

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

EXAMINATION REPORT  
OF  
COUNTY SURVEYOR  
TIPTON COUNTY, INDIANA  
January 1, 2009 to December 31, 2009



**FILED**  
12/07/2010



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Surveyor	Jason R. Henderson	01-01-07 to 12-31-10
President of the County Council	Phillip B. Nichols	01-01-09 to 12-31-10
President of the Board of County Commissioners	Ken Ziegler	01-01-09 to 12-31-10
President of the Drainage Board	Michael Cline Jane Harper	01-01-09 to 12-31-09 01-01-10 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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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](http://www.in.gov/sboa)

TO: THE OFFICIALS OF TIPTON COUNTY

We have audited the records of the County Surveyor for the period from January 1, 2009 to December 31, 2009, 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 Annual Report of Tipton County for the year 2009.

STATE BOARD OF ACCOUNTS

September 7, 2010

COUNTY SURVEYOR  
TIPTON COUNTY  
EXAMINATION RESULTS AND COMMENTS

OFFICIAL BOND

The following official bond was not filed in the Office of the County Recorder:

Jason Henderson, County Surveyor

IC 5-4-1-5.1(b) states in part:

"Every elected or appointed officer, official, deputy, or employee of a political subdivision who is required under section 18 of this chapter to file an official bond for the faithful performance of duty, except the county recorder and deputies, and employees of the recorder, shall file the bond in the office of the county recorder. . . ."

Per IC 5-4-1-18 and except as provided in the following paragraph, the following county or township officers and employees shall file an individual surety bond:

1. Auditors, treasurers, recorders, surveyors, sheriffs, coroners, assessors, and clerks.
2. Township trustees and assessors.
3. Those employees directed to file an individual bond by the fiscal body of the county.

(Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 3)

CONTRACTS AND BIDS

Work was completed on several drains in 2009 with no evidence presented that the Drainage Board's approval was given to proceed with the work. Several projects exceeded the criteria set by the statutory requirements shown below of when a contract between parties must be reached. Also, there was no information presented, for our examination, documenting that bid invitations were mailed to at least three interested persons.

IC 36-9-27-79.1 states in part:

". . . the following provisions apply whenever the board estimates that the amount of the contracts to be let is not more than seventy-five thousand dollars (\$75,000):

- (1) The board need not advertise in the manner provided by section 78 of this chapter. If the board does not advertise, it shall mail written invitations for bids to at least three (3) persons believed to be interested in bidding on the work. The invitations shall be mailed at least seven (7) days before the date the board will receive bids, and must state the nature of the contracts to be let and the date, time, and place bids will be received. . . ."

COUNTY SURVEYOR  
TIPTON COUNTY  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

Maintenance work may be done either by the surveyor or by some third party who has entered into a contract to perform the work. There is no provision in the Drainage Code for work being done by a third party who has not entered into a contract with the Drainage Board. (Attorney General Official Opinion No. 20, September 30, 1966)

USE OF DRAIN MAINTENANCE FUNDS

The payment for maintenance on some drains exceeded the amount in the drain maintenance fund for those drains. Funds from other drain maintenance funds were used to pay the overage, depleting the maintenance funds on drains that did not have any work done on them. Also, we reviewed claims paid for materials used and posted against a specific drain maintenance fund with no actual work being performed on that drain.

The maintenance fund for each legal drain or unit created under the authority of this act shall be subject to the use of the board, or joint board, as the case may be, for the necessary or proper repair or maintenance of the particular drain or unit, and such repair or maintenance may be done whenever in the judgment of the board, upon recommendation of the surveyor, the same is necessary. The payment for all such maintenance work shall be made out of the appropriate maintenance fund, . . . (Attorney General Official Opinion No. 20, September 30, 1966)

OVERPAYMENT COLLECTIONS

In the review of claims, two claims were noted where work was done on private property but was paid for from the drainage maintenance funds. One claim was for a curtain (perimeter) drain in the amount of \$900.00 and the other was for the removal and replacement of a pipe in a driveway in the amount of \$3,430. Refunds have not been received as of August 31, 2010.

Governmental units should collect any overpayments made. (Accounting and Uniform Compliance Guidelines Manual for Public Drainage Funds, Chapter 9)

IC 36-9-27-72(d) states in part:

"All maintenance of a private crossing or of a private structure within the drain, whether privately constructed or constructed as a part of work on a drain under this chapter, is the responsibility of the owners of the land served by the private crossing or structure. The owners are directly responsible for any obstruction or damage to the drain that results from the existence of the private crossing or structure . . ."

COUNTY SURVEYOR  
TIPTON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on September 20, 2010, with Jason R. Henderson, Surveyor.

The contents of this report were discussed on September 21, 2010, with Ken Ziegler, President of the Board of County Commissioners; Mike Cline, County Commissioner; Phillip B. Nichols, President of County Council; and Jane Harper, County Commissioner.