

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

AUDIT REPORT

OF

COUNTY ANIMAL SHELTER

PORTER COUNTY, INDIANA

January 1, 2009 to March 31, 2010



FILED

02/15/2011

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Judith L. Bonaventura	01-01-09 to 12-31-10
President of the County Council	Robert Poparad Daniel Whitten	01-01-09 to 12-31-09 01-01-10 to 12-31-10
President of the Board of County Commissioners	Robert Harper	01-01-09 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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TO: THE OFFICIALS OF PORTER COUNTY

We have audited the records of the County Animal Shelter for the period from January 1, 2009 to March 31, 2010, 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 Porter County for the year 2009.

STATE BOARD OF ACCOUNTS

August 19, 2010

COUNTY ANIMAL SHELTER
PORTER COUNTY
AUDIT RESULTS AND COMMENTS

RECEIPTS NOT DEPOSITED

Adoption Fees

The Porter County Animal Shelter charges fees for adoption of its animals. Dog adoptions are \$70 and cat adoptions are \$35. Receipts used by the animal shelter are prenumbered with triplicate copies. When a receipt is issued, one copy is given to the customer; the other two copies remain in the receipt book until the Director completes the report of collections report. At the time the Director completes the report of collections for remittance to the County Auditor; one of the remaining receipts is removed from the receipt book and remitted with the report of collections and fees collected. The report of collections is completed using copies of receipts and the amount of cash in the lockbox.

A review of the reports of collections for 2009 found that we could not account for all the pre-numbered receipts. We compiled a list of numbered receipts and traced them to receipt books at the Animal Shelter. We found a few instances that the receipts had been voided and the 3 copies were intact. However, a majority of the receipts had not been voided and therefore should have been remitted to the County Auditor. We expanded our review of the receipts to include the years 2008 and 2010. Our review resulted in a total of 101 receipts, beginning in July 2008 through March 2010, were written, but not voided or remitted to the Auditor. The breakdown of receipts not deposited with the County Auditor is as follows:

	2008	2009	2010	Total
Receipts Not Deposited	\$ 1,902	\$ 2,660	\$ 495	\$ 5,057

Donations

The Porter County Animal Shelter receives donations to supplement the cost of food and other necessities for its animals. When a receipt is written for a donation, one copy is given to the donor, a copy remains in the receipt book, and a copy is placed with the money in a safe. When the report of collections is completed, the assistant takes the money and receipts out of the safe and completes the report of collections based on what is in the safe. The Director signs the report of collections. The collections are then taken to the County Auditor.

We compared the report of collections to the receipts at the animal shelter and found two receipts that were not deposited with the County Auditor. No indication these receipts had been voided were noted. The two receipts are listed below:

Date	Receipt Number	Amount
10-06-08	4451	\$ 20
01-11-09	4572	100
Total		\$ 120

The Director of the County Animal Shelter is responsible for the collections at the animal shelter, therefore, we requested that Judith Bonaventura, Director remit restitution to the County Animal Shelter in the amount of \$5,177 for the receipts that were not deposited. (See Summary, page 9)

COUNTY ANIMAL SHELTER
PORTER COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

The County Attorney has notified county law enforcement and requested an investigation of the missing funds.

Funds misappropriated, diverted or unaccounted for through malfeasance, misfeasance, or nonfeasance in office of any officer or employee may be the personal obligation of the responsible officer or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

EMPLOYEE BONDS

The County does not have employee dishonesty insurance coverage for employees that handle cash. A blanket bond or a crime insurance policy covering all employees was not purchased. Subsequently, the County has obtained a crime insurance policy in the amount of \$50,000 per employee from Auto-Owners Insurance Company.

IC 5-4-1-18 states in part:

"(a) Except as provided in subsection (b), the following city, . . . officers and employees shall file an individual surety bond: (3) Auditors, treasurers, recorders, surveyors, sheriffs, coroners, assessors, and clerks. . . . (5) Those employees directed to file an individual bond by the fiscal body of a city, town or county.

(b) The fiscal body of a city, town, county, or township may by ordinance, authorize the purchase of a blanket bond or a crime insurance policy . . . to cover the faithful performance of all employees, commission members, and persons acting on behalf of the local government unit including those officers described in subsection (a)."

