffets at Villa Buffet in Elizabeth, Indiana for \$31.90.
- (3) On April 2, 2007, five meals at Cracker Barrel in Corydon, Indiana for \$46.96.

COUNTY SHERIFF
HARRISON COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

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)

SALES TAX

During 2007, sales tax in the amount of \$128.79 was paid on numerous purchases made from the Sheriff Commissary Fund.

Governmental funds generally are exempt from the payment of sales tax on qualifying purchases. Respective tax agencies should always be contacted concerning tax exemptions and payments. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

PAYMENT OF PERSONAL TOWING EXPENSES

On November 22, 2007, the Sheriff's Commissary Fund paid \$4,835 to Charlie's Wrecker Service for towing services provided throughout the year. A review of the individual towing invoices determined that 12 of these invoices totaling \$550 were attributed to personal towing services provided directly to or on behalf of employees of the Sheriff's Department and were not related to County business. These 12 invoices should have been billed to the responsible individuals and not to the County. As a result, the Sheriff's Commissary Fund overpaid Charlie's Wrecker Service \$550.

Mike Deatrick, Sheriff, was informed that towing services that do not relate to County business should not be charged to or paid by the Sheriff's Commissary Fund. Mr. Deatrick, subsequently, contacted Charlie's Wrecker Service and requested a refund for the overpayment. On July 23, 2008, Charlie's Wrecker Service refunded the Sheriff's Commissary Fund \$550. (See Summary, page 8)

Public funds may not be used to pay for personal items or expenses which do not relate to the functions and purposes of the governmental unit. Any personal expenses paid by the governmental entity may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Governmental units should collect any overpayments made. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

COUNTY SHERIFF
HARRISON COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

PENALTIES, INTEREST AND OTHER CHARGES

Finance charges totaling \$627.87 were incurred and paid by the Sheriff's Commissary Fund. These finance charges were the result of the Sheriff's Department failing to pay the entire monthly balances owed on the department's credit card.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee.

(Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Mike Deatrick, Sheriff, was requested to reimburse the amount of \$627.87 to the Sheriff's Commissary Fund. (See Summary, page 8)

COUNTY SHERIFF
HARRISON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 25, 2008, with Mike Deatruck, Sheriff. The official concurred with our audit findings.

The contents of this report were discussed on August 28, 2008, with James Goldman, President of the Board of County Commissioners; and Carl L. Mathes, President of the County Council.

COUNTY SHERIFF
HARRISON COUNTY
SUMMARY

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Mike Deatrick, Sheriff:			
Penalties, Interest and Other Charges, Page 6	\$ 627.87	\$ -	\$ -
Paid by Mike Deatrick, Sheriff,			
Receipt 18654, Deposited August 25, 2008		627.87	-
Payment of Personal Towing Expenses, Page 5	550.00		
Paid by Charlie's Used Cars, Inc.,			
Receipt 18643, Deposited July 24, 2008	-	550.00	-
	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 1,177.87</u>	<u>\$ 1,177.87</u>	<u>\$ -</u>