

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

AUDIT REPORT

OF

COUNTY SHERIFF

STEBEN COUNTY, INDIANA

January 1, 2010 to December 31, 2010



FILED

11/18/2011

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Sheriff	Rick Lewis	01-01-07 to 12-31-10
	Tim Troyer	01-01-11 to 12-31-14
President of the County Council	William Booth	01-01-10 to 12-31-11
President of the Board of County Commissioners	F. Mayo Sanders	01-01-10 to 12-31-10
	Ronald Smith	01-01-11 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF STEUBEN COUNTY

We have audited the records of the County Sheriff 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 Results and Comments. The financial transactions of this office are reflected in the Annual Financial Report of Steuben County for the year 2010.

STATE BOARD OF ACCOUNTS

August 10, 2011

COUNTY SHERIFF
STEUBEN COUNTY
AUDIT RESULTS AND COMMENTS

SHERIFF'S COMMISSARY DEPOSITS

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 . . ."

SHERIFF'S COMMISSARY UNALLOWED EXPENSES

The Sheriff Commissary Fund paid the following unallowed expenses:

- \$1,000.00 to Sunset Grill for a Sheriff's Department Christmas gathering (for 120 people including appetizers and refreshments @ \$6.50 each plus tax and tip) on December 17, 2010.
- \$107.26 for a retirement plaque and \$40.99 cake for the retiring sheriff.
- \$24.87 in interest charges on credit cards.

Indiana Code 36-8-10-21(d) states:

"The sheriff, or the sheriff's designee, at the sheriff's or the sheriff's designee's discretion and without appropriation by the county fiscal body, may disburse money from the fund for:

- (1) merchandise for resale to inmates through the commissary;
- (2) expenses of operating the commissary, including, but not limited to, facilities and personnel;
- (3) special training in law enforcement for employees of the sheriff's department;
- (4) equipment installed in the county jail;
- (5) equipment, including vehicles and computers, computer software, communication devices, office machinery and furnishings, cameras and photographic equipment, animals, animal training, holding and feeding equipment and supplies, or attire used by an employee of the sheriff's department in the course of the employee's official duties;
- (6) an activity provided to maintain order and discipline among the inmates of the county jail;
- (7) an activity or program of the sheriff's department intended to reduce or prevent occurrences of criminal activity, including the following:

COUNTY SHERIFF
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AUDIT RESULTS AND COMMENTS
(Continued)

- (A) Substance abuse.
 - (B) Child abuse.
 - (C) Domestic violence.
 - (D) Drinking and driving.
 - (E) Juvenile delinquency;
- (8) expenses related to the establishment, operation, or maintenance of the sex and violent offender registry web site under IC 36-2-13-5.5; or
- (9) any other purpose that benefits the sheriff's department that is mutually agreed upon by the county fiscal body and the county sheriff.

Money disbursed from the fund under this subsection must be supplemental or in addition to, rather than a replacement for, regular appropriations made to carry out the purposes listed in subdivisions (1) through (8)."

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 5)

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit. Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit. Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

***RECONCILIATION OF BANK, CONTROL, AND SUBSIDIARY
ACCOUNTS (SHERIFF'S INMATE TRUST)***

At December 31, 2010, the Inmate Trust depository reconciliation of \$10,388.47 is \$202.43 cash necessary to balance when compared to the Inmate Trust Control Account balance of \$10,590.90. The Inmate Trust Control Account balance of \$10,590.90 is long \$478.90 when compared to the Subsidiary Detail of Inmate Accounts of \$10,112.00.

The depository account must be properly reconciled to both the detail and control ledgers at December 31, 2010. If there is any cash necessary to balance at December 31, 2010, the County will need to pursue collection.

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 of Indiana, Chapter 1)

COUNTY SHERIFF
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AUDIT RESULTS AND COMMENTS
(Continued)

SHERIFF'S PRESCRIBED FORMS

The Sheriff's Department uses Quicken Software to account for their Commissary, Meal, and Inmate Trust Funds. This system is not designed so that changes to a transaction file cannot occur without being processed through an application.

All transactions that occur in the system must be recorded. Transactions can be maintained on-line, on back up tapes, microfilmed, or printed on hardcopy. These transactions include, but are not limited to, all input transactions, transactions that generate receipts, transactions that generate checks, master file updates, and all transactions that affect the ledgers in any way. The system must be designed so that changes to a transaction file cannot occur without being processed through an application. (The County Bulletin and Uniform Compliance Guidelines, April 2006)

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 1)

COUNTY SHERIFF
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EXIT CONFERENCE

The contents of this report were discussed on August 10, 2011, with Tim Troyer, Sheriff.