

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

AUDIT REPORT

OF

CIRCUIT COURT

FRANKLIN COUNTY, INDIANA

January 1, 2011 to December 31, 2011



**FILED**  
10/30/2012



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Circuit Court Judge	J. Steven Cox	01-01-09 to 12-31-12
President of the County Council	Jeffery C. Koch	01-01-11 to 12-31-12
President of the Board of County Commissioners	Thomas Wilson	01-01-11 to 12-31-12



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF FRANKLIN COUNTY

We have audited the records of the Circuit Court for the period from January 1, 2011 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 Result and Comment. The financial transactions of this office are reflected in the Annual Report of Franklin County for the year 2011.

STATE BOARD OF ACCOUNTS

August 14, 2012

CIRCUIT COURT  
FRANKLIN COUNTY  
AUDIT RESULT AND COMMENT

**PREVENTATIVE SERVICES CONTRACT**

Payments were paid to the following organizations from the Supplemental Adult Probation Services Fund and the Supplemental Juvenile Probation Services Fund during the year 2011:

Organization	Fund	Amount
Franklin County Girls Basketball	Supplemental Adult Probation Services	\$ 2,500
Franklin County Community Foundation-CanoeFest	Supplemental Adult Probation Services	5,000
Laurel Community Center	Supplemental Juvenile Probation Services	2,500
Young Life	Supplemental Juvenile Probation Services	2,500

A review of the 2012 records showed that similar donations were also made.

Documentation presented for audit showed the above payments were based on contracts entered into between Honorable J. Steven Cox, Judge and the above organizations. The contracts were for "preventative services." The contracts used the following standardized language:

"That the Parties herein agree that the organization and/or organizational activity herein funded are a benefit to the Court and the community in so much as the organization and/or organizational event provides a positive outlet for the youth in our community and diminishes the number of juveniles having contact with juvenile justice system in Franklin County . . .

That the Parties agree that while funding is supplied in whole or in part by the Court no person or persons associated with the organization or the activities thereby sponsored shall be on probation either as an adult or a juvenile . . ."

Indiana Code 35-38-2-1(f) states in part:

". . . All money collected by the probation department or the clerk under this section shall be transferred to the county treasurer, who shall deposit the money into the county supplemental adult probation services fund. The fiscal body of the county shall appropriate money from the county supplemental adult probation services fund:

- (1) to the county, superior, circuit, or municipal court of the county that provides probation services to adults to supplement adult probation services; and
- (2) to supplement the salaries of probation officers in accordance with the schedule adopted by the county fiscal body under IC 36-2-16.5."

CIRCUIT COURT  
FRANKLIN COUNTY  
AUDIT RESULT AND COMMENT  
(Continued)

Indiana Code 31-40-2-2(a) states:

"The fiscal body of the county shall appropriate money from the county supplemental juvenile probation services fund:

- (1) to the juvenile courts of the county for the use by the courts in supplementing probation services to juveniles; and
- (2) to supplement the salaries of juvenile probation officers in accordance with the salary schedule set by the county fiscal body under IC 36-2-16.5."

Governmental funds should not be donated or given to other organizations, individuals, or governmental units unless specifically authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

A similar comment was reported in the Report B39025. Payments made in the future that are not allowable from the fund paid will be the personal obligation of the responsible official.

CIRCUIT COURT  
FRANKLIN COUNTY  
EXIT CONFERENCE

The Honorable Judge J. Steven Cox declined to attend.

The contents of this report were discussed on August 14, 2012, with Thomas Wilson, President of the Board of County Commissioners, and Jeffery C. Koch, President of the County Council.