

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

SPECIAL INVESTIGATION REPORT

OF

SHERIFF'S DEPARTMENT

POSEY COUNTY, INDIANA

January 1, 2015 to December 31, 2018



FILED
12/05/2019

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Transmittal Letter	2
Sheriff Department:	
Results and Comments:	
Background	3
Checks Substituted for Cash	3-4
Special Investigation Costs	4
Internal Controls	4-5
Investigation by Law Enforcement	5
Public Official Bond/Employee Blanket Bond	6
Exit Conference	7
Summary of Charges.....	8
Affidavit	9



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF POSEY COUNTY, INDIANA

This is a special investigation report for Posey County (County), for the period January 1, 2015 to December 31, 2018, and is in addition to any other report for the County as required under Indiana Code 5-11-1. All reports pertaining to the County may be found at www.in.gov/sboa/.

We performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts and were limited to records associated with receipts, cash bonds, bank statements, and inmate release information. The Results and Comments contained herein describe the identified reportable instances 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 Results and Comments, incorporated within this report, was not verified for accuracy.

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

November 21, 2019

SHERIFF'S DEPARTMENT
POSEY COUNTY
RESULTS AND COMMENTS

BACKGROUND

Posey County Sheriff's Department officials became aware that inmate cash bonds collected were not being remitted to the County Clerk's office timely by Trinity Tucker (Tucker), former jail Administrative Assistant. During the special investigation time period, Tucker was known as Trinity Becker.

Tucker was hired by the jail on March 1, 2003. Tucker's last day of employment with the jail was February 13, 2019.

The Indiana State Board of Accounts was notified by the Sheriff's Department officials in accordance with Indiana Code 5-11-1-27. The Indiana State Board of Accounts examined the records and reviewed the accounting of the inmate cash bonds handled by Tucker. The following describes non-compliance with statutes or the *Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana*.

CHECKS SUBSTITUTED FOR CASH

On numerous occasions, Tucker removed cash from the daily cash received at the Sheriff's Department and substituted with checks received. Tucker was interviewed jointly with Indiana State Police on September 19, 2019. During the interview, Tucker stated that on numerous occasions she removed cash from the daily cash received at the Sheriff's Department and substituted with checks that had been received. Tucker further stated that she would hold the cash bond receipt and take cash to use for herself. Tucker used checks, from other types of money received, to substitute for the cash bond money taken. Tucker was able to conceal this because the checks used for substituting were not receipted and accounted for properly. Tucker was responsible for reconciling the bank accounts. In addition, Tucker's personal checking and savings accounts show cash deposits matching or similar in amounts on days the check substitution for cash occurred at the Sheriff's Department.

Tucker also stated that she paid some of the money back by depositing her personal cash when she had it available from tips at a second job and loans. During the time of the special investigation period, deposit differences consisted of cash deposits that were not identified to a receipt. Deposits unidentified were either less than or more than receipts. Deposits unidentified as more than receipts totaled \$11,789.65 and deposits that were less than receipts totaled \$9,312.40, resulting in a net difference of \$2,477.25 more than receipts.

Check substitution amounts by the year are as follows:

YEARS	CHECK SUBSTITUTION AMOUNT
2015	\$ 11,052.91
2016	2,758.75
2017	4,823.97
2018	<u>2,462.99</u>
Total	<u>21,098.62</u>
Net Cash long/short	<u>(2,477.25)</u>
Total	<u>\$ 18,621.37</u>

SHERIFF'S DEPARTMENT
POSEY COUNTY
RESULTS AND COMMENTS
(Continued)

Funds misappropriated, diverted or unaccounted for through malfeasance, misfeasance, or non-feasance in office of any official or employee may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Indiana Code 5-13-6-1(c) states in part:

"Except as provided in subsections (d) and (g), all local officers, except township trustees, 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 several local boards of finance that have jurisdiction of the funds. The public funds collected by township trustees shall be deposited in the designated depository on or before the first and fifteenth day of each month. Public funds deposited under this subsection shall be deposited in the same form in which they were received."

Tucker was requested to reimburse Posey County \$18,621.37 for checks substituted for cash. (See Summary of Charges, page 8)

SPECIAL INVESTIGATION COSTS

The State of Indiana incurred additional costs due to the special investigation of the Sheriff's Department.

