

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

AUDIT REPORT

OF

COUNTY SHERIFF

STEBEN COUNTY, INDIANA

January 1, 2011 to December 31, 2011



FILED

05/30/2012

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Sheriff	Tim Troyer	01-01-11 to 12-31-14
President of the County Council	William Booth	01-01-11 to 12-31-12
President of the Board of County Commissioners	Ronald Smith	01-01-11 to 12-31-12



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF STEUBEN COUNTY

We have audited the records of the County Sheriff for the period from January 1, 2011 to December 31, 2011, 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 Financial Statement and Federal Single Audit Report of Steuben County for the year 2011.

STATE BOARD OF ACCOUNTS

May 14, 2012

COUNTY SHERIFF
STEUBEN COUNTY
AUDIT RESULTS AND COMMENTS

SHERIFF'S COMMISSARY DEPOSITS

In numerous instances, receipts were deposited later than the next business day. There was a similar comment in prior year's Report B39776.

Indiana Code 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 . . ."

SHERIFF'S COMMISSARY UNALLOWED EXPENSES

The Sheriff Commissary Fund paid \$85.10 in unallowed interest and finance charges on late payment of credit cards and a phone bill. There was a similar comment in prior year's Report B39776.

Indiana Code 36-8-10-21(d) states:

"The sheriff, or the sheriff's designee, at the sheriff's or the sheriff's designee's discretion and without appropriation by the county fiscal body, may disburse money from the fund for:

- (1) merchandise for resale to inmates through the commissary;
- (2) expenses of operating the commissary, including, but not limited to, facilities and personnel;
- (3) special training in law enforcement for employees of the sheriff's department;
- (4) equipment installed in the county jail;
- (5) equipment, including vehicles and computers, computer software, communication devices, office machinery and furnishings, cameras and photographic equipment, animals, animal training, holding and feeding equipment and supplies, or attire used by an employee of the sheriff's department in the course of the employee's official duties;
- (6) an activity provided to maintain order and discipline among the inmates of the county jail;
- (7) an activity or program of the sheriff's department intended to reduce or prevent occurrences of criminal activity, including the following:
 - (A) Substance abuse.
 - (B) Child abuse.
 - (C) Domestic violence.

COUNTY SHERIFF
STEUBEN COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

- (D) Drinking and driving.
- (E) Juvenile delinquency;
- (8) expenses related to the establishment, operation, or maintenance of the sex and violent offender registry web site under IC 36-2-13-5.5; or
- (9) any other purpose that benefits the sheriff's department that is mutually agreed upon by the county fiscal body and the county sheriff.

Money disbursed from the fund under this subsection must be supplemental or in addition to, rather than a replacement for, regular appropriations made to carry out the purposes listed in subdivisions (1) through (8)."

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)

RECONCILIATION OF BANK, CONTROL, AND SUBSIDIARY ACCOUNTS (SHERIFF'S INMATE TRUST)

At December 31, 2011, the Inmate Trust depository reconciliation and Inmate Trust Control Account balance of \$3,167.26 was long \$999.24 when compared to the Subsidiary Detail of Inmate Accounts of \$2,168.02. There was a similar comment to this in prior year's Report B39776.

The depository account must be properly reconciled to both the detail and control ledgers at December 31, 2011.

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 of Indiana, Chapter 1)

SHERIFF'S PRESCRIBED FORMS

The Sheriff's Department uses Quicken Software to account for their Commissary, Meal, and Inmate Trust Funds. This system is not designed so that changes to a transaction file cannot occur without being processed through an application. There was a similar comment to this in prior year's Report B39776.

All transactions that occur in the system must be recorded. Transactions can be maintained on-line, on back-up tapes, microfilmed, or printed on hardcopy. These transactions include, but are not limited to, all input transactions, transactions that generate receipts, transactions that generate checks, master file updates, and all transactions that affect the ledgers in any way. The system must be designed so that changes to a transaction file cannot occur without being processed through an application. (The County Bulletin and Uniform Compliance Guidelines, April 2006)

COUNTY SHERIFF
STEUBEN COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

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 of Indiana, Chapter 1)

SHERIFF'S MEAL ACCOUNT UNALLOWED EXPENSES

We noted a disbursement from the Sheriff's Meal Account in the amount of \$554.70 for food provided for the Steuben County United Way Golf Outing.

Public funds may not be used to pay for personal items or for expenses which do not relate to the functions and purposes of the governmental unit. Any personal expenses paid by the governmental entity may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 5)

COUNTY SHERIFF
STEUBEN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on May 14, 2012, with Tim Troyer, Sheriff, and Julie Troyer, Sheriff's Accounting Clerk. The Official Response has been made a part of this report and may be found on page 8.



Steuben County Sheriff's Office

206 E. Gale St. • Angola, Indiana 46703

Tim R. Troyer, Sheriff

John K. Gonya, Chief Deputy

Phone: 260-668-1000

Business Office: Ext. 5000

Fax: 260-665-9476

May 15, 2012

State Board of Accounts
302 West Washington Street, Room E418
Indianapolis, IN 46204

Please consider this my official response to the State Board of Account's Audit Results and Comments.

Item 5: Sheriff's Meal Account Unallowed Expenses

This payment from the meal account for food for a fundraiser was an extreme oversight on our part. The food items were to be paid for by a sponsor/donor. The invoice was to be turned over to that individual. The employee that handles the meal account had extended intermittent family medical leave during 2011. In his haste to get on top of his workload, he overlooked the Purchase Order # (Golf Outing) on the invoice when paying multiple invoices on the account. A check for the amount in question, \$554.70, was deposited into the Meal Account as reimbursement for our error. It was a large mistake on our part, and one that will not occur again.

Thank you,

Tim R. Troyer

Sheriff Tim R. Troyer
Steuben County, Indiana