

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

AUDIT REPORT

OF

COUNTY SHERIFF

PORTER COUNTY, INDIANA

January 1, 2009 to December 31, 2009



FILED

01/06/2011

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Sheriff	David E. Lain	01-01-07 to 12-31-10
President of the County Council	Robert Poparad Daniel Whitten	01-01-09 to 12-31-09 01-01-10 to 12-31-10
President of the Board of County Commissioners	Robert Harper	01-01-09 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF PORTER COUNTY

We have audited the records of the County Sheriff 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 Audit Results and Comments. The financial transactions of this office are reflected in the Annual Report of Porter County for the year 2009.

STATE BOARD OF ACCOUNTS

July 12, 2010

COUNTY SHERIFF
PORTER COUNTY
AUDIT RESULTS AND COMMENTS

RECEIPT ISSUANCE - COMMISSARY

Receipts are not issued for money received for the Sheriff Commissary fund. Collections received are posted to the ledger and deposited. The majority of the collections are from the Inmate Trust account to the Commissary account for sales of personal items, damages, and medco. The Sheriff also receives money from vendors (refunds), and reimbursements from the County Auditor for travel and education related expenses. A similar comment appeared in the previous report.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Counties in Indiana, Chapter 1)

CONDITIONS OF RECORDS - COMMISSARY

The bank reconcilements prepared for the Commissary Fund simply reflect the bank activity and do not include any reconciling items for deposits in transit or outstanding checks. Our audit procedures concluded that there were outstanding checks at December 31, 2009, in the amount of \$6,886.39 which should have been included. There is no attempt to reconcile the bank balance with the ledger balance.

At all times, the manual and computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Counties in Indiana, Chapter 1)

CONDITIONS OF RECORDS - INMATE TRUST

The Sheriff's bookkeeper did not properly prepare the required monthly reconcilements between the depository balance to the ledger balance. The Sheriff engaged an accounting consultant to prepare the reconcilements of the inmate trust account from May 2008 to April of 2009. Subsequently, the bookkeeper was responsible for reconciling. The reconciliation report provided for audit only reflected the bank activity. Reconciling items were not included. As of December 31, 2009, the bank balance exceeded the ledger balance in the amount of \$13,412.31. Upon request the bookkeeper provided a list of outstanding checks, however, the list was deemed inaccurate because it included checks that had already cleared the bank.

At all times, the manual and computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Counties in Indiana, Chapter 1)

COUNTY SHERIFF
PORTER COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

UNTIMELY DEPOSITS - CIVIL

In numerous instances, receipts were deposited later than the next business day.

IC 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. . . ."

INMATE PROCESSING FEE

The Porter County Board of Commissioners incorrectly established a \$25.00 Inmate Processing Fee. The fee is to be charged each time a person is booked into the Porter County Jail. If an individual is found not guilty this fee is refunded to them. Per statute a fee can only be assessed to an individual who is found guilty. Therefore, a fee cannot be charged at the time of booking.

IC 36-2-13-17.4 states:

"A sheriff or an employee of a jail may not charge an individual a fee for the individual to be incarcerated or held in a jail unless the individual has been convicted of a crime for which the individual was incarcerated or held in the jail."

COUNTY SHERIFF
PORTER COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 18, 2010, with David E. Lain, Sheriff, and Ralph B. Gootee, Jr., Business Manager.