

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

AUDIT REPORT
OF

DELAWARE COUNTY REGIONAL
WASTEWATER DISTRICT CLERK
DELAWARE COUNTY, INDIANA

January 1, 2010 to December 31, 2011



FILED
10/16/2012

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DISTRICT OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Max Abrell	01-01-10 to 12-31-11
Treasurer	Thomas McCarthy	01-01-10 to 12-31-11
President of the Board	Thomas Douthitt	01-01-10 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE DELAWARE COUNTY REGIONAL
WASTEWATER DISTRICT CLERK, DELAWARE COUNTY

We have audited the records of the Wastewater District for the period from January 1, 2010 to December 31, 2011, 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 Audit Report of the Delaware County Regional Wastewater District for the years 2010 and 2011.

STATE BOARD OF ACCOUNTS

August 22, 2012

DELAWARE COUNTY REGIONAL WASTEWATER DISTRICT CLERK
DELAWARE COUNTY
AUDIT RESULTS AND COMMENTS

CASH NECESSARY TO BALANCE

In August 2011, a significant amount of cash was noticed in the drawer of Pamela Shinn, former Clerk for the District. She was not able to identify the cash with payment stubs according to proper procedures of the District.

In the records presented for audit, payment stubs indicated receipt by the District of customer payments for the period August 15 – August 17, 2011, in the amount of \$17,309.51. Cash, checks, money orders, and express payments (customer online payments) deposited for these payments totaled \$16,083.67. This resulted in undeposited customer payments and cash necessary to balance of \$1,225.84.

Funds misappropriated, diverted or unaccounted for through malfeasance, misfeasance, or non-feasance in office of any officer or employee may be the personal obligation of the responsible officer or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Page 10-11)

Pamela Shinn was asked to repay undeposited customer payments of \$1,225.84. (See Summary, page 7)

PENALTIES

Information presented for audit indicated that \$1,530.08 in penalties was paid to the Internal Revenue Service on June 19, 2011, for the period ending December 31, 2010 and on November 21, 2011, for the periods ending March 31, 2011 and June 30, 2011. A similar finding was reported in the prior examination of the District.

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 Special Districts, Page 10-6)

Pamela Shinn was asked to repay \$1,530.08 to the District. (See Summary, page 7)

DELAWARE COUNTY REGIONAL WASTEWATER DISTRICT CLERK
DELAWARE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 22, 2012, with Thomas Douthitt, President of the Board; Thomas McCarthy, Treasurer; Max Abrell, Director; Mark Abrell, Attorney for the District; and Penny Ring, Office Manager. The officials concurred with our audit findings.

The contents of this report were discussed on August 27, 2012, with Pamela Shinn, former Clerk. The Official Response has been made a part of this report and may be found on page 6.

QUIRK, RIVERS & HUNTER

Attorneys at Law

An Association not a Partnership

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State Board of Accounts

RE: Pam Shinn

To Whom it may concern,

I represent Pam Shinn, a former employee at Delaware County Regional Wastewater District. After speaking with Bill Vinson last week and going over your findings, I am writing this letter in response.

My client was working as a bookkeeper up to her termination date. One of her responsibilities, as well as others in the office, including a current employee Penny Ring, was to take in money and account for it at the end of the day. Both my client and Penny were responsible for cash deposits. My client had some health problems and was off work until August of 2011. Upon her return, her responsibilities changed and shortly thereafter she was terminated and went on unemployment. It is our position that the responsibility to pay bills, taxes or make deposits in that office were shared by the employees. My client feels that if any money need to be paid back all parties that were working in the office need to help pay it back.

My client also wishes it be noted that never have there been any accusations of theft or any other illegal act concerning this situation. Please feel free to contact me anytime to discuss or to answer any questions you may have.

Thank you in advance for your cooperation in this matter.

Sincerely,



Michael P. Quirk
Attorney at Law

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DELAWARE COUNTY REGIONAL WASTEWATER DISTRICT CLERK
 DELAWARE COUNTY
 SUMMARY OF CHARGES

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Pamela Shinn, former Clerk:			
Cash Necessary to Balance, page 4	\$ 1,225.84	\$ -	\$ 1,225.84
Penalties, page 4	<u>1,530.08</u>	<u>-</u>	<u>1,530.08</u>
 Totals	 <u>\$ 2,755.92</u>	 <u>\$ -</u>	 <u>\$ 2,755.92</u>

This report was forwarded to the Office of the Indiana Attorney General and the local prosecuting attorney.

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AFFIDAVIT

STATE OF INDIANA)
Wayne COUNTY))

I, Robert K. Anderson, Field Examiner, being duly sworn on my oath, state that the foregoing report based on the official records of the Delaware County Regional Wastewater District Clerk, Delaware County, Indiana, for the period from January 1, 2010 to December 31, 2011, is true and correct to the best of my knowledge and belief.

Robert K. Anderson
Field Examiner

Subscribed and sworn to before me this 18th day of September, 2012.

Monica J. Burns
Notary Public



My Commission Expires: 1-18-2020
County of Residence: Wayne