

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

CITY OF AUBURN

DEKALB COUNTY, INDIANA

January 1, 2014 to December 31, 2014



**FILED**  
03/07/2016



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Patricia M. Miller	01-01-12 to 12-31-19
Mayor	Norman E. Yoder	01-01-12 to 12-31-19
President of the Board of Public Works and Safety	Norman E. Yoder	01-01-14 to 12-31-19
President Pro Tempore of the Common Council	Dr. David Painter Kevin M. Webb	01-01-14 to 12-31-15 01-01-16 to 12-31-16
Superintendent of Water Utility	Randy Harvey	01-01-14 to 12-31-16
Superintendent of Wastewater Utility	David Lochner	01-01-14 to 12-31-16
Superintendent of Electric Utility	Stuart Tuttle	01-01-14 to 12-31-16



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE CITY OF AUBURN, DEKALB COUNTY, INDIANA

This report is supplemental to our examination report of the City of Auburn (City), for the period from January 1, 2014 to December 31, 2014. It has been provided as a separate report so that the reader may easily identify any Examination Results and Comments that pertain to the City. It should be read in conjunction with our Financial Statement Examination Report of the City, which provides our opinion on the City's financial statement. This report may be found at [www.in.gov/sboa/](http://www.in.gov/sboa/).

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Examination Result and Comment contained herein describes the identified reportable instance of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Official Response to the Examination Result and Comment, incorporated within this report, was not verified for accuracy.

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

January 11, 2016

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POLICE DEPARTMENT  
CITY OF AUBURN

POLICE DEPARTMENT  
CITY OF AUBURN  
EXAMINATION RESULT AND COMMENT

***INTERNAL CONTROLS OVER POLICE EVIDENCE ROOM***

Internal controls over the operation of the Police Department's evidence room were insufficient. During January 2015, it was discovered that confiscated property, including \$2,033 in cash, was missing from the evidence room. This disappearance of property was investigated by the Police Department, Allen County Police Department, and the Indiana State Police. No agency was able to positively identify the person or persons responsible, and therefore, the case was turned over to the Auburn Police Disciplinary Committee (Committee) for review. The Committee submitted recommendations of disciplinary action for two City of Auburn police officers for violation of internal standard operating procedures. The Police Department has since revised procedures for the evidence room.

Missing cash in the amount of \$1,447 was repaid by the Police Officer Benevolent Fund (a non-governmental fund) on June 30, 2015. If the remaining \$586 should be claimed, it will also be paid from this fund.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines for Cities and Towns, Chapter 7)

POLICE DEPARTMENT  
CITY OF AUBURN  
EXIT CONFERENCE

The contents of this report were discussed on January 11, 2016, with Patricia M. Miller, Clerk-Treasurer; Norman E. Yoder, Mayor; Kevin M. Webb, President Pro Tempore of the Common Council; Dennis Ketzenberger, Common Council member; Michael Walter, Common Council member; and Martin McCoy, Police Chief.