

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

MAINTENANCE DEPARTMENT

HOWARD COUNTY, INDIANA

January 1, 2010 to December 31, 2013



FILED
10/15/2014

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Ann Wells Martha Lake	01-01-09 to 12-31-12 01-01-13 to 12-31-16
President of the County Council	Richard Miller	01-01-10 to 12-31-14
President of the Board of County Commissioners	David Trine Tyler Moore Paul Wyman	01-01-10 to 12-31-10 01-01-11 to 12-31-13 01-01-14 to 12-31-14



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF HOWARD COUNTY

We have audited the records of the Maintenance Department for the period from January 1, 2010 to December 31, 2013, 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 Reports of Howard County.

STATE BOARD OF ACCOUNTS

June 4, 2014

MAINTENANCE DEPARTMENT
HOWARD COUNTY
AUDIT RESULTS AND COMMENTS

ITEMS PURCHASED FOR PERSONAL USE

County funds budgeted for the Maintenance Department were used to purchase \$1,746.75 worth of various items for personal use. The items purchased include shoes, jeans, jackets, paint, painting supplies, and other household items. The claim vouchers for these items were approved and signed by Diana Donnell, former Secretary for the Maintenance Department. Supporting receipts attached to the claim vouchers were also signed by Diana Donnell, former Secretary for the Maintenance Department. Diana Donnell, former Secretary for the Maintenance Department, was arrested on January 8, 2014, and charged with two counts each of theft and official misconduct.

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 unit 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 non-feasance 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)

We have requested Diana Donnell, former Secretary for the Maintenance Department, reimburse the County \$1,746.75 for items purchased for personal use. (See Summary of Charges, page 6)

COUNTY ASSETS CONVERTED TO PERSONAL USE

During the course of a criminal investigation, items of equipment purchased with County funds were found at the personal residence of Darrell Scott Reed, former Maintenance Department Supervisor. In addition, various building supplies and other items were purchased with County funds budgeted for the Maintenance Department. The claim vouchers did not specify a project or location for which the supplies were purchased. These claim vouchers were approved and signed by Darrell Scott Reed, former Maintenance Department Supervisor. We could not verify whether these purchases were for County use or personal use. Darrell Scott Reed, former Maintenance Department Supervisor, was arrested on January 8, 2014, and charged with three counts each of theft and official misconduct.

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 unit may be the personal obligation of the responsible official or employee. Assets of the governmental unit may not be used in a manner unrelated to the functions and purposes of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Funds misappropriated, diverted or unaccounted for through malfeasance, misfeasance, or non-feasance 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)

On September 16, 2014, Darrell Scott Reed, former Maintenance Department Supervisor, was sentenced under a plea agreement and ordered to pay \$3,600 in restitution.

MAINTENANCE DEPARTMENT
HOWARD COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 26, 2014, with Martha Lake, Auditor.

MAINTENANCE DEPARTMENT
HOWARD COUNTY
SUMMARY OF CHARGES

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Diana Donnell, former Secretary for the Maintenance Department:			
Items Purchased for Personal Use, page 4	\$ 1,746.75	\$ -	\$ 1,746.75

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

AFFIDAVIT

STATE OF INDIANA)
WHITLEY COUNTY))

I, Stanley W. Willmert, Field Examiner, being duly sworn on my oath, state that the foregoing report based on the official records of the Maintenance Department, Howard County, Indiana, for the period from January 1, 2010 to December 31, 2013, is true and correct to the best of my knowledge and belief.

Stanley W. Willmert
Field Examiner

Subscribed and sworn to before me this 1 day of October, 2014.

Cathy A. Gardner
Notary Public

My Commission Expires: June 27 2017
County of Residence: WHITLEY