RECEIPTS

In numerous instances, collections were remitted to the County Auditor up to 17 days after the receipt was written. In addition, receipts were issued out of numerical sequence and were not all marked as cash, check, or money order. No one at the Animal Shelter verifies that all written receipts have been remitted to the County Auditor.

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 . . ."

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

COUNTY ANIMAL SHELTER
PORTER COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 30, 2010, with Robert Harper, President of the Board of County Commissioners; Gwenn R. Rinkenberger, County Attorney; and Judith L. Bonaventura, Director. The official response has been made a part of this report and may be found on pages 7 and 8.

COUNTY - PORTER

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Porter County Attorney



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MEMO

HAND DELIVERED

**Bruce Hartman, State Board of Accounts
Mary Jo Small, Field Supervisor
State Board of Accounts
302 W. Washington St. Room E418
Indianapolis IN 46204**

Re: Porter County Board of Commissioners' Response to Porter County Animal Shelter Audit Results and Comments of 2010

Date: October 13, 2010

The Porter County Board of Commissioners object to the portion of the audit report and comments that provides as follows:

“We request that Judith Boneventura, Director, remit restitution to the County Animal Shelter in the amount of \$5,177.00 for the receipts that were not deposited.”

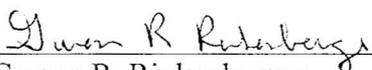
The Porter County Board of Commissioners object to the request that the Director of the Animal Shelter be personally liable for \$5,177.00 for the following reasons:

1. There is no evidence that Judy Boneventura is responsible for taking the funds missing. In fact, several county employees had access to both the receipt book and the cash collected. This matter has been referred to the Porter County Sheriff's Police Department for investigation pursuant to the attached letter. Once that investigation is complete, and an individual is charged, that individual should be responsible for restitution.

2. The Porter County Board of Commissioners did not have a bond to cover our department heads in a situation such as this. The Porter County Board of Commissioners approved a Blanket Employee Dishonesty Bond in the amount of \$50,000.00 effective September 7, 2010. No such policy was in effect at the time of the missing deposits, to wit: 2008; 2009; and early 2010.
3. The applicable section of the county compliance guidelines provides as follows:

Funds misappropriated, diverted, or unaccounted for through malfeasance, misfeasance or no feasonce in office of any officer or employee MAY (not must) be the personal obligation of the responsible officer or employee.
4. Based on the foregoing there is no statutory requirement or requirement set forth in the guidelines which requires that Judy Boneventura be held personally liable for the funds.
5. Given the fact that there is no evidence that the Animal Shelter's Director is responsible for misappropriation or theft of the missing funds, it is the position of Porter County that it is not equitable or required by law that she be held personally liable for the missing funds. In addition, the Porter County Board of Commissioners did not have a Blanket Dishonesty Policy Bond in effect; however, that has since been rectified
6. Finally, this matter has been referred to the Porter County Sheriff's Police Department for investigation and when the investigation is complete, the person charged should be held responsible for the missing funds.

Respectfully submitted,



Gwenn R. Rinkenberger
Porter County Attorney

GRR/vw

cc: Robert Harper
John Evans
Carole Knoblock
Judy Boneventura

COUNTY ANIMAL SHELTER
PORTER COUNTY
SUMMARY

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Judith L. Bonaventura, Director: Receipts Not Deposited, pages 4 and 5	<u>\$ 5,177</u>	<u>\$ -</u>	<u>\$ 5,177</u>

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AFFIDAVIT

STATE OF INDIANA)
)
 Lake COUNTY)

We, Aaron Prybylla and Carla Wenger, Field Examiners, being duly sworn on our oath, state that the foregoing report based on the official records of the County Animal Shelter, Porter County, Indiana, for the period from January 1, 2009 to March 31, 2010, is true and correct to the best of our knowledge and belief.

Aaron Prybylla

Carla Wenger
Field Examiners

Subscribed and sworn to before me this 20th day of January, 2011.

Levi Polym
Notary Public

My Commission Expires: 3-3-17

County of Residence: Lake

