

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

EXAMINATION REPORT
OF
COUNTY HEALTH DEPARTMENT
VERMILLION COUNTY, INDIANA
January 1, 2010 to December 31, 2010



FILED

11/15/2011

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Health Officer	Dr. John Albrecht	01-01-10 to 12-31-11
President of the County Health Department Board	Judy Howard Dr. William Somerville	01-01-10 to 12-31-10 01-01-11 to 12-31-11
Auditor	Phyllis Orman	01-01-09 to 12-31-12
President of the Board of County Commissioners	Tim J. Wilson	01-01-10 to 12-31-11
President of the County Council	John Cheesewright Michael A. Carty	01-01-10 to 12-31-10 01-01-11 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF VERMILLION COUNTY

We have examined the records of the County Health Department 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 Examination Results and Comments. The financial transactions of this office are reflected in the Examination Report of Vermillion County for the year 2010.

STATE BOARD OF ACCOUNTS

September 12, 2011

COUNTY HEALTH DEPARTMENT
VERMILLION COUNTY
EXAMINATION RESULTS AND COMMENTS

CLINIC HOURS

Mary Crotty, Health Officer First Deputy, was paid for working clinics at the same time she was already being paid for doing her normal work. She repeatedly submitted claims for working clinics that were conducted during the normal Health Department business hours. The amount Mary Crotty received for clinics during her normal work hours totaled \$1,025 in 2009 and \$4,542 in 2010.

Mary Crotty, Health Officer First Deputy, was requested to reimburse \$5,567 to Vermillion County. (See Summary, page 7)

Indiana Code 5-11-9-2 states: "On and after January 1, 1948, all accounts or vouchers of any political subdivision of the state for personal services of officers and employees shall be made in such form as may be prescribed by the state board of accounts."

Indiana Code 5-11-9-4 states in part:

"(b) The state board of accounts shall require that records be maintained showing which hours were worked each day by officers and employees:

- (1) covered by section 1 or 2 of this chapter; and
- (2) employed by more than one (1) public agency or in more than one (1) position by the same public agency described in section 1 or 2 of this chapter."

Indiana Code 36-2-7-2 "Compensation of county officers and employees" states:

"Except as otherwise provided by sections 6, 9, and 13 of this chapter, the compensation fixed for county officers and employees under this title is in full for all governmental services and in lieu of all:

- (1) fees;
- (2) per diems;
- (3) penalties;
- (4) costs;
- (5) interest;
- (6) forfeitures;
- (7) percentages;
- (8) commissions;
- (9) allowances;
- (10) mileage; and
- (11) other remuneration; which shall be paid into the county general fund."

COUNTY HEALTH DEPARTMENT
VERMILLION COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

OFFICIAL BOND

The Vermillion County Board of County Commissioners has a crime insurance policy covering County employees. The policy period is January 1, 2000 until cancelled and the employee theft limit of insurance is \$20,000 per employee.

CONFLICT OF INTEREST

Judy Howard is a member of Vermillion County Health Board, but was also compensated \$10,175 for working health clinics in 2010.

Indiana Code 16-20-2-13 states: "An individual who has a vested interest or stands to gain financially from any activity of the local health department or a policy decision of the board is ineligible to serve on a local health board."

CONTRACTS

When the H1N1 grant was received, the Health Department had clinic workers sign contracts. The contracted workers included people who were already county employees. From January to July 2010, the Health Department submitted claims to the County for payment to County employees for clinic work. County employees should be paid through payroll. When the staff was approached by the Auditor's Department, the practice stopped. Since July 2010, all clinic workers have been paid through payroll.

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies.

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution or salary schedule adopted by the governing body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

SERVICE AND TIME RECORDS

Employee time, attendance, or service records were not properly maintained and presented for audit. Health Department employees do not keep a running balance of the leave time available on their service records. One employee, Winnie Magee, worked extra hours every day, but compensatory leave was not accrued for review on the service record.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 4)

COUNTY HEALTH DEPARTMENT
VERMILLION COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 12, 2011, with Phyllis Orman, Auditor; Tim J. Wilson, President of the Board of County Commissioners; Dr. John Albrecht, Health Officer; and Dr. William Somerville, President of the County Health Department Board.

The contents of this report were discussed on September 12, 2011, with Mary Crotty, Health Officer First Deputy.

The contents of this report were discussed on September 14, 2011, with Michael A. Carty, President of the County Council.

COUNTY HEALTH DEPARTMENT
VERMILLION COUNTY
SUMMARY

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Mary Crotty, Health Officer First Deputy: Clinic Hours, page 4	<u>\$ 5,567</u>	<u>\$ -</u>	<u>\$ 5,567</u>

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AFFIDAVIT

STATE OF INDIANA)
)
PUTNAM COUNTY)

I, Nancy Blackburn, Field Examiner, being duly sworn on my oath, state that the foregoing report based on the official records of the County Health Department, Vermillion County, Indiana, for the period from January 1, 2010 to December 31, 2010, is true and correct to the best of my knowledge and belief.

Nancy Blackburn
Field Examiner

Subscribed and sworn to before me this 1st day of November, 2011.

Marilyn Watts
Clerk of the Circuit Court