

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

SPECIAL INVESTIGATION REPORT

OF

OHIO COUNTY 911 DEPARTMENT EXPENDITURES

OHIO COUNTY AND CITY OF RISING SUN

OHIO COUNTY, INDIANA

February 28, 2008 to December 31, 2011



FILED
05/24/2013

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Ohio County 911 Director	Joe Teke (Vacant) Glen Potts	01-01-10 to 12-13-12 12-14-12 to 01-20-13 01-21-13 to 12-31-13
Ohio County Auditor	Connie L. Smith	01-01-07 to 12-31-14
President of the Ohio County Council	Douglas A. Baker	01-01-08 to 12-31-13
President of the Board of Ohio County Commissioners	Connie J. Brown	01-01-08 to 12-31-13
Mayor of the City of Rising Sun	William A. Marksberry Branden Roeder	01-01-08 to 12-31-11 01-01-12 to 12-31-15
Clerk-Treasurer of the City of Rising Sun	Rae Baker Gipson	01-01-08 to 12-31-15



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF OHIO COUNTY AND THE CITY OF RISING SUN

We conducted a special investigation of the Ohio County 911 Department Expenditures for the period from February 28, 2008 to December 31, 2011. The results of our special investigation are reported in the Special Investigation Results and Comments.

STATE BOARD OF ACCOUNTS

December 11, 2012

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
OHIO COUNTY AND THE CITY OF RISING SUN
SPECIAL INVESTIGATION RESULTS AND COMMENTS

NO CONTRACT FOR DISPATCHER SERVICES

Ohio County and City of Rising Sun officials stated that the County provides 911 dispatching services to the City of Rising Sun. It has been the past practice of the City to reimburse the County for a portion of 911 dispatcher salaries paid by the County. In addition to the reimbursement of dispatcher salaries, it has been the past practice for the City of Rising Sun to pay a portion of the County 911 Department's expenditures with monies appropriated from the City of Rising Sun's Riverboat Fund. The City of Rising Sun paid \$59,106, \$42,846, \$44,966, and \$44,757, during for the years 2008, 2009, 2010, and 2011, respectively, for County 911 Department related expenditures from the City's Riverboat Fund.

No contract was presented for examination describing the services provided by the County and the amount and method of financing to be provided by the City of Rising Sun.

Members of the Board of Commissioners stated in separate interviews that they were aware that the City was reimbursing the County for a portion of the 911 dispatcher salaries. However, the members of the Board of Commissioners stated they were not aware that the City of Rising Sun was paying for County 911 Department Expenditures from the City's Riverboat Fund.

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; and Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

COUNTY CREDIT CARD POLICY NOT FOLLOWED

The Board of County Commissioners authorized Joe Teke, County 911 Director, on October 5, 2009, to apply for a VISA credit card for the 911 Department. Joe Teke retained the County 911 credit card and did not submit the credit card to the County Auditor when not in use.

Personnel Policies Handbook adopted by the Board of County Commissioners, effective January 1, 2009, states in section 5.13, County Credit Card, states in part: ". . . County employees may request the use of an Ohio County credit card for travel related expense associated with attending conferences, workshops, business meeting, or work related expenses. All requests, including name, position, estimated amount(s) to be charged, must be in writing and submitted to the County Auditor. County credit cards are for business use only and shall not be used for personal purchases. . . . County employees, who are issued a County credit card, shall only use such card as approved by the County Auditor. When the purpose for which the credit card has been issued has been accomplished, the card and all supporting documents (i.e. receipts) shall be submitted to the custody of the Auditor's Office. . . . County employees violating this policy shall be subject to disciplinary action, up to and including termination."

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
OHIO COUNTY AND THE CITY OF RISING SUN
SPECIAL INVESTIGATION RESULTS AND COMMENTS
(Continued)

TRAVEL REIMBURSEMENTS - FEBRUARY 28, 2008 TO AUGUST 12, 2011

Joe Teke, County 911 Director, purchased gas for his personal vehicle using the Sheriff Department's BP gas credit card. Gas purchased totaled \$9,737.25 from February 28, 2008 to August 12, 2011. During this same period, Joe Teke filed mileage claims with both Ohio County and the City of Rising Sun to be reimbursed for use of his personal vehicle based on a mileage reimbursement rate times the number of miles traveled. The reimbursement claims totaled \$7,969.91. The following is a summary of gas purchased for Joe Teke's personal vehicle and the amount of mileage reimbursements paid to Joe Teke by Ohio County and the City of Rising Sun for the period February 28, 2008 to August 12, 2011:

