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

EXAMINATION REPORT

OF

COUNTY SHERIFF

BLACKFORD COUNTY, INDIANA

January 1, 2006 to December 31, 2006

FILED
09/27/2007

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COUNTY OFFICIALS

Office	Official	Term
Sheriff	John Lancaster	07-21-05 to 12-31-10
President of the County Council	Cathy Weschke	01-01-06 to 12-31-07
President of the Board of County Commissioners	Larry Hile	01-01-06 to 12-31-06
	Fred Walker	01-01-07 to 12-31-07

STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF BLACKFORD COUNTY, INDIANA

We have examined the records of the County Sheriff for the period from January 1, 2006 to December 31, 2006, 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 Examination Report of Blackford County for the year 2006.

STATE BOARD OF ACCOUNTS

July 30, 2007

GIFT CARDS

During 2006, the Sheriff purchased 30 $75.00 gift cards from the Sheriff's Commissary Funds. These gift cards were given to the employees of the Sheriff's Department.

Indiana Code 36-8-10-21 lists nine types of expenditures that are allowable expenditures. This expenditure would be classified under number (9) "any other purpose that benefits the sheriff's department that is mutually agreed upon by the county fiscal body and the county sheriff." Nothing was presented for audit to indicate that the County Council had agreed to the purchase of these gift cards.

In addition, Indiana Code 36-2-7-2 states that "the compensation fixed for county offices and employees under this title is in full for all governmental services and in lieu of all . . . other remuneration."

INTERNAL CONTROLS

Controls for receipts generated by the Sheriff's Commissary are insufficient due to:

(1) Receipts not being issued at time of collection.

(2) Commissary receipts being used to advance funds to pay for the cost of the transportation of prisoners.

(3) Commissary receipts not being deposited in order to establish a cash change fund.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

DEPOSITS

As stated in prior reports, in numerous instances, receipts were deposited later than the next business day.

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. . . ."

EXPENSE REIMBURSEMENT ITEMIZATION

Records presented for audit included claims for reimbursement for meals for more than one individual. As stated in prior reports, detailed documentation was not presented with the reimbursement request or for audit which would evidence that all expenses were for employees conducting government business.

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 Counties, Chapter 6)

COUNTY SHERIFF
BLACKFORD COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 14, 2007, with John Lancaster, Sheriff; and Deanne L. Hammond, Administrative Assistant. The officials concurred with our audit findings.

The contents of this report were discussed on July 30, 2007, with Kathy J. Bantz, Auditor; and Cathy Weschke, President of the County Council. The officials concurred with our audit findings.