

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

AUDIT REPORT
OF
CLERK OF THE CIRCUIT COURT
LAPORTE COUNTY, INDIANA
January 1, 2012 to December 31, 2012



FILED
02/21/2014

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Results and Comments:	
Bonds Not Deposited.....	4
Bond Money Deposited Untimely	4
Insurance	4
Exit Conference.....	5
Summary of Charges	6
Affidavit	7

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk	Lynne Spevak	01-01-10 to 12-31-16
President of the County Council	Matthew Bernacchi Mark Yagelski	01-01-12 to 12-31-12 01-01-13 to 12-31-13
President of the Board of County Commissioners	Kenneth Layton Willie Milsap	01-01-12 to 12-31-12 01-01-13 to 12-31-13



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 LAPORTE COUNTY

We have audited the records of the Clerk of the Circuit Court for the period from January 1, 2012 to December 31, 2012, 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 LaPorte County for the year 2012.

STATE BOARD OF ACCOUNTS

October 3, 2013

CLERK OF THE CIRCUIT COURT
LAPORTE COUNTY
AUDIT RESULTS AND COMMENTS

BONDS NOT DEPOSITED

The County Sheriff's Department collects bond money from individuals after business hours. The Sheriff records the money received by receipt and then turns the money over to one of the five LaPorte County Court Clerk's Offices to be recorded in the Court records system (Odyssey). Once the case is initiated the bond money is receipted and pertinent information is recorded in Odyssey. The Court Clerk's Office then gives the money to the Clerk of the Court for deposit.

For the time period April 22, 2013 to July 16, 2013, five bonds totaling \$2,675 received and recorded by the Sheriff's Office, then received by the Superior Court 3 Clerk's Office were not recorded on the Odyssey system and thus not turned over to the Clerk of the Court for deposit. A receipt log of all bonds given to the Superior Court 3 Clerk's Office by the Sheriff indicate Tracy Oldham, Deputy Clerk, received these five bonds.

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 Clerks of the Circuit Courts of Indiana, Chapter 13)

Based on our audit, the County should be reimbursed \$2,675 for the bonds not deposited. We are requesting reimbursement from Tracy Oldham, Deputy Clerk. (See Summary of Charges, page 6)

BOND MONEY DEPOSITED UNTIMELY

A review of the collection and deposit process for bonds collected in the Sheriff's Office and deposited with the Clerk has shown seven examples of bonds being deposited untimely. In one instance it was 168 days from the receipt of the bond money to deposit into a Clerk bank account.

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 . . . "

INSURANCE

LaPorte County has insurance coverage for employee theft, forgery, and computer fraud which covers the time period discussed in this report. This insurance policy is with Chubb Group of Insurance Companies and provides \$500,000 of coverage for employee theft, forgery, and computer fraud.

CLERK OF THE CIRCUIT COURT
LAPORTE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 30, 2013, with Tracy Oldham, Deputy Clerk.

The contents of this report were discussed on September 30, 2013, with Lynne Spevak, Clerk. The official concurred with our audit findings.

The contents of this report were discussed on October 3, 2013, with Willie Milsap, President of the Board of County Commissioners, and Richard J. Mrozinski, Jr., Vice President of the County Council.

CLERK OF THE CIRCUIT COURT
LAPORTE COUNTY
SUMMARY OF CHARGES

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Tracy Oldham, Deputy Clerk:			
Bonds Not Deposited, page 4	<u>\$ 2,675</u>	<u>\$ -</u>	<u>\$ 2,675</u>

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

AFFIDAVIT

STATE OF INDIANA)

St Joseph)
COUNTY)

We, John W. Pajakowski and Sarah Nagy, Field Examiners, being duly sworn on our oaths, state that the foregoing report based on the official records of the Clerk of the Circuit Court, LaPorte County, Indiana, for the period from January 1, 2012 to December 31, 2012, is true and correct to the best of our knowledge and belief.

John W. Pajakowski

Sarah Nagy
Field Examiners

Subscribed and sworn to before me this 13th day of January, 2014.

Lorraine L. Cooper
Notary Public

My Commission Expires: 9-21-2016

County of Residence: St. Joseph LORRAINE L. COOPER, Notary Public
A Resident of St. Joseph County, IN
My Commission Expires 09/21/2016