

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

AUDIT REPORT
OF

THOMAS N. FREDERICK
JUVENILE JUSTICE CENTER
ST. JOSEPH COUNTY, INDIANA

January 1, 2008 to December 31, 2008



FILED

11/03/2009

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Results and Comments:	
Deposits	4
Deposit of Receipts Intact.....	4
Exit Conference.....	5
Official Response	6

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	William Bruinsma	01-01-08 to 12-31-09
Fiscal Officer	Julie A. Dominiack	01-01-08 to 12-31-09
President of the County Council	Rafael Morton	01-01-08 to 12-31-09
President of the Board of County Commissioners	Mark A. Dobson Robert Kovach	01-01-08 to 12-31-08 01-01-09 to 12-31-09



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF ST. JOSEPH COUNTY

We have audited the records of the Thomas N. Frederick Juvenile Justice Center 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 St. Joseph County for the year 2008.

STATE BOARD OF ACCOUNTS

September 22, 2009

THOMAS N. FREDERICK JUVENILE JUSTICE CENTER
ST. JOSEPH COUNTY
AUDIT RESULTS AND COMMENTS

DEPOSITS

In numerous instances, receipts were deposited later than the next business day and not remitted to the Auditor in a timely manner. For example, receipts collected during the months of May through November totaled \$94,871.31 and were remitted to the County on December 29, 2008.

IC 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 . . ."

DEPOSIT OF RECEIPTS INTACT

The Thomas N. Fredrick Juvenile Justice Center collects fees for several types of services ranging from electronic monitoring fees, to drug testing fees. When fees are collected a computerized receipt is generated, the receipt number and dollar amount is written on the outside of an envelope, and the envelope is sealed and placed in a safe.

The payee is permitted to pay several fees on one check. However, not all fees are deposited daily. The probation user fee and the electronic monitoring fees are deposited daily into a separate bank account. All other fees are remitted to the County on a weekly basis.

When the Bookkeeper does her daily depositing procedures all envelopes are opened, but some of them are returned to the safe while others are deposited. If a payee has written one check for more than one type of fee, the check is divided by using cash from other envelopes and deposited. This procedure does not allow funds to be deposited in the same manner in which they were received.

IC 5-13-6-1(c) states in part: "Public funds deposited . . . shall be deposited in the same form in which they were received."

THOMAS N. FREDERICK JUVENILE JUSTICE CENTER
ST. JOSEPH COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 24, 2009, with Julie A. Dominiack, Fiscal Officer. The official response has been made a part of this report and may be found on page 6.

The contents of this report were discussed on September 22, 2009, with Dave Thomas and Andrew Kostielney, County Commissioners; and Raphael Morton, President of the County Council.

ST. JOSEPH PROBATE COURT

Peter J. Nemeth, Judge

William M. Bruinsma, Psy.D., HSPP
Executive Director

Charles S. Whetstone
Director of Probation

Nathan V. Henderson
Director of Detention

THOMAS N. FREDERICK
JUVENILE JUSTICE CENTER
1000 South Michigan Street
South Bend, IN 46601-3426
Phone: (574) 235-KIDS (5437)
Fax: (574) 235-5342

Jeffrey A. Gensinger
Director of Intake

August 28, 2009

State Board of Accounts
302 W. Washington Street, Room E 418
Indianapolis, IN 46204-2765

Re: Official Response

Dear State Board of Accounts:

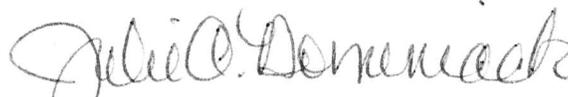
The purpose of this letter is to respond to the findings of the 2008 audit conducted at the Juvenile Justice Center.

Deposits - As explained to our field examiner, the financial department was short staffed by one person for more than a year. Two people were processing the work of three and, therefore, receipts were not deposited and transferred as frequently as normal. Our timeliness has already been improved but was not reflected during the time period covered by the audit.

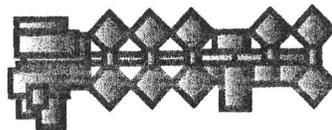
Intactness - As described in the Audit Results and Comments, we collect several types of fees that are deposited in different locations. The problem is that a money order or business check received might actually include several different fees and the initial form of payment must be changed in order to disburse the funds to the proper accounts. We discussed several possible solutions with our field examiner during the exit conference. We are currently examining our options and plan to implement a new procedure that will bring us in compliance with this rule.

I appreciate the opportunity to respond to the audit findings. Feel free to contact me if you have any questions or concerns with regards to the above.

Sincerely,



Julie A. Dominiack
Controller



**ST. JOSEPH PROBATE COURT
JUVENILE JUSTICE CENTER**