Year	Gas Purchases		Mileage Reimbursement		Totals
	Number of Purchases	(1) Amount	(2) Ohio County	(3) City of Rising Sun	
2008	46	\$ 2,212.32	\$ 502.95	\$ 1,475.14	\$1,978.09
2009	57	2,256.28	1,227.55	1,321.10	2,548.65
2010	60	2,921.93	938.97	998.51	1,937.48
2011	<u>38</u>	<u>2,346.72</u>	<u>637.79</u>	<u>867.90</u>	<u>1,505.69</u>
Totals	<u>201</u>	<u>\$ 9,737.25</u>	<u>\$3,307.26</u>	<u>\$ 4,662.65</u>	<u>\$7,969.91</u>

Notes to Schedule:

- (1) Paid from a Sheriff's Department appropriation of Ohio County's General Fund.
- (2) This mileage reimbursement was paid from the 911 Fund for the years 2008, 2009, and 2010. The mileage reimbursement was paid from Ohio County's 911 Cell Phone Fund for the year 2011.
- (3) This mileage reimbursement was paid from the City of Rising Sun's Riverboat Fund.

Interviews

Joe Teke, County 911 Director:

Joe Teke, County 911 Director, stated on January 10, 2012, that when he was hired as the County 911 Director that he was provided with a BP gas credit card by the former acting 911 Director. Joe Teke stated that he was not provided any instructions or guidelines on the use of the gas credit card. Joe Teke stated that it was his understanding that the gas credit card was to be used for the purpose of paying personal gas used when traveling on County business. Joe Teke stated that at the time he was hired, that he was provided copies of the 911 Department's budget approved by the County Council. The approved budget included appropriations for mileage reimbursement. Joe Teke stated he was told by the County Council that the appropriation for mileage reimbursement was for wear and tear of his personal vehicle when used on County 911 related business and was in addition to the personal gas he used on County 911 related business.

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
OHIO COUNTY AND THE CITY OF RISING SUN
SPECIAL INVESTIGATION RESULTS AND COMMENTS
(Continued)

Eldon Fancher, County Sheriff:

Eldon Fancher stated in an interview on November 3, 2011, that the Board of County Commissioners requested that he provide Joe Teke with the same BP gas card that the former 911 Director used (Note: The former 911 Director was provided with a County owned vehicle). Eldon Fancher stated he was not aware that Joe Teke was also claiming mileage reimbursements during the period that Joe Teke was purchasing gasoline with the Sheriff Department's gas credit card.

Board of County Commissioners:

Connie Brown, President of the County Commissioners, stated in an interview that she was aware that Joe Teke was provided with the County Sheriff's gas card to be used for gas to attend meetings and conferences for County related business. Connie Brown stated that because the prior 911 Director was provided with the County Sheriff's gas card, that Joe Teke should be able to use the credit card. Connie Brown also stated that even though she, as a County Commissioner, was approving County claims, she was not aware that Joe Teke was filing mileage reimbursement claims.

Shane Koons, County Commissioner, stated in an interview that he was aware that Joe Teke was filing mileage reimbursement claims with the County. However, he was not aware that Joe Teke was using the County Sheriff's BP gas credit card. This was because the monthly gas credit card statements attached to the Sheriff's gas credit card claims showed only account numbers and not the individual employees' names.

Todd Walton, County Commissioner, stated in an interview that he was aware that Joe Teke was filing mileage reimbursement claims with the County. However, he was not aware that Joe Teke was using the County Sheriff's BP gas credit card. This was because the monthly gas credit card statements attached to the Sheriff's gas credit card claims showed only account numbers and not the individual employees' names.

Each of the County Commissioners stated that they were not aware that Joe Teke was filing mileage reimbursement claims with the City of Rising Sun.

Comparison of Gas Purchase Dates with Travel Dates

A comparison was made of the dates that Joe Teke purchased gas using the Sheriff Department's BP gas credit card with the dates Joe Teke claimed reimbursement for miles driven on Mileage Claims submitted to Ohio County and the City of Rising Sun. The comparison showed that Joe Teke made multiple gas purchases between dates that travel reimbursements were claimed. The following is a schedule of multiple gas purchases made between dates that travel reimbursements were claimed:

<u>Travel Dates from Mileage Claim</u>		Number of Gas Purchases
<u>Prior Date Claimed</u>	<u>Subsequent Date Claimed</u>	
05-14-08	06-02-08	3
08-08-08	08-24-08	2
08-24-08	09-27-08	8
10-17-08	11-04-08	2
12-06-08	01-05-09	4

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
OHIO COUNTY AND THE CITY OF RISING SUN
SPECIAL INVESTIGATION RESULTS AND COMMENTS
(Continued)

