

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

AUDIT REPORT
OF
COUNTY SHERIFF
PORTER COUNTY, INDIANA
January 1, 2010 to December 31, 2010



FILED
10/24/2011

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Sheriff	David E. Lain	01-01-07 to 12-31-11
President of the County Council	Daniel Whitten	01-01-10 to 12-31-11
President of the Board of County Commissioners	Robert Harper John Evans	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 PORTER 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 Porter County for the year 2010.

STATE BOARD OF ACCOUNTS

May 12, 2011

COUNTY SHERIFF
PORTER COUNTY
AUDIT RESULTS AND COMMENTS

BANK RECONCILEMENT - INMATE TRUST

The Sheriff engaged an accounting consultant to prepare the monthly bank reconciliements of the inmate trust account. The bank balance consistently exceeded the ledger balance for 2010 by \$13,061.32. The officials are in the process of determining the composition of this difference.

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 in Indiana, Chapter 1)

RECEIPT ISSUANCE - COMMISSARY

Receipts are not issued for money received for the Sheriff Commissary Fund. Collections received are posted to the ledger and deposited. The majority of the collections are from the Inmate Trust account to the Commissary account for sales of personal items, damages, and medco. The Sheriff also receives money from vendors (refunds), and reimbursements from the County Auditor for travel and education related expenses. A similar comment appeared in the previous report.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Counties in Indiana, Chapter 1)

INMATE PROCESSING FEE

The Porter County Board of Commissioners passed an Ordinance in March of 2009, establishing a \$25 inmate processing fee. According to the ordinance the fee is to be charged each time a person is booked into the Porter County Jail. If an individual is found not guilty this fee is refunded to them. The \$25 fee can only be assessed to an individual who is found guilty, therefore, it cannot be charged at the time of booking per state statute.

Indiana Code 36-2-13-17.4 states: "A sheriff or an employee of a jail may not charge an individual a fee for the individual to be incarcerated or held in a jail unless the individual has been convicted of a crime for which the individual was incarcerated or held in the jail."

COUNTY SHERIFF
PORTER COUNTY
EXIT CONFERENCE

The contents of this report were discussed on May 16, 2011, with David E. Lain, Sheriff, and Bud Gootee, Business Manager. The official response has been made a part of this report and may be found on page 6.



Porter County Sheriff's Department

David E. Lain
Sheriff

Steve Lawrence
Chief Deputy

May 18, 2011

Response to State Board of Accounts exit interview:

Bank Reconciliation – Inmate Trust

We have employed a forensic Certified Public Accountant and obtained assistance from vendor for our commissary program, Canteen Correctional Services, and Prevatek the provider of the software that tracks the Inmate Trust Fund and Commissary Fund. Together, they will determine the composition of the difference of \$13,061.32 where the bank balance exceeds the ledger balance.

Receipt Issuance – Commissary

Prevatek, the provider of the software that tracks the Inmate Trust Fund and Commissary Fund, is currently developing a deposit form within their software (known as Canteen Manager) that will allow a listing of each monetary document, the type of monetary document (i.e. cash, check, etc.), a unique sequential number for the deposit and the ability to recall and print the deposit transaction on demand.

Inmate Processing Fee

It was felt that through the passage of an authorizing ordinance and the inclusion of a mechanism for the return of the fee for the small percentage of inmates who are eventually found not guilty, the "Booking Fee" would be deemed acceptable. As this is still not the case, I plan to confer with legal counsel as well as the County Commissioners to investigate alternative methods of recouping inmate services expenditures.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David E. Lain", is written over the typed name.

Sheriff David E. Lain