

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

AUDIT REPORT

OF

COUNTY SHERIFF

TIPPECANOE COUNTY, INDIANA

January 1, 2009 to December 31, 2009



FILED

08/18/2010

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Sheriff	Tracy A. Brown	01-01-07 to 12-31-10
President of the County Council	Kevin Underwood Andrew S. Gutwein	01-01-09 to 12-31-09 01-01-10 to 12-31-10
President of the Board of County Commissioners	John Knochel	01-01-09 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF TIPPECANOE COUNTY

We have audited the records of the County Sheriff for the period from January 1, 2009 to December 31, 2009, 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 Tippecanoe County for the year 2009.

STATE BOARD OF ACCOUNTS

June 8, 2010

COUNTY SHERIFF
TIPPECANOE COUNTY
AUDIT RESULTS AND COMMENTS

COMPENSATION AND BENEFITS

Some law enforcement employees received salary overtime payments that were not in compliance with the County overtime policy. The County's overtime policy states that vacation, sick, and compensatory time off do not count as hours worked for the computation of overtime. Holiday hours are considered hours worked for the computation of overtime. For law enforcement employees, premium overtime (time and one-half) is to be paid when hours worked exceeds 171 hours in a twenty-eight day period. Two officers were tested as part of the routine testing of payroll transactions. Due to exceptions to the overtime payments, two additional officers were selected for testing. All four included premium overtime in excess of the policy.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Counties in Indiana, Chapter 14)

E-911 EXPENDITURES

IC 36-8-16 and 36-8-16.5 establish guidelines for the expenditure of E-911 fees. The following expenditures were in noncompliance:

A payment of \$11,062.56 was made to Verizon in August 2009. The current portion of this bill totaled \$818.46. The current portion includes \$284.31 in late fees, and \$28.79 in sales taxes that are not allowable expenses according to statute. The remainder of the invoice, or \$10,244.10, represents balances forward for 2008 and 2009. Total late fees included in the payment were \$2,088.53; total sales tax was \$533.44.

The following expenditures were questioned:

The Sheriff's department has two information technology employees. The payroll for both employees is funded in total by E-911 fees collected. A review of the employee's job descriptions indicated that they have duties not E-911 related. Time records are not maintained separating E-911 time and the Sheriff's department has not completed a formal study to determine how much of these employees' time is spent working on E-911 related duties versus other duties assigned.

COUNTY SHERIFF
TIPPECANOE COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

IC 36-8-16-14(a) states:

"The emergency telephone system fees shall be used only to pay for:

- (1) the lease, purchase, or maintenance of enhanced emergency telephone equipment, including necessary computer hardware, software, and data base provisioning;
- (2) the rates associated with the service suppliers' enhanced emergency telephone system network services;
- (3) the personnel expenses of the emergency telephone system;
- (4) the lease, purchase, construction, or maintenance of voice and data communications equipment, communications infrastructure, or other information technology necessary to provide emergency response services under authority of the unit imposing the fee; and
- (5) an emergency telephone notification system under IC 36-8-21.

The legislative body of the unit may appropriate money in the fund only for such expenditure."

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)

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)

COUNTY SHERIFF
TIPPECANOE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 8, 2010, with Tracy A. Brown, Sheriff; John Knochel, President of the Board of County Commissioners; and Andrew S. Gutwein, President of County Council.