

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

AUDIT REPORT

OF

COMMUNITY JUSTICE CENTER

MADISON COUNTY, INDIANA

January 1, 2010 to December 31, 2010



**FILED**

09/07/2011



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Ann Roberts	01-01-10 to 12-31-11
President of the County Council	Bill Savage Larry Crenshaw	01-01-10 to 12-31-10 01-01-11 to 12-31-11
President of the Board of County Commissioners	Paul Wilson John Richwine	01-01-10 to 12-31-10 01-01-11 to 12-31-11



**STATE OF INDIANA**  
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TO: THE OFFICIALS OF MADISON COUNTY

We have audited the records of the Community Justice Center 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 Madison County for the year 2010.

STATE BOARD OF ACCOUNTS

July 21, 2011

COMMUNITY JUSTICE CENTER  
MADISON COUNTY  
AUDIT RESULTS AND COMMENTS

**OLD OUTSTANDING CHECKS (WARRANTS)**

As stated in prior reports, most recently Report B37484, our review of the bank reconcilements for the Community Justice Center Inmate Trust/Commissary Fund as of December 31, 2010, revealed checks outstanding in excess of two years. Some checks dated as far back as April 2000. These checks need to be removed from the outstanding checklist and remitted to the attorney general.

Indiana Code 5-11-10.5-2 states in part: "All warrants or checks drawn upon public funds of a political subdivision that are outstanding and unpaid for a period of two (2) or more years as of the last day of December of each year are void."

Indiana Code 5-11-10.5-3 states:

"Not later than March 1 of each year, the treasurer of each political subdivision shall prepare or cause to be prepared a list in triplicate of all warrants or checks that have been outstanding for a period of two (2) or more years as of December 31 of the preceding year. The original copy of each list shall be filed with the board:

- (1) of finance of the political subdivision; or
- (2) the fiscal body of a city or town."

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

"Property that is held, issued, or owed in the 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."

**CONDITION OF RECORDS**

As similarly stated in prior reports, most recently Report B37484, the following deficiencies relating to recordkeeping were present during our period of audit:

1. Record balances for the Community Justice Center Inmate Trust/Commissary Fund were not reconciled to depository balances. As stated, in prior Report B37484, there was a check written for \$1,350.76 which cleared the bank on December 16, 2005, but was listed as outstanding in the unit's reconcilements. As of December 31, 2010, this error had not been corrected by the Community Justice Center (CJC).
2. CJC does not reconcile the Justice Center Inmate Trust/Commissary Fund to a master list of inmate balances.

COMMUNITY JUSTICE CENTER  
MADISON COUNTY  
AUDIT RESULTS AND COMMENTS  
(Continued)

3. In an attempt to correct the reconciling issue, the CJC opened a new commissary bank account by writing checks for current inmate balances and depositing these checks into the newly opened account. A new ledger was also started using the transferred amount of the known inmate balances. This new bank account balance had never been reconciled by the unit to the new ledger balance nor to a detailed listing of individual inmate balances. The account was opened in March of 2010. Undiscovered and, therefore, uncorrected errors were included in the ledger pages submitted for audit for each month from June 2010 through December 2010. Also, as with the reconciliation on the old account, the outstanding check list submitted with the December 31, 2010 reconciliation on the new account included a check that had cleared the bank on September 20, 2010. The CJC has subsequently submitted corrected ledgers and reconcilements.
4. The ledger form in use by the CJC is an electronic form that has not been submitted for approval by the State Board of Accounts.
5. The CJC did not correctly and completely report transactions on the CAR-1 supplemental Annual Report. Commissary funds remitted to the Auditor's office were the only receipts and disbursements reported. Receipts and disbursements of Community Justice Center Inmate Trust/Commissary Fund were not reported.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

All governmental units are required by law to use the forms prescribed by this department; however, if it is desirable to use a different form or to have a prescribed form modified to conform for computer applications, a letter and three copies of the proposed form may be submitted to the State Board of Accounts for approval. No form should be printed and placed into use, other than a prescribed form, without prior approval. (Accounting and Uniform Compliance Guidelines Manuals for Counties of Indiana, Chapter 1)

At all times, the manual and/or 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 Manuals for Counties of Indiana, Chapter 1)

COMMUNITY JUSTICE CENTER  
MADISON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on July 21, 2011, with Ann Roberts, Director; Tia Baker, Assistant Director; Terri Hill, Business Manager; Rometra R. Wayne, Business Office Assistant; and Celia Calhoun, Commissary Officer. The official response has been made a part of this report and may be found on pages 7 and 8.



**Community Justice Center**

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July 27, 2011

Indiana State Board of Accounts  
302 West Washington Street  
Room E448  
Indianapolis, Indiana 46204-4765

Dear State Board of Accounts:

**OFFICIAL WRITTEN RESPONSE**

This letter is Madison County Community Justice Center written response to our exit interview conducted by Kim Wesley, Indiana State Board of Accounts, on July 21, 2011. Staff Members present were: Ann Roberts, Executive Director, Tia Baker, Assistant Director, Terrie Hill, Business Manager, Rometra Byrd, Assistant Bookkeeper, and Celia Calhoun, Correction Officer. We concur with the findings and corrections have/will be made.

In response to the following:

CONDITION OF RECORDS

- (1) The written check for \$1,350.76 has been cleared with the bank and will be recitified once we close out the old account.
- (2) & (3) Community Justice Center Inmate Trust Commissary fund bank account has been reconciled up to June 30, 2011. This fund will be reconciled on a monthly basis.
- (4) Terrie Hill, Business Manager, will submit the Ledger Form used by CJC in an electronic form to the Indiana State Board of Accounts for approval on July 26, 2011.

- (5) This has been corrected in February, 2011. The Madison County Auditor's office instructed CJC we did not need to complete the form, but after speaking with Indiana State Board of Accounts, we did complete the CAR-1 Supplemental Annual Report and was turn in to the Madison County Auditor's Office in February, 2011.

IC5-11-10- 5-3, 5-5: We currently have Inmate Trust/Commissary fund checks dated from December 10, 2005 to December 31, 2008. All checks in this period will be sent certified to the Indiana Attorney General's office to be placed in "Unclaimed Money." We will continue this process on a yearly basis.

We appreciate the assistance provided to our agency by your department. If you have any questions, please contact me at (765) 649-7341, ext. 11.

Sincerely,

A handwritten signature in black ink, appearing to read "Ann Roberts". The signature is fluid and cursive, with a large initial "A" and "R".

Ann Roberts  
Executive Director

cc: Madison County Commissioners  
William Riffe, Advisory Board President