<u>Travel Dates from Mileage Claim</u>		Number of Gas Purchases
<u>Prior Date Claimed</u>	<u>Subsequent Date Claimed</u>	
02-12-09	03-04-09	3
05-07-09	07-15-09	12
07-15-09	08-10-09	3
09-03-09	10-05-09	4
10-05-09	10-19-09	3
10-23-09	11-16-09	2
11-16-09	01-19-10	7
04-09-10	04-27-10	4
05-25-10	06-29-10	7
06-29-10	07-27-10	5
07-27-10	08-29-10	4
09-29-10	10-20-10	3
10-20-10	11-10-10	3
11-10-10	01-13-11	8
01-19-11	02-15-11	3
04-29-11	05-31-11	5

County Travel Policy Prior to January 1, 2009

Effective January 1, 2003, and in force until the new policy was adopted effective January 1, 2009, the County's vehicle use policy that was included in their "Personnel Policies Manual" adopted by the Board of County Commissioners states in part in section 6.17, Use of County Vehicles:

"Employees who use privately-owned vehicles will usually be reimbursed on a mileage basis at an authorized rate (set by the County Council) . . ."

County Travel Policy Effective January 1, 2009

The County's travel policy is included in their "Personnel Policies Handbook" adopted by the Board of County Commissioners, effective January 1, 2009, states in part in section 5.12.2, Other Meetings/Job-Related Training:

"An employee on authorized official County business requiring overnight accommodation will be reimbursed . . . County rate for mileage for using privately owned vehicle in lieu of public transportation. . . . An employee on authorized official County business not requiring overnight accommodations will be reimbursed . . . County rate for mileage for using privately owned vehicle in lieu of public transportation. . . ."

Joe Teke stated on January 10, 2012, that he was provided a copy of the Personnel Policies Handbook.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
 OHIO COUNTY AND THE CITY OF RISING SUN
 SPECIAL INVESTIGATION RESULTS AND COMMENTS
 (Continued)

A local unit may reimburse such persons for actual miles traveled in their own motor vehicles on the official business of the local unit at a reasonable rate per mile as fixed by an ordinance or resolution of the unit's legislative body. The mileage rate should be fixed by the board or commission having authority to approve claims for travel expenses. Reimbursed mileage should not include travel to and from the officer's or employee's home and regular place of employment. (The County Bulletin and Uniform Compliance Guidelines, October 2004)

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 1)

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)

Joe Teke, former 911 Director, was requested to repay the County \$9,737.24 for gas purchased for personal vehicle. (See Summary of Charges, page 21)

GAS PURCHASED BY COUNTY 911 DIRECTOR AFTER AUGUST 12, 2011

In lieu of filing Mileage Claims (Form 101) for travel reimbursement, Joe Teke, County 911 Director, filed credit card charges for gas purchased from August 19, 2011 to December 6, 2011, with the City of Rising Sun. The gas purchases paid by the City of Rising Sun totaled \$1,313.96 as summarized in the following schedule:

<u>Description of Credit Card</u>	<u>Number of Purchases</u>	<u>Amount</u>
County 911 Department VISA credit card	13	\$ 768.19
Ohio County Communication Department BP gas card	<u>8</u>	<u>545.77</u>
Totals	<u>21</u>	<u>\$1,313.96</u>

Joe Teke stated on January 10, 2012, that no County or City official told him to start using the Ohio County credit cards to purchase gas. Joe Teke stated he was told that the County did not have any funds available in the 911 Cell Phone Fund budget for mileage reimbursements. Joe Teke stated he decided to use the Ohio County credit cards to purchase gas in lieu of filing mileage claims and submitted the credit card gas purchases to the City of Rising Sun for payment.

Joe Teke did not present any mileage logs or other supporting documentation showing business miles traveled for the period August 19, 2011 to December 6, 2011.

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
OHIO COUNTY AND THE CITY OF RISING SUN
SPECIAL INVESTIGATION RESULTS AND COMMENTS
(Continued)

Interview with Ohio County Board of County Commissioners

Connie Brown, President of the Board of Commissioners, Shane Koons, County Commissioner, and Todd Walton, County Commissioner, stated in separate interviews that they were not aware that Joe Teke was submitting claims to the City of Rising Sun for gas purchased with the County 911 Department VISA credit card and the Ohio County Communication BP gas credit card.

Connie Brown, President of the Board of Commissioners, Shane Koons, County Commissioner, and Todd Walton, County Commissioner, stated they were unaware that Joe Teke applied for and obtained the Ohio County Communication BP gas credit card.

Prior to August 12, 2011, Joe Teke purchased gas for his personal vehicle using the County Sheriff's BP gas credit card that was paid from County funds. Todd Walton, County Commissioner, stated that on or about August 12, 2011, that he told Joe Teke to return the County Sheriff's BP gas card to the County Sheriff and to only submit mileage claims for reimbursement of any County related business miles traveled.

