

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

ALLEN COUNTY, INDIANA

January 1, 2019 to December 31, 2019



**FILED**

11/06/2020



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Sheriff	David J. Gladieux	01-01-19 to 12-31-20
President of the Board of County Commissioners	F. Nelson Peters Therese M. Brown	01-01-19 to 12-31-19 01-01-20 to 12-31-20
President of the County Council	Thomas A. Harris Joel M. Benz	01-01-19 to 12-31-19 01-01-20 to 12-31-20



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF ALLEN COUNTY, INDIANA

This report is supplemental to our audit report of Allen County (County), for the period from January 1, 2019 to December 31, 2019. 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 Sheriff. It should be read in conjunction with our Financial Statements Audit Report of the County, which provides our opinions on the County's financial statements. 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 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

September 30, 2020

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COUNTY SHERIFF  
ALLEN COUNTY

COUNTY SHERIFF  
ALLEN COUNTY  
AUDIT RESULTS AND COMMENTS

**JAIL COMMISSARY FUND**

*Condition and Context*

We tested 28 travel related expenditures paid from the Jail Commissary fund by County Sheriff David J. Gladioux (Gladioux) using his debit card while in travel status. The expenditures included unallowable items totaling \$3,652.02 for 17 expenditures.

Excess of approved travel policy rates:

Meal expenditures exceeded the allowable rate per employee per the County's approved travel policy by a total of \$1,113.54 on five separate occasions. Of these occasions:

- The County Sheriff split the restaurant bill with a vendor, which included half the cost of non-employee meals and half the cost of alcohol. On this occasion, the expenditure exceeded the allowable rate for dinner of \$72 for three employees by \$464.86.
- The restaurant bill included two non-employees and exceeded the allowable rate for lunch of \$36 for three employees by \$72.60.
- The restaurant bill included four non-employees and exceeded the allowable rate for lunch of \$12 for one employee by \$100.56.
- The restaurant bill included eight non-employees and exceeded the allowable rate for dinner of \$72 for three employees by \$353.72.
- The restaurant bill included only allowable employees; however, the bill exceeded the allowable rate for dinner of \$96 for four employees by \$121.80.

Unallowable travel dates:

Four County Sheriff Department employees attended a National Information Officers Association (NIOA) conference in Florida. The NIOA conference was scheduled for August 25, 2019 through August 28, 2019. Therefore, the dates approved for travel status were August 24, 2019 (one day prior) through August 29, 2019 (one day after); however, it did not include lodging the night of August 29. During this business trip, there were 12 expenditures that were unallowable due to unallowable travel dates in the amount of \$2,538.48. These expenditures included:

- Three Delta flights rescheduled to depart on August 23, 2019, and return on August 30, 2019, which amounted to \$385.50.
- Total meals purchased on August 23, 2019, and August 30, 2019, in the amounts of \$303.75 and \$97.58, respectively.
- Total hotel costs for lodging on August 23, 2019, and August 29, 2019, in the amounts of \$1,186.73 and \$546.92, respectively.
- Total parking costs for August 23, 2019, and August 30, 2019, in the amount of \$18.



COUNTY SHERIFF  
ALLEN COUNTY  
AUDIT RESULTS AND COMMENTS  
(Continued)

*Criteria*

Indiana Code 36-8-10-21 states:

"(a) This section applies to any county that has a jail commissary that sells merchandise to inmates.

(b) A jail commissary fund is established, referred to in this section as 'the fund'. The fund is separate from the general fund, and money in the fund does not revert to the general fund.

(c) The sheriff, or the sheriff's designee, shall deposit all money from commissary sales into the fund, which the sheriff or the sheriff's designee shall keep in a depository designated under IC 5-13-8.

(d) The sheriff, or the sheriff's designee, at the sheriff's or the sheriff's designee's discretion and without appropriation by the county fiscal body, may disburse money from the fund for:

- (1) merchandise for resale to inmates through the commissary;
- (2) expenses of operating the commissary, including, but not limited to, facilities and personnel;
- (3) special training in law enforcement for employees of the sheriff's department;
- (4) equipment installed in the county jail;
- (5) equipment, including vehicles and computers, computer software, communication devices, office machinery and furnishings, cameras and photographic equipment, animals, animal training, holding and feeding equipment and supplies, or attire used by an employee of the sheriff's department in the course of the employee's official duties;
- (6) an activity provided to maintain order and discipline among the inmates of the county jail;
- (7) an activity or program of the sheriff's department intended to reduce or prevent occurrences of criminal activity, including the following:
  - (A) Substance abuse.
  - (B) Child abuse.
  - (C) Domestic violence.
  - (D) Drinking and driving.
  - (E) Juvenile delinquency;
- (8) expenses related to the establishment, operation, or maintenance of the sex and violent offender registry web site under IC 36-2-13-5.5; or

COUNTY SHERIFF  
ALLEN COUNTY  
AUDIT RESULTS AND COMMENTS  
(Continued)

- (9) any other purpose that benefits the sheriff's department that is mutually agreed upon by the county fiscal body and the county sheriff.

Money disbursed from the fund under this subsection must be supplemental or in addition to, rather than a replacement for, regular appropriations made to carry out the purposes listed in subdivisions (1) through (8).

- (e) The sheriff shall maintain a record of the fund's receipts and disbursements. The state board of accounts shall prescribe the form for this record. The sheriff shall semiannually provide a copy of this record of receipts and disbursements to the county fiscal body. The semiannual reports are due on July 1 and December 31 of each year."

Gladioux, Deputy Chief Gary W. Grant, Captain Steven A. Stone, and Corporal Adam J. Griffith reimbursed the Jail Commissary fund for unallowable expenditures in the amount of \$3,652.02. (See Summary of Charges, page 8)

**OFFICIAL BOND COVERAGE**

The Board of County Commissioners obtained public official bond coverage for Gladioux through Hanover Insurance Group for two terms during the period of January 1, 2019 to December 31, 2019, in the amount of \$1,000,000 for each term.

COUNTY SHERIFF  
ALLEN COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on September 22, 2020, with David J. Gladioux, County Sheriff; J. Charles Edwards, Chief Deputy; and Angela Terry, Comptroller.

The contents of this report were discussed on September 30, 2020, with Therese M. Brown, President of the Board of County Commissioners; Jill Williamson, Controller; Laura Maser, Attorney; Joel M. Benz, President of the County Council; Kyle Kerley, County Council member; and Christopher Spurr, County Council member.

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

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
David J. Gladieux, Sheriff:			
Jail Commissary Fund, pages 6 through 8	\$ 2,090.77	\$ 2,090.77	\$ -
Gary W. Grant, Deputy Chief:			
Jail Commissary Fund, pages 6 through 8	445.45	445.45	-
Steven A. Stone, Captain:			
Jail Commissary Fund, pages 6 through 8	557.90	557.90	-
Adam J. Griffith, Corporal:			
Jail Commissary Fund, pages 6 through 8	<u>557.90</u>	<u>557.90</u>	<u>-</u>
Totals	<u>\$ 3,652.02</u>	<u>\$ 3,652.02</u>	<u>\$ -</u>