

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

AUDIT REPORT

OF

COUNTY PROSECUTING ATTORNEY

PORTER COUNTY, INDIANA

January 1, 2005 to December 31, 2005



FILED

11/29/2006

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Prosecuting Attorney	James Douglas	01-01-03 to 12-31-06
President of the County Council	Robert Poparad Daniel Whitten	01-01-05 to 12-31-05 01-01-06 to 12-30-06
President of the Board of County Commissioners	Robert Harper	01-01-05 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF PORTER COUNTY

We have audited the records of the County Prosecuting Attorney's office for the period from January 1, 2005 to December 31, 2005, 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 Result and Comment. The financial transactions of this office are reflected in the Annual Report of Porter County for the year 2005.

STATE BOARD OF ACCOUNTS

October 11, 2006

COUNTY PROSECUTING ATTORNEY
PORTER COUNTY
AUDIT RESULT AND COMMENT

BAD CHECK ACCOUNTS

The Prosecuting Attorney and County Commissioners have contracted with the American Corrective Counseling Services (ACCS) to provide a pretrial misdemeanor bad check diversion program. The Prosecuting Attorney retains full prosecutorial discretion and sets and modifies the seminar fees and terms of payment from participants.

A \$35 county service fee is assessed to the participants in the program. The ACCS collects all payments and remits \$25 to the Prosecuting Attorney as their share. The county did not enact a "Home Rule" ordinance for the county service fee.

Also, the County's share of the bad check service fees is being deposited into the Prosecutor's Check Deferral Fund (Fund 281). The County Commissioners did not pass an ordinance establishing this fund. Also, the new fund was not submitted to the Indiana State Board of Accounts for review. This fund has a balance of \$11,198 as of December 31, 2005.

Prosecuting Attorneys desiring to maintain a Bad Check Account should submit a written request to the State Board of Accounts. The request should indicate whether all, or a portion of, the service charge on a bad check is to be retained by the prosecuting attorney. If a service fee is retained by the prosecuting attorney it should be pursuant to enactment of a "Home Rule" ordinance that has been enacted in accordance with IC 36-1-3 concerning the imposition of costs and service charges, and a copy of the Ordinance should accompany the written request for approval from this office. The State Board of Accounts will review the ordinance and the proposed program with corresponding comments concerning what the audit position will be in a letter of response to the inquiring prosecutor.

If the prosecuting attorney assesses and retains a service charge for processing bad checks, that fee or service charge becomes the property of the county and must be submitted to and receipted by, the County Auditor for deposit into the county general fund. Funds so received by the county may be expended by the prosecuting attorney only by following the budget appropriation and claim procedure. Funds collected through imposition of a bad check service charge may not be disbursed from the bad check account for the direct payment of prosecuting attorney office expenses. Such funds may only become available for this purpose upon appropriation by the county council from the county general fund into a line item in the prosecuting attorney's budget. (The County Bulletin and Uniform Compliance Guidelines, April 2006, Vol. 354, Page 10)

COUNTY PROSECUTING ATTORNEY
PORTER COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 11, 2006, with James Douglas, Prosecuting Attorney; and Cathy Minic, Office Manager.