The County's travel policy is included in their "Personnel Policies Handbook" adopted by the Board of County Commissioners, effective January 1, 2009, states in part in section 5.12.2, "Other Meetings/Job-Related Training":

"An employee on authorized official County business requiring overnight accommodation will be reimbursed . . . County rate for mileage for using privately owned vehicle in lieu of public transportation . . . An employee on authorized official County business not requiring overnight accommodations will be reimbursed . . . County rate for mileage for using privately owned vehicle in lieu of public transportation . . ."

Joe Teke stated on January 10, 2012, that he was provided a copy of the Personnel Policies Handbook adopted by the Board of County Commissioners.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Supporting documentation must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1; and Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

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; and Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Joe Teke, former 911 Director, was requested to repay the City \$1,313.96 for gas purchased for personal vehicle. (See Summary of Charges, page 21)

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
OHIO COUNTY AND THE CITY OF RISING SUN
SPECIAL INVESTIGATION RESULTS AND COMMENTS
(Continued)

DUPLICATE MILEAGE REIMBURSEMENT CLAIMED

Joe Teke, County 911 Director, filed claims for mileage reimbursement with both Ohio County and the City of Rising Sun. A comparison of the claims filed with Ohio County and with the City of Rising Sun showed the following instances of duplicate mileage reimbursements being claimed:

Duplicate Claims Filed

The schedule below shows identical information regarding travel dates, destination, and odometer readings were included on the respective mileage reimbursement claims Joe Teke filed with Ohio County and with the City of Rising Sun except where noted:

<u>Travel Dates</u>	<u>Destination</u>	<u>Claim Date (3)</u>		<u>Due</u>
		<u>County</u>	<u>City</u>	<u>County</u>
07-07-08	Cincinnati & Return (1)	08-14-08	07-21-08	\$ 39.29
07-14-08	Cincinnati & Return (1)	08-14-08	07-21-08	39.29
07-25-08	Indianapolis & Return (1)	08-14-08	08-04-08	109.13
04-24-09	Indianapolis & Return (2)	05-07-09	04-27-09	117.37
05-06-09	Indianapolis & Return (2)	05-07-09	05-07-09	112.52
08-30-09 to 09-02-09	Newark, Ohio & Return (2)	09-08-09	09-03-09	190.12
09-03-09	Belterra & Return (2)	09-08-09	09-03-09	15.04
07-11-11	Madison & Return (1)	07-28-11	07-13-11	50.93
07-12-11	North Vernon & Return (1)	07-28-11	07-13-11	<u>48.50</u>
Total				<u>\$ 722.19</u>

Notes to Schedules:

- (1) The odometer readings were the same on both claims.
- (2) No odometer readings were included on the mileage claim filed with the County.
- (3) The "Claim Date" is the date that Joe Teke signed and dated the mileage claim certifying the claim was: ". . . just and correct and the amount claimed is legally due and that no part of the same claim has been paid".

The payment dates for the mileage claims showed the payments made by the Ohio County was subsequent to the payment dates paid by the City of Rising Sun. Accordingly, the duplicate payment was made by Ohio County.

Duplicate Travel Entries

A comparison of the travel reimbursement claims filed by Joe Teke with the County and the City of Rising Sun showed the following four instances which the County claim included a mileage reimbursement for one day of travel that fell into a time period that was also included on the City claim for travel reimbursement:

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
OHIO COUNTY AND THE CITY OF RISING SUN
SPECIAL INVESTIGATION RESULTS AND COMMENTS
(Continued)

<u>Travel Dates</u>	<u>Claim Filed With</u>	<u>Destination</u>	<u>Due County</u>
05-14-08 05-12-08 to 05-15-08	County City	Around the County Columbus, OH & Return	\$ 7.28
03-23-10 03-23-10 to 03-26-10	County City	Madison & Return Indianapolis & Return	58.20
08-31-10 08-29-10 to 09-02-10	County City	Madison & Return Newark, OH & Return	52.38
09-28-10 09-27-10 to 09-29-10	County City	Madison & Return Indianapolis & Return	52.38 <u>-</u>
Total			<u>\$ 170.24</u>

Note to Schedule:

It was determined through paid hotel invoices and meal receipts that Joe Teke would have been at the destinations claimed with the City of Rising Sun.

Summary of Duplicate Mileage Reimbursements

The following is a summary of duplicate mileage reimbursements paid by the County:

<u>Description</u>	<u>Due County</u>
Duplicate Claims Filed	\$ 722.19
Duplicate Travel Entries	<u>170.24</u>
Total	<u>\$ 892.43</u>

Interview with Joe Teke

Joe Teke stated on January 10, 2012, that the duplicate mileage claimed was the result of an error.

