

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

AUDIT REPORT

OF

COUNTY SHERIFF

TIPPECANOE COUNTY, INDIANA

January 1, 2010 to December 31, 2010



FILED
08/05/2011

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Results and Comments:	
Timely Recordkeeping – Payroll Service Records	4
Contracts	4
Errors on Claims	4-5
Exit Conference.....	6

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Sheriff	Tracy A. Brown	01-01-07 to 12-31-14
President of the County Council	Andrew S. Gutwein	01-01-10 to 12-31-11
President of the Board of County Commissioners	John Knochel David S. Byers	01-01-10 to 12-31-10 01-01-11 to 12-31-11



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 TIPPECANOE COUNTY

We have audited the records of the County Sheriff for the period from January 1, 2010 to December 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 Tippecanoe County for the year 2010.

STATE BOARD OF ACCOUNTS

June 16, 2011

COUNTY SHERIFF
TIPPECANOE COUNTY
AUDIT RESULTS AND COMMENTS

TIMELY RECORDKEEPING - PAYROLL SERVICE RECORDS

We noted that entries to the service records for leave time earned and used for four of the five Tippecanoe County Sheriff's Department Jail Corrections Officers tested were posted in pay periods different than the pay period when the leave time was earned or used.

All documents and entries to records should be done in a timely manner to ensure that accurate financial information is available to allow the governmental unit to make informed management decisions and to help ensure compliance with IC 5-15-1-1 et seq., commonly referred to as the Public Records Law. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

CONTRACTS

During 2010, payments totaling \$34,166.05 were made to Advanced Correctional Healthcare, Inc., for inmate mental health administrator services. Based on an email dated December 15, 2009, Advanced Correctional Healthcare President, Neil Leuthold, had sent the contract to the Sheriff's office requesting that two copies be sent back and that he would countersign and return a copy to the Sheriff. Neither the Tippecanoe County Sheriff nor Advanced Correctional Healthcare has signed copies in their possession. The contract contained signature lines for the Sheriff, President of the Board of County Commissioners, and two other County Commissioners as well as the President/Chief Operating Officer of Advanced Correctional Healthcare, Inc. Also, a review of the Commissioner's minutes for 2009 and 2010 show no evidence that the contract was ever submitted for approval. The Sheriff does not have authority to bind the County to a contractual agreement without the expressed approval of the executive, the County Commissioners.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Indiana Code 36-2-3.5-4(a)(b) executive powers and duties, states in part:

"All powers and duties of the county that are executive or administrative in nature shall be exercised or performed by its executive, except to the extent that those powers and duties are expressly assigned to other officers. The executive shall: negotiate contracts for the county."

ERRORS ON CLAIMS

The following deficiencies were noted on claims submitted for the disbursement of Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program grant funding during the audit period:

Claims were not adequately itemized. Each claim was invoiced stating a month and a day followed by "On-site mental health services per contract." There was no signed and approved contract on file. There was no indication as to number of hours or even documentation to indicate that the service was provided other than the invoice from the vendor.

COUNTY SHERIFF
TIPPECANOE COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

Claims or invoices did not have evidence to support receipt of goods or services. Claims were not approved by the official/employee receiving the service.

The claim for services to be provided October 10th was paid October 4, 2010; the claim for services to be provided November 10th was paid October 18, 2010; and the claim for services to be provided January 11, 2011, was paid December 27, 2010.

Indiana Code 5-11-10-1.6(c) states:

"The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

All claims, invoices, receipts, accounts payable vouchers, including those presented to the governing body for approval in accordance with IC 5-11-10, should contain adequate detailed documentation. All claims, invoices, receipts, and accounts payable vouchers regarding reimbursement for meals and expenses for individuals must have specific detailed information of the names of all individuals for which amounts are claimed, including the nature, name, and purpose of the business meeting, to enable the governing body to authorize payment. Payments which do not have proper itemization showing the business nature of the claim may be the personal obligation of the responsible official, employee or other person for whom the claim is made. (Accounting and Compliance Manual for Counties of Indiana, Chapter 1)

Compensation and any other payments for goods and services should not be paid in advance of receipt of the goods or services unless specifically authorized by statute. Payments made for goods or services which are not received may be the personal obligation of the responsible official or employee. (Accounting and Compliance Manual for Counties of Indiana, Chapter 1)

COUNTY SHERIFF
TIPPECANOE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 16, 2011, with Tracy A. Brown, Sheriff; Andrew S. Gutwein, President of County Council; and David S. Byers, President of the Board of County Commissioners.