

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

HUNTINGTON COUNTY, INDIANA

January 1, 2018 to December 31, 2018



FILED
01/05/2021

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SCHEDULE OF OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|---|--|--|
| County Auditor: | Cindy Yeiter Jill Landrum | 01-01-15 to 12-31-18 01-01-19 to 12-31-22 |
| County Treasurer | Paula K. Farley | 01-01-17 to 12-31-20 |
| Clerk of the Circuit Court | Kittie Keiffer Shelley Septer | 01-01-15 to 12-31-18 01-01-19 to 12-31-22 |
| County Sheriff | Terry Stoffel Christian E. Newton | 01-01-15 to 12-31-18 01-01-19 to 12-31-22 |
| County Recorder | Cheryl A. Schenkel Vicki G. Pearson | 01-01-15 to 12-31-18 01-01-19 to 12-31-22 |
| President of the Board of County Commissioners | Larry Buzzard | 01-01-18 to 12-31-19 |
| President of the County Council: | Kendall Mickley | 01-01-18 to 12-31-19 |



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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TO: THE OFFICIALS OF HUNTINGTON COUNTY, INDIANA

This report is supplemental to our audit report of Huntington County (County), for the period from January 1, 2018 to December 31, 2018. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the County. It should be read in conjunction with our Financial Statement and Federal Single Audit Report of the County, which provides our opinions on the County's financial statement and federal program compliance. This report may be found at 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 Audit 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 Audit Results and Comments, incorporated within this report, was not verified for accuracy.

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

July 31, 2019

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COUNTY SHERIFF
HUNTINGTON COUNTY

COUNTY SHERIFF
HUNTINGTON COUNTY
AUDIT RESULTS AND COMMENTS

BACKGROUND

Credit card usage by County Sheriff personnel for Commissary purchases included amounts that were questionable.

ORDINANCES, RESOLUTIONS, AND POLICIES

A travel policy and a credit card policy had not been adopted by the County Sheriff's Department. The overall County policy was also not observed by County Sheriff's Department employees. The County Sheriff's directive was merely to make reasonable accommodations for travel.

Each unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

UNAUTHORIZED DISBURSEMENTS

Charges made to the Sheriff Commissary credit cards contained the following errors:

1. Supporting invoices were not presented for \$984.63 of charges to Quill Corporation, Diebold Supply, and two restaurants. Without supporting documentation, we could not verify these disbursements were for Sheriff Commissary related items.
2. Receipts or invoices were presented but were not itemized for \$137.45 of charges to Quill Corporation, Amazon, and a restaurant. Without supporting documentation, we could not verify these disbursements were for Sheriff Commissary related items.
3. Reimbursements for personal charges of \$64.19 to a gift shop in Florida could not be verified within ledger or bank deposits.
4. Meals in the amount of \$107.36 were charged to the County credit card in excess of the \$26 per day allowance.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills contracts, and other public records must be available for examination to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guideline Manual for Counties of Indiana, Chapter 1)

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 unit. Any personal expenses paid by the unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guideline Manual for Counties of Indiana, Chapter 1)

Each unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

COUNTY SHERIFF
HUNTINGTON COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

UNAUTHORIZED TRAVEL DISBURSEMENTS

May 21 – 24, 2018 – Symposium on Traffic Safety – Orlando, Florida

David McElhaney, Deputy Sheriff, attended a traffic safety training in Orlando, Florida. A car was rented locally and driven to and from Florida for this conference. Rental car expenses were charged for May 17th through May 27th. A reasonable travel allowance would be two days each way. Rental car expenses totaling \$89.02 were charged for May 17th and 27th. Hotel charges of \$139.16 and parking charges of \$13.85 totaling \$153.01 were charged for May 19th.

September 17 – 21, 2018 – Jujitsu Training – Torrance, California

Joe Collins, Jail Officer, attended a jujitsu training in Torrance, California, for which charges for dates before the actual training time frame were made. Hotel charges of \$357.42 and parking charges of \$22.20 totaling \$379.62 were charged for September 14th and 15th. Rental Car expenses totaling \$143.58 were charged for September 14th and 15th. The rental car reimbursement was actually paid to Joe Collins in advance, and in turn, \$2.87 more was reimbursed than was ultimately charged.

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 Guideline Manual for Counties of Indiana, Chapter 1)

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills contracts, and other public records must be available for examination to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guideline Manual for Counties of Indiana, Chapter 1)

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David McElhaney reimbursed the County \$242.03 on July 30, 2019, for unauthorized travel disbursements. (See Summary of Charges, page 9)

Joe Collins reimbursed the County \$526.07 on July 19, 2019, for unauthorized travel disbursements. (See Summary of Charges, page 9)

COUNTY SHERIFF
HUNTINGTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 31, 2019, with Terry Stoffel, former County Sheriff; Christian E. Newton, County Sheriff; Tom Wall, County Commissioner; Kendall Mickley, President of the County Council; Phil Hibbert, County Council member; Keith Eller, County Council member; Kittie Keiffer, County Council member; Terry Miller, County Council member; Joe Collins, County Sheriff Jail Officer; David McElhaney, County Deputy Sheriff; and Karen Poling, County Sheriff Matron.

COUNTY SHERIFF
 HUNTINGTON COUNTY
 SUMMARY OF CHARGES
 (Due to Malfeasance, Misfeasance, or Nonfeasance)

| | <u>Charges</u> | <u>Credits</u> | <u>Balance Due</u> |
|---|------------------|------------------|--------------------|
| David McElhaney, Deputy Sheriff: | | | |
| Unauthorized Travel Disbursements, page 7 | \$ 242.03 | \$ | \$ |
| Reimbursed July 30, 2019 | | 242.03 | - |
| Joe Collins, Jail Officer: | | | |
| Unauthorized Travel Disbursements, page 7 | 526.07 | | |
| Reimbursed July 19, 2019 | | <u>526.07</u> | <u>-</u> |
| Totals | <u>\$ 768.10</u> | <u>\$ 768.10</u> | <u>\$ -</u> |

This report was forwarded to the Office of the Indiana Attorney General.