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)

Joe Teke, former 911 Director, was requested to repay the County \$892.43 for duplicate mileage reimbursement claimed. (See Summary of Charges, page 21)

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
OHIO COUNTY AND THE CITY OF RISING SUN
SPECIAL INVESTIGATION RESULTS AND COMMENTS
(Continued)

OTHER DUPLICATE MILEAGE REIMBURSEMENT

Joe Teke, Ohio County 911 Director, filed claims with the City of Rising Sun for duplicate mileage reimbursement for Ohio County 911 Department related travel. The duplicate mileage claimed resulted in excess travel reimbursement in the amount of \$135.85. The following is a schedule of the duplicate travel reimbursement claimed by Joe Teke from the City:

<u>Travel Dates</u>	<u>Claim Date</u>	<u>Date Paid</u>	<u>Destination</u>	<u>Amount</u>
03-23-10 to 3-26-10	03-29-10	04-01-10	Indianapolis & Return	\$ 156.20
03-23-10 to 3-26-10	04-06-10	04-07-10	Indianapolis & Return	135.85

Joe Teke stated on January 10, 2012, that he made another trip to Indianapolis and recorded the wrong date. However, Joe Teke did not present documentation for examination that showed the other date he traveled to Indianapolis.

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 Cities and Towns, Chapter 7)

Joe Teke, former 911 Director, was requested to repay the City \$135.85 for duplicate mileage reimbursement claimed. (See Summary of Charges, page 21)

BASEBALL TICKETS

Joe Teke, County 911 Director, purchased two baseball tickets on May 14, 2011, using the County 911 VISA card. The tickets cost \$106.40. The tickets were for a Minnesota Twins game held on June 18, 2011. The game took place while Joe Teke was in Minneapolis, Minnesota attending a National Emergency Number Association conference. Joe Teke stated in an interview on January 10, 2012, that the tickets were for him and a sales representative.

Joe Teke submitted the receipts for the above purchase to the City of Rising Sun for payment.

County Credit Card Policy and Business Travel Policy

Joe Teke retained the County 911 credit card and did not submit the credit card to the County Auditor when not in use. Accordingly, Joe Teke did not make written requests to the County Auditor for the use of the credit card identifying the business purpose the card and estimated amounts to be charged.

Personnel Policies Handbook adopted by the Board of County Commissioners, effective January 1, 2009, states in part the following:

"Section 5.13 County Credit Cards, . . . County employees may request the use of an Ohio County credit card for travel related expenses . . . All requests, including name, position, estimated amount(s) to be charged, must be in writing and submitted to the County Auditor. County credit cards are for business use only and shall not be used for personal purchases. Other examples of specifically prohibited uses include . . . entertainment.

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
OHIO COUNTY AND THE CITY OF RISING SUN
SPECIAL INVESTIGATION RESULTS AND COMMENTS
(Continued)

County employees, who are issued a County credit card, shall only use such card as approved by the County Auditor. When the purpose for which the credit card has been issued has been accomplished, the card and all supporting documents (i.e. receipts) shall be submitted to the custody of the Auditor's Office. . . .

County employees violating this policy shall be subject to disciplinary action, up to and including termination."

Joe Teke stated on January 10, 2012, that he was provided a copy of the Personnel Policies Handbook.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

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 1; Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

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; Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Joe Teke, former 911 Director, was requested to repay the City \$106.40 for the purchase of baseball tickets. (See Summary of Charges, page 21)

GIFTS AND DINNERS FOR COUNTY 911 EMPLOYEES

Joe Teke, County 911 Director, purchased gifts and dinners totaling \$1,494.38. Joe Teke stated these purchases were made on behalf of County 911 employees. The expenditure documentation was submitted by Joe Teke to the City of Rising Sun for payment. The following is a description of these costs paid by the City of Rising Sun:

1. Christmas gifts and Christmas dinners totaling \$1,218.64 using the County 911 VISA credit card. The following is a schedule of these purchases:

<u>Date</u>	<u>Description</u>	<u>Amount</u>
12-07-10	12 gift cards	\$ 300.00
12-21-10	11 buffet dinners	246.81
11-17-11	1 gift card	28.44
11-22-11	8 gift cards	200.00
12-02-11	8 gift cards	120.00
12-20-11	15 buffet dinners	<u>323.39</u>
Total		<u>\$ 1,218.64</u>

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
OHIO COUNTY AND THE CITY OF RISING SUN
SPECIAL INVESTIGATION RESULTS AND COMMENTS
(Continued)

The expenditure documentation presented for examination did not identify the County 911 employees that received the gifts and dinners.

Joe Teke stated in the interview on January 10, 2012, that he considered it an acceptable business practice to purchase the Christmas gifts and Christmas dinners for employees. These types of purchases were acceptable in the private business where he had worked prior to taking the County 911 Director's position.

