

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

AUDIT REPORT
OF
COMMUNITY CORRECTIONS DEPARTMENT
HENRY COUNTY, INDIANA
January 1, 2008 to December 31, 2008



FILED
10/15/2009

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Linda S. Ratcliff	01-01-07 to 12-31-10
President of the County Council	Robert L. Veach Nate LaMar	01-01-07 to 12-31-08 01-01-08 to 12-31-09
President of the Board of County Commissioners	Philip J. Estridge Kim Cronk	01-01-07 to 12-31-08 01-01-09 to 12-31-09
Director of Community Corrections	Douglas Sheets	01-01-08 to 12-31-09
President of the Community Corrections Advisory Board	Robert Witham	01-01-08 to 12-31-09



STATE OF INDIANA
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TO: THE OFFICIALS OF HENRY COUNTY, INDIANA

We have audited the records of the Henry County Community Corrections Department for the period from January 1, 2008 to December 31, 2008, 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 Henry County for the year 2008.

STATE BOARD OF ACCOUNTS

September 14, 2009

COMMUNITY CORRECTIONS DEPARTMENT
HENRY COUNTY
AUDIT RESULTS AND COMMENTS

NO WRITTEN POLICY FOR "ON-CALL" HOURS

Part-time employees of Community Corrections are paid "on-call" compensation equal to four hours per week. We were provided no written policy for the "on-call" compensation.

IC 11-12-2-3.5 (b) states:

"The community corrections advisory board may establish personnel policies, procedures, and salary classification schedules for its employees. Employees of a community corrections program are county employees. The policies, procedures, and schedules established under this subsection may not be inconsistent with those established for other county employees."

IC 11-12-2-4 (b) and (c) state:

"(b) A community corrections plan must comply with rules adopted under section 5 of this chapter and must include:

- (1) a description of each program for which financial aid is sought;
- (2) the purpose, objective, administrative structure, staffing, and duration of the program;
- (3) the program's total operating budget, including all other sources of anticipated income;
- (4) the amount of community involvement and client participation in the program;
- (5) the location and description of facilities that will be used in the program; and
- (6) the manner in which counties that jointly apply for financial aid under this chapter will operate a coordinated community corrections program.

(c) A community corrections plan must be annually updated, approved by the county executive or, in a city having a consolidated city, by the city-county council, and submitted to the commissioner."

COMMUNITY CORRECTIONS DEPARTMENT
HENRY COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

DIFFERENCES IN TIME CARD TOTALS

Employees of the Community Corrections Department are paid bi-weekly upon presenting a completed time card that contains their current pay period hours. The time clock used time stamps only and does not calculate cumulative daily time worked, weekly time worked, or bi-weekly time worked. Part of the process is for the Director or the Director's designee to calculate the cumulative totals. The bi-weekly cumulative total is then circled and initialed by the Director or the Director's designee. The time cards are then presented to a member of the county commissioners who also initials the total. This total is used on the payroll form for the number of hours claimed for compensation.

In recalculating the time cards we found that some differences exist between our calculated hours and the total hours as presented on the time card. If there was a difference, our calculated hours were always for less than the documented total. The unit did not provide evidence nor could we determine the reason for those differences.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

COMMUNITY CORRECTIONS DEPARTMENT
HENRY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 14, 2009, with Robert Witham, President of the Community Corrections Advisory Board; and Douglas Sheets, Director of Community Corrections. The officials concurred with our findings.