

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

AUDIT REPORT

OF

COUNTY SHERIFF

RANDOLPH COUNTY, INDIANA

January 1, 2008 to December 31, 2008



FILED
11/16/2009

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Sheriff	Jay S. Harris	01-01-07 to 12-31-10
President of the County Council	Carlton Clevenger Richard Wise	01-01-08 to 12-31-08 01-01-09 to 12-31-09
President of the Board of County Commissioners	David Lenkensofer Noel (Bud) Carpenter	01-01-08 to 12-31-08 01-01-09 to 12-31-09



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF RANDOLPH COUNTY, INDIANA

We have audited the records of the County Sheriff 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 Randolph County for the year 2008.

STATE BOARD OF ACCOUNTS

October 26, 2009

COUNTY SHERIFF
RANDOLPH COUNTY
AUDIT RESULTS AND COMMENTS

DEPOSITS – SHERIFF'S CASH BOOK

In a test of ten receipts, we noted one instance where receipts were deposited later than the next business day. Also, not all of the deposit slips were presented for audit, therefore some receipts were written for amounts which could not be verified to bank deposits.

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 . . . selected by the . . . local boards of finance. . . ."

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

INMATE TRUST - ACCOUNTING RECORDS

Individual inmate trust records are kept as a subsidiary record on a spreadsheet to the Inmate Trust Control Ledger (Prescribed General Form 358). The control ledger (General Form 358) does not reconcile with the subsidiary ledger nor to the bank account balance at December 31, 2008. Nine of the twelve month ending balances did not agree to the next months beginning balances in 2008, indicating balances were being changed without documentation in the subsidiary ledger, resulting in the subsidiary trust ledger transactions exceeding the control ledger.

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)

The sheriff shall maintain a record of each trust fund's receipts and disbursements. The State Board of Accounts shall prescribe the form for this record. In order to comply with these provisions, the sheriff may post the receipts and disbursements through the Sheriff's Cash Book, through the trust column. County Form No. 133 for receipts and County Form No. 141 for disbursements would be used. An alternate method would be to use General Form No. 358, Ledger of Receipts, Disbursements and Balances as a control and also for each individual inmate trust fund. The balances from the total individual cards must be equivalent to the control card on any given date. (County Bulletin and Uniform Compliance Guidelines, April 2001, Volume 332, Page 6)

RECONCILIATION OF SUBSIDIARY LEDGERS – INMATE TRUST

As noted in prior Report B30163 and B32406 and during the current audit, posting errors were not discovered in a timely manner because reconcilements were not made between the subsidiary ledgers and the control account. The Control Account contains only transactions that flow thru the bank.

COUNTY SHERIFF
 RANDOLPH COUNTY
 AUDIT RESULTS AND COMMENTS
 (Continued)

Adjustments for the end of the month Inmate Accounts Due Commissary and other miscellaneous adjustments to inmate detailed accounts are not posted to the Control Account. We found the following difference at December 31, 2008, where the subsidiary records were more than the control account.

Detail subsidiary ledger:	
Ending balance (not mathematically correct)	\$ 3,449.91
Errors in bringing month end balances to beginning balances	<u>196.72</u>
Mathematically correct balance	3,646.63
Less: commissary transactions not posted to control	<u>200.23</u>
Detailed subsidiary ledger, net of commissary transactions	3,446.40
Control ledger and reconciled bank balance	<u>3,403.24</u>
Cash necessary to balance – short (long)	<u>\$ 43.16</u>

The Sheriff maintains the inmate trust ledger to account for all money received by inmates for the purchase of such things as commissary and medical care. We noted eleven jail inmates had negative balances totaling \$279.30 as of December 31, 2008. This would indicate that officials are not reviewing inmate balances before incurring costs. The county is required to provide medical care to inmates. The County's policy is to incur the cost, charge the inmate's individual trust account and if unable to pay, the Sheriff is to submit a Claim for Reimbursement to the Auditor. No one has been reviewing these balances or attempting to collect negative balances.

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)

Governmental units have a responsibility to collect amounts owed to the governmental unit pursuant to procedures authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

UNCLAIMED PROPERTY – INMATE TRUST

The Sheriff's Department has several years of outstanding warrants which have not been receipted back into the inmate trust account that is distributable but remains unclaimed. A summary by year follows:

COUNTY SHERIFF
 RANDOLPH COUNTY
 AUDIT RESULTS AND COMMENTS
 (Continued)

<u>Amount Due AG By Year</u>	<u>Outstanding Warrants</u>	<u>Check issued to Attorney General, But Not Posted</u>	<u>Total Amount Due Attorney General</u>
December 31, 2000	\$ 470.01	\$ -	\$ 470.01
December 31, 2001	261.59	-	261.59
December 31, 2002	254.44	123.90	130.54
December 31, 2003	215.79	-	215.79
December 31, 2004	198.40	-	198.40
December 31, 2005	283.51	-	283.51
December 31, 2006	143.38	-	143.38
December 31, 2007	<u>250.89</u>	<u>-</u>	<u>250.89</u>
Totals	<u>\$ 2,078.01</u>	<u>\$ 123.90</u>	<u>\$ 1,954.11</u>

IC 32 -34-1-20(c) states in part:

"Property that is held issued, or owed in ordinary course of a holder's business is presumed abandoned if the owner or apparent owner has not communicated in writing with the holder concerning the property or has not otherwise given an indication of interest in the property during the following times: . . . (7) For property held by a state or other government, governmental subdivision or agency, or public corporation or other public authority, one (1) year after the property becomes distributable."

IC 32-34-1-26(a) states in part:

"A holder of property that is presumed abandoned and that is subject to custody as unclaimed property under this chapter shall report in writing to the attorney general concerning the property. Items of value of less than fifty dollars (\$50) may be reported by the holder in the aggregate.

IC 32-34-1-27(a) states:

"Except as provided in subsections (b) (c), on the date a report is filed under section 26 of this chapter, the holder shall pay or deliver to the attorney general the property that is described in the report as unclaimed."

COUNTY SHERIFF
RANDOLPH COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 26, 2009, with Richard Wise, President of the County Council; Noel (Bud) Carpenter, President of the Board of County Commissioners; and Jay S. Harris, Sheriff.