Connie Brown, President of the Board of Commissioners, Shane Koons, County Commissioner, and Todd Walton, County Commissioner, stated in separate interviews that they were not aware that Joe Teke was submitting claims to the City of Rising Sun for Christmas gifts and Christmas dinners purchased with the County 911 Department VISA credit card.

2. Joe Teke, County 911 Director, was reimbursed \$60.41 on February 24, 2009, for the purchase of an engraved modern glass clock that he purchased as a gift for a retiring County dispatcher. Joe Teke made the purchase with personal debit card and cash and then filed a claim for reimbursement with the City.
3. Joe Teke, County 911 Director, was reimbursed \$85.33 on April 20, 2009, for the purchase of 5 dinner buffets at the Belterra Casino & Resort that he purchased for four dispatchers and himself to celebrate the end of Dispatcher Week. Joe Teke made the purchase with cash and filed a claim for reimbursement with the City.

The expenditure documentation presented for examination did not identify the County 911 employees that received the above dinners.

4. Joe Teke, County 911 Director, was reimbursed \$130.00 on December 1, 2011, for desert type treats he purchased for dispatchers that worked on Thanksgiving Day. Joe Teke made the purchase with a personal check and filed a claim for reimbursement with the City of Rising Sun.

The expenditure documentation presented for examination did not identify the County 911 employees that received the above dinners.

The following is a summary of gifts and dinners purchased by Joe Teke:

Description	Amount
Christmas Gifts and Dinners	\$ 1,218.64
Retirement Gift	60.41
Dinners for Dispather Week	85.33
Thanksgiving Deserts	130.00
Total	\$ 1,494.38

Ohio County officials did not present for examination an ordinance authorizing the purchase of expenditures for employee recognition meals or memorabilia.

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
OHIO COUNTY AND THE CITY OF RISING SUN
SPECIAL INVESTIGATION RESULTS AND COMMENTS
(Continued)

Indiana Code 36-1-3-6 (Home Rule) states in part the following:

"(b) If there is no constitutional or statutory provision requiring a specific manner for exercising a power, a unit wanting to exercise the power must either:

- (1) if the unit is a county or municipality, adopt an ordinance prescribing a specific manner for exercising the power . . .
- (3) comply with a statutory provision permitting a specific manner for exercising the power.

(c) An ordinance under subsection (b)(1) must be adopted . . . by the executive of the county."

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 1; Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Joe Teke, former 911 Director, was requested to repay the City \$1,494.38 for gifts and dinners purchased for 911 employees. (See Summary of Charges, page 21)

OTHER MEALS FOR COUNTY 911 EMPLOYEES

Joe Teke, County 911 Director, made purchases from various restaurants using the County 911 VISA card and submitted the restaurant receipts to the City for payment. The following is a summary of the number of restaurant charges and the amount paid by year:

<u>Year</u>	<u>Number of Charges</u>	<u>Amount Paid</u>
2009	1	\$ 29.07
2010	25	625.42
2011	27	497.53
2012	<u>2</u>	<u>135.84</u>
	<u>55</u>	<u>\$ 1,287.86</u>

The restaurant purchases did not involve overnight travel. Claims presented for examination did not include the name of individuals for whom the meals were purchased.

Interview with Ohio County Board of County Commissioners

Connie Brown, President of the Board of Commissioners, Shane Koons, County Commissioner, and Todd Walton, County Commissioner, stated in separate interviews that they were not aware that Joe Teke was submitting claims to the City of Rising Sun for restaurant charges purchased with the County 911 Department VISA credit card and did not review or approve any claims submitted by Joe Teke to the City.

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
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SPECIAL INVESTIGATION RESULTS AND COMMENTS
(Continued)

Interview with Joe Teke

Joe Teke stated in an interview on January 10, 2012, that a portion of the above restaurant charges were related to encouraging dispatchers, EMS personnel and/or firemen to attend training sessions. Joe Teke stated that a portion of the restaurant charges were to pay for meals of dispatchers who attended meetings or training sessions with him. Joe Teke stated he would occasionally pay for meals of the training instructor or the person that he was meeting with. Joe Teke stated that before taking the County 911 Director position, he was in private business and he thought the practice of purchasing meals was acceptable. Joe Teke stated he did not seek approval for any of the meal expenses from the Board of County Commissioners.

County Credit Card Policy and Business Travel Policy

Joe Teke retained the County 911 credit card and did not submit the credit card to the County Auditor when not in use. Accordingly, Joe Teke did not make written requests to the County Auditor for the use of the credit card identifying the business purpose the card and estimated amounts to be charged prior to use of the credit card. In addition, the credit card is not authorized to be used for the direct purchase of meals because the under the County's business travel policy, an employee is required to file a claim for reimbursement on a per diem basis.

