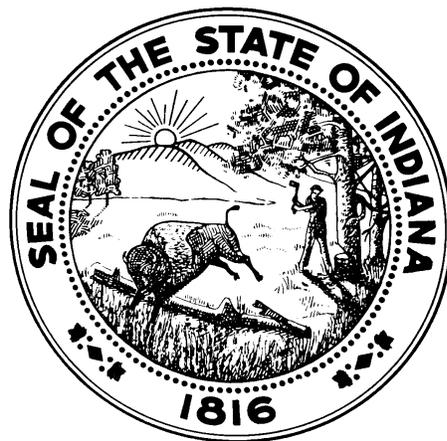


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

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



FILED

10/28/2008

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Sheriff	Richard W. Dixon	01-01-07 to 12-31-10
President of the County Council	Greg A. Farlow Alan Waynick	01-01-07 to 12-31-07 01-01-08 to 12-31-08
President of the Board of County Commissioners	James L. Springer Donald R. Crockett	01-01-07 to 12-31-07 01-01-08 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF ORANGE 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 Orange County for the year 2007.

STATE BOARD OF ACCOUNTS

October 7, 2008

COUNTY SHERIFF
ORANGE COUNTY
AUDIT RESULTS AND COMMENTS

BANK RECONCILEMENTS

The Sheriff's Trust Fund and the Inmate Trust Fund did not reconcile to the bank account balances on December 31, 2007. The Sheriff's Trust Fund bank account balance is \$278.99 less than the record balance. The Inmate Trust Fund bank account balance is \$438.72 more than the Inmate Trust Fund records.

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."

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)

PERSONAL EXPENSES

It was noted, during the review of the Commissary Fund, that expenses for meals and entertainment were paid for non-employees attending conferences with officials and employees of the Sheriff's Department. There is no authority to pay for persons attending conferences that are not employees of the County.

Public funds may not be used to pay for personal items or for 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)

RETIREMENT RELATED EXPENSES

Disbursements from the Commissary Fund included the purchases of gifts, cakes, drinks, ice cream, and various other supplies for retirement parties of employees of the Sheriff's Department. The total amount of funds spent on these items was \$633.47. There is no authority to use commissary funds for personal items. There is no evidence these disbursements were mutually agreed upon by the County fiscal body and the County Sheriff.

COUNTY SHERIFF
ORANGE COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

Indiana Code 36-8-10-21 in part: "(a) This section applies to any county that has a jail commissary that sells merchandise to inmates. . . . (d) 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: (9) any other purpose that benefits the sheriff's department that is mutually agreed upon by the county fiscal body and the county sheriff."

SUPPORTING DOCUMENTATION

Claims presented for audit included one claim for \$90.00 and was recorded in the records as "business lunch with Judge's office". Detailed documentation was not attached to the information presented, which would enable a determination that all expenses were for employees conducting governmental business. The County travel policy does not provide for meal reimbursement to County officials and employees unless they are in travel status at least 7 1/2 hours.

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)

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

COUNTY SHERIFF
ORANGE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 16, 2008, with Richard W. Dixon, Sheriff. The official concurred with our audit findings.

The contents of this report were also discussed on October 7, 2008, with Donald R. Crockett, President of the Board of County Commissioners; and Alan Waynick, President of the County Council.