

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

AUDIT REPORT
OF
BOARD OF COUNTY COMMISSIONERS
DEARBORN COUNTY, INDIANA
January 1, 2010 to December 31, 2010



FILED
10/07/2011

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of the Board of County Commissioners	Ralph Thompson Jeffrey Hughes	01-01-10 to 12-31-10 01-01-11 to 12-31-11
President of the County Council	Dennis Kraus, Sr.	01-01-10 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF DEARBORN COUNTY

We have audited the records of the Board of County Commissioners for the period from January 1, 2010 to December 31, 2010, 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 Dearborn County for the year 2010.

STATE BOARD OF ACCOUNTS

July 27, 2011

BOARD OF COUNTY COMMISSIONERS
DEARBORN COUNTY
AUDIT RESULT AND COMMENT

LEGAL SERVICES RELATED TO DISCIPLINARY PROCEEDINGS

A payment to Bose, McKinney, and Evans in the amount of \$23,828.53 was made on December 23, 2010. The invoice presented for examination showed the payment was for legal services in connection with "Matter 022105-0001 2009 Disciplinary Grievance." The legal services were on behalf of Frank Aaron Negangard, Prosecuting Attorney, in connection with a disciplinary grievance filed with the Disciplinary Commission of the Supreme Court of Indiana.

No Home Rule Ordinance providing the conditions authorizing the County to pay the cost of legal services in connection with a professional disciplinary matter was presented for audit.

Indiana Code 36-1-3-6 states in part:

"(a) If there is a constitutional or statutory provision requiring a specific manner for exercising a power, a unit wanting to exercise the power must do so in that manner.

(b) If there is no constitutional or statutory provision requiring a specific manner for exercising a power, a unit wanting to exercise the power must either:

- (1) if the unit is a county or municipality, adopt an ordinance prescribing a specific manner for exercising the power; . . .
- (3) comply with a statutory provision permitting a specific manner for exercising the power.

(c) An ordinance under subsection (b)(1) must be adopted as follows:

- (1) In a municipality, by the legislative body of the municipality.
- (2) In a county subject to IC 36-2-3.5 or IC 36-3-1, by the legislative body of the county.
- (3) In any other county, by the executive of the county. . . ."

Payments or transfers which are not authorized by statute, ordinance, resolution, or court order must be reimbursed or transferred to the proper fund. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

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 entity may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

County officials will be requested on the next audit to present for audit a Home Rule Ordinance providing a specific manner authorizing the payment of legal services in connection with a job related professional disciplinary matter.

BOARD OF COUNTY COMMISSIONERS
DEARBORN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 27, 2011, with Jeffrey Hughes, President of the Board of County Commissioners