Personnel Policies Handbook adopted by the Board of County Commissioners, effective January 1, 2009, states in part the following:

"Section 5.13 County Credit Cards, . . . County employees may request the use of an Ohio County credit card for travel related expenses . . . All requests, including name, position, estimated amount(s) to be charged, must be in writing and submitted to the County Auditor . . .

County employees, who are issued a County credit card, shall only use such card as approved by the County Auditor. When the purpose for which the credit card has been issued has been accomplished, the card and all supporting documents (i.e. receipts) shall be submitted to the custody of the Auditor's Office. . . .

County employees violating this policy shall be subject to disciplinary action, up to and including termination."

"Section 5.12 Business Travel . . . Meal expenses are not allowed for meals during duty hours for routine employee duties requiring travel. . . ."

Section 5.12.2 Other Meetings/Job-Related Training . . . An employee on authorized official County business not requiring overnight accommodations will be reimbursed for: . . . (5) . . . meal allowance rates for individuals attending a meeting or job-related training at \$30.00 per day."

Joe Teke stated on January 10, 2012, that he was provided a copy of the Personnel Policies Handbook.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
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SPECIAL INVESTIGATION RESULTS AND COMMENTS
(Continued)

All claims, invoices, receipts, accounts payable vouchers, including those presented to the governing body for approval in accordance with Indiana Code 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 Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Joe Teke, former 911 Director, was requested to repay the City \$1,287.86 for meals purchased for County 911 employees. (See Summary of Charges, page 21)

SPECIAL INVESTIGATION COST

The State of Indiana incurred special investigations in the amount of \$14,968.13 due to Joe Teke, County 911 Director, filing claims that included gas for his personal vehicle, filing duplicate mileage reimbursement claims, and incurring various unauthorized expenditures for entertainment, gifts and dinners. The special investigation was prorated between Ohio County and the City of Rising Sun as follows:

Ohio County	\$ 10,629.68
City of Rising Sun	<u>4,338.45</u>
 Total	 <u>\$ 14,968.13</u>

Examination costs incurred because of theft and shortage may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1; Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Joe Teke, former 911 Director, was requested to pay \$14,968.13 for special investigation costs. (See Summary of Charges, page 21)

JUDGEMENT OF CONVICTION AND PRONOUNCEMENT OF SENTENCE

A judgment of conviction and pronouncement of sentence was approved by the Ohio Circuit Court (Cause No. 58C01-1212—FD-0071) on February 1, 2013, ordering Joe Teke, former County 911 Director to make restitution as follows:

<u>Governmental Unit/Agency</u>	<u>Amount</u>
Ohio County	\$ 10,629.68
City of Rising Sun	4,338.45
Indiana State Board of Accounts	<u>14,968.13</u>
 Total	 <u>\$ 29,936.26</u>

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
OHIO COUNTY AND THE CITY OF RISING SUN
SPECIAL INVESTIGATION RESULTS AND COMMENTS
(Continued)

The above amounts are to be paid to the Clerk of the Ohio Circuit Court by the end of Joe Teke's term of probation beginning February 1, 2013.

BOND COVERAGE

The County has obtained the following bond covering County employees:

Surety: Western Surety Company
Bond Number: 68680927
Type of Coverage: Public Employee Blanket Bond

Period of Coverage: 01-01-08 to 03-04-10
Amount: \$15,000

Period of Coverage: 03-04-10 to 01-01-12
Amount: \$30,000

Joe Teke was not an employee of the City of Rising Sun. Accordingly, Joe Teke was not covered under the City of Rising Sun's insurance policy or an employee bond for crime or faithful performance of duties. Western Surety Company paid a total of \$25,59781.

INTERNAL CONTROL DEFICIENCIES

The following internal control deficiencies enabled Joe Teke, County 911 Director, to file claims for the payment of duplicate and excess travel reimbursements; and for gifts, meals, and entertainment not authorized by County policies.

1. There was no written agreement between the County and the City of Rising Sun that described the amount and method of financing to be provided by the City of Rising Sun for County 911 services (see Examination Result and Comment titled "No Contract for Dispatcher Services").
2. The Board of County Commissioners is the governing board responsible for performing oversight responsibilities over the County 911 Department. Joe Teke, County 911 Director, did not submit County 911 Department claims paid by the City of Rising Sun to the Board of County Commissioners or submit a report showing the expenditures paid by the City of Rising Sun to the Board of County Commissioners. As a result, not all financial activity related to the County 911 Department was made available to the Board of County Commissioners (see Examination Result and Comment titled "Travel Reimbursements - February 28, 2008 to August 12, 2011").
3. Joe Teke was allowed to use a gas credit card assigned to the Sheriff's Department. As a result, the gas purchased by the County 911 Director was indistinguishable from the Sheriff Department's gas purchases (see Examination Result and Comment titled "Travel Reimbursements – February 28, 2008 to August 12, 2011").

