

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

EXAMINATION REPORT
OF

MAYOR

CITY OF SOUTHPORT
MARION COUNTY, INDIANA

January 1, 2011 to December 31, 2011



FILED
07/09/2013

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Catherine Hildebrand Diana Bossingham	08-17-08 to 12-31-11 01-01-12 to 12-31-15
Mayor	Hon. Robin Thoman Hon. V. Jesse Testruth	01-01-08 to 12-31-11 01-01-12 to 12-31-15
President of the Board of Public Works	Hon. Robin Thoman Hon. V. Jesse Testruth	01-01-11 to 12-31-11 01-01-12 to 12-31-13
President of the Common Council	Joe Turner James Cooney	01-01-11 to 12-31-11 01-01-12 to 12-31-13



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE CITY OF SOUTHPORT, MARION COUNTY

We have examined the records of the Mayor's Office 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 Examination Results and Comments. The financial transactions of this office are reflected in the Financial Statement Examination Report of the City of Southport for the year 2011.

STATE BOARD OF ACCOUNTS

February 1, 2013

MAYOR
CITY OF SOUTHPORT
EXAMINATION RESULTS AND COMMENTS

EXPENSE REIMBURSEMENT - PERSONAL CELLULAR PHONE CHARGES

Records presented for examination included two claims totaling \$1,787.48 for personal cellular phone charges reimbursed to the former Mayor. The reimbursements did not include detailed documentation or information to enable a determination that the expenses were for conducting governmental business. A monthly listing prepared by the former Mayor from his records was the only documentation submitted with a memo prepared by him stating the use, and requesting reimbursement. Additionally, the first claim paid in the amount of \$634.99 had already been reimbursed in 2010 as part of a prior reimbursement. Prior Report B40042 included a similar comment concerning insufficient documentation for expense reimbursements, including cellular phone charges. Subsequent to the exit conference date, the former Mayor presented records supporting \$853.08 of the cellular phone charges as being for governmental business.

We have requested Robin Thoman, former Mayor, to reimburse the City \$934.40 for the reimbursement he received during 2011 for personal cellular phone charges which were not documented or reimbursed in a prior year. (See Summary of Charges, page 7)

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 whom 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)

PERSONAL EXPENSE - GASOLINE CHARGE

Robin Thoman, former Mayor, used a gasoline charge card to purchase fuel for his personal vehicle. A mileage claim was not used by Mr. Thoman for mileage reimbursements since he used the fuel credit card. While mileage reimbursements may be paid for the use of personal vehicles for City business, the amounts that may be claimed should be reimbursed based off of the mileage by the employee/official filing a Mileage Claim (General Form 101). The former Mayor was issued a gasoline charge card to make fuel purchases for his personal vehicle, but not required to make any accounting of the business use. During 2011, the City paid \$1,453.90 for the fuel purchased with the gasoline charge card issued to the former Mayor.

MAYOR
CITY OF SOUTHPORT
EXAMINATION RESULTS AND COMMENTS
(Continued)

On January 2, 2012, which was two days after his term of office ended, Mr. Thoman purchased gasoline in the amount of \$50.92 using the gasoline charge card. The current City administration sought a personal reimbursement in January 2012, but no refund has been received as of January 23, 2013. The Police Chief stated that Mr. Thoman returned the charge card in early 2012.

We have requested Robin Thoman, former Mayor, to reimburse the City \$50.92 for gasoline costs incurred after his term of office. (See Summary of Charges, page 7)

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 Cities and Towns, Chapter 7)

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records 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 Cities and Towns, Chapter 7)

Officers and employees may be reimbursed for actual miles traveled in their own motor vehicles on official business of the city or town at a reasonable rate per mile as fixed by ordinance or resolution of the board. Reimbursement mileage shall not include travel to and from the officer's or employee's home and the office. If two or more persons ride in the same motor vehicle, only one mileage reimbursement is allowable. The speedometer reading columns on this form are to be used only when distance between points cannot be determined by fixed mileage or official state highway map. After the claim has been completely processed, allowed and the warrant issued it should be filed numerically by warrant number with other claims for the same period. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 4)

MAYOR
CITY OF SOUTHPORT
EXIT CONFERENCES

The contents of this report were discussed on February 1, 2013, with Diana Bossingham, Clerk-Treasurer; Hon. V. Jesse Testruth, Mayor; and James Cooney, President of the Common Council.

The contents of this report were discussed on February 4, 2013, with Catherine Hildebrand, former Clerk-Treasurer.

Attempts were made to discuss the contents of this report with Hon. Robin Thoman, former Mayor; however, our attempts were not successful in establishing a meeting date to discuss the contents.

MAYOR
CITY OF SOUTHPORT
SUMMARY OF CHARGES

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Robin Thoman, former Mayor:			
Expense Reimbursement - Personal Cellular			
Phone Charges, page 4	\$ 934.40	\$ -	\$ 934.40
Personal Expense - Gasoline Charge, pages 4 and 5	<u>50.92</u>	<u>-</u>	<u>50.92</u>
Totals	<u>\$ 985.32</u>	<u>\$ -</u>	<u>\$ 985.32</u>

This report was forwarded to the Office of the Indiana Attorney General and the local prosecuting attorney.

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AFFIDAVIT

STATE OF INDIANA)
)
Madison COUNTY)

We, Elizabeth R. Sternberg, Field Examiner, and Sommer Cannon, Field Supervisor, being duly sworn on my oath, state that the foregoing report based on the official records of the Mayor, City of Southport for the period from January 1, 2011 to December 31, 2011, is true and correct to the best of my knowledge and belief.

Elizabeth R. Sternberg
Field Examiner
Sommer M. Cannon
Field Supervisor

Subscribed and sworn to before me this 15th day of March, 2013.

Law M. Spisto
Notary Public

My Commission Expires: 9/26/2014

County of Residence: Madison