Audit Costs incurred because of poor records, nonexistent records or any other inadequate book-keeping practices, or because of theft or a shortage may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Tucker was requested to reimburse the State of Indiana \$14,424.75 for special investigation costs. (See Summary of Charges, page 8)

INTERNAL CONTROLS

Internal control weaknesses existed that contributed to Tucker's ability to substitute checks replacing cash. In addition, records show that Tucker failed to write receipts and account for all money received furthering her ability to cover up with checks replacing cash. Records also show the following deficiencies due to internal control weaknesses contributing to Tucker's ability:

- To remit cash bonds received by the County Jail to the County Clerk's office untimely, up to 102 days after receipt.
- To not receipt and post funds daily, up to 88 days lapsed in 2016, up to 216 days lapsed in 2017 and in 2018 up to 34 days lapsed from bond money received until receipted.

SHERIFF'S DEPARTMENT
POSEY COUNTY
RESULTS AND COMMENTS
(Continued)

- To deposit funds received later than the next business day. In 2015, 44 out of 45, in 2016 52 out of 53, in 2017 48 out of 52, and in 2018 45 out of 50 deposits were deposited later than the next business day. In 2015 up to 19 days, in 2016 up to 20 days, in 2017 up to 11 days, in 2018 up to 21 days, and from January 1, 2019 to February 29, 2019 up to 8 days lapsed between receipt date and deposit date.
- To overdraw the County Jail bank account on February 8, 2016, and January 22, 2018.
- To deposit less money than receipts and in some cases, deposit more money than receipts. (IC 5-13-6-1(c))

Tucker, as jail Administrative Assistant, was responsible for the administration of depositing money received for cash bonds, accident reports, firearm licenses, tax warrants, sheriff's personal fees, and other trust items. Tucker's duties also included issuing checks to the Clerk of the Circuit Court for cash bonds. There was not effective oversight conducted in relation to Tucker's position from another Sheriff's Department employee.

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual: Uniform Internal Control Standards for Indiana Political Subdivisions. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. These standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk."

INVESTIGATION BY LAW ENFORCEMENT

Indiana State Police conducted an investigation along with the Indiana State Board of Accounts.

SHERIFF'S DEPARTMENT
POSEY COUNTY
RESULTS AND COMMENTS
(Continued)

PUBLIC OFFICIAL BOND/EMPLOYEE BLANKET BOND

Tucker was covered under the County's employee blanket bond in 2015. The blanket bond covered the period January 1, 2015 to January 1, 2016. Tucker was covered under the jail's position scheduled bond for the years 2016, 2017, 2018, and 2019.

<u>Period</u>	<u>Amount</u>
01-01-15 to 01-01-16	\$ 50,000
01-01-16 to 01-01-17	5,000
01-01-17 to 01-01-18	5,000
01-01-18 to 01-01-19	5,000
01-01-19 to 01-01-20	5,000

SHERIFF'S DEPARTMENT
POSEY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on November 21, 2019, with Tom Latham, County Sheriff; Crystal Collins, Matron; Maegen L. Greenwell, County Auditor; Carl Schmitz, President of the Board of County Commissioners; and Aaron P. Wilson, Council member.

SHERIFF'S DEPARTMENT
 POSEY COUNTY
 SUMMARY OF CHARGES
 (Due to Malfeasance, Misfeasance, or Nonfeasance)

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Trinity Tucker, former jail Administrative Assistant: Checks Substituted for Cash, pages 3 and 4	\$ 21,098.62	\$ 2,477.25	\$ 18,621.37
Special Investigation Costs, page 4	<u>14,424.75</u>	<u>-</u>	<u>14,424.75</u>
Totals	<u>\$ 35,523.37</u>	<u>\$ 2,477.25</u>	<u>\$ 33,046.12</u>

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

AFFIDAVIT

STATE OF INDIANA)
Marion COUNTY))

I, Lynne Spencer, Field Examiner, being duly sworn on my oath, state that the foregoing report based on the official records of Posey County, Indiana, for the period from January 1, 2015 to December 31, 2018, is true and correct to the best of my knowledge and belief.

Lynne Spencer
Field Examiner

Subscribed and sworn to before me this 4th day of December, 2019.

Juan Mayhew
Notary Public

My Commission Expires: 03/29/23

County of Residence: Hancock