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
OHIO COUNTY AND THE CITY OF RISING SUN
SPECIAL INVESTIGATION RESULTS AND COMMENTS
(Continued)

4. There was not procedure in place that required Joe Teke to return the County 911 Visa Card to County Auditor when the credit card was not in use and to require Joe Teke to make written requests for the use of card from the County Auditor as required the County credit card policy (see Examination Result and Comment titled "County Credit Card Policy Not Followed").

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Recommendations

We recommended that the County enter into a written contract with the City of Rising Sun for dispatcher services. We recommend that the method of payment by the City of Rising Sun to the County be based on a negotiated dollar amount or on a reimbursement basis for specific expenditures paid by County and approved by the Board of County Commissioners.

We recommended that the County implement procedures to monitor compliance with the County's credit card policy.

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
OHIO COUNTY AND THE CITY OF RISING SUN
EXIT CONFERENCE

The contents of this report were provided in a letter dated December 11, 2012, to Brian Newcomb, Attorney for Joe Teke, former Ohio County 911 Director. In the letter, we advised Brian Newcomb of Joe Teke's right to respond to our findings under Indiana Code 5-11-5-1. We corresponded with Brian Newcomb subsequent to December 11, 2012; however, Brian Newcomb did indicate whether he planned to respond to the findings. No response to our findings had been received as of February 18, 2013.

The contents of this report were discussed on January 15, 2013, with Connie J. Brown, President of the Board of Ohio County Commissioners; Connie L. Smith, Ohio County Auditor; and Douglas A. Baker, President of the Ohio County Council.

In a separate exit conference, the contents of this report were discussed on January 15, 2013, with Shane Koons, Ohio County Commissioner.

In a separate exit conference, the contents of this report were discussed on January 15, 2013, with Rae Baker Gipson, Clerk-Treasurer of the City of Rising Sun, and Branden Roeder, Mayor of the City of Rising Sun.

In a separate exit conference, the contents of this report were discussed on January 22, 2013, with Todd Walton, Ohio County Commissioner.

OHIO COUNTY 911 DEPARTMENT EXPENDITURES
OHIO COUNTY AND THE CITY OF RISING SUN
SUMMARY OF CHARGES

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Joe Teke, former Ohio County 911 Director:			
Due to Ohio County:			
Travel Reimbursements - February 28, 2008 to August 12, 2011, pages 5 through 8	\$ 9,737.25	\$	\$
Duplicate Mileage Reimbursement Claimed, pages 10 and 11	892.43		
Reimbursed by Western Surety		<u>10,629.68</u>	<u>-</u>
Totals Ohio County	<u>10,629.68</u>	<u>10,629.68</u>	<u>-</u>
Due to City of Rising Sun:			
Gas Purchased by County 911 Director After August 12, 2011, pages 8 and 9	1,313.96	-	1,313.96
Other Duplicate Mileage Reimbursement, page 12	135.85	-	135.85
Baseball Tickets, pages 12 and 13	106.40	-	106.40
Gifts and Dinners for County 911 Employees, pages 13 through 15	1,494.38	-	1,494.38
Other Meals for County 911 Employees, pages 15 through 17	<u>1,287.86</u>	<u>-</u>	<u>1,287.86</u>
Totals Due to City of Rising Sun	<u>4,338.45</u>	<u>-</u>	<u>4,338.45</u>
Joe Teke, former Ohio County 911 Director:			
Due State of Indiana:			
Special Investigation Costs, page 17	14,968.13		
Reimbursed by Western Surety		<u>14,968.13</u>	<u>-</u>
Totals State of Indiana	<u>14,968.13</u>	<u>14,968.13</u>	<u>-</u>
Totals	<u>\$ 29,936.26</u>	<u>\$ 25,597.81</u>	<u>\$ 4,338.45</u>

Note to Summary of Charges: A Judgment of Conviction and Pronouncement of Sentence was approved by the Ohio Circuit Court ordering Joe Teke to make restitution of the above charges to the Clerk of the Ohio Circuit Court by the end of his probation period of three years beginning February 1, 2013.

This report was forwarded to the Office of the Indiana Attorney General and the Ripley County Prosecuting Attorney.

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AFFIDAVIT

STATE OF INDIANA)
Franklin COUNTY)

We, Richard Ahlrich and Sara Wert, Field Examiners, being duly sworn on our oaths, state that the foregoing report based on the official records of the Ohio County 911 Department Expenditures for Ohio County and the City of Rising Sun, Indiana, for the period from February 28, 2008 to December 31, 2011, is true and correct to the best of our knowledge and belief.

Richard Ahlrich

Sara Wert
Field Examiners

Subscribed and sworn to before me this 13 day of May, 2013.

Karla J. Bruisman jr
Clerk of the Circuit Court