

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

AUDIT REPORT  
OF

CITY COURT  
CITY OF GARY  
LAKE COUNTY, INDIANA

January 1, 2011 to December 31, 2011



**FILED**  
01/17/2013



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
City Judge	Deidre L. Monroe	01-01-08 to 12-31-15
Controller	M. Celita Green	01-01-11 to 12-31-12
Mayor	Rudolph Clay, Sr Karen Freeman-Wilson	01-01-08 to 12-31-11 01-01-12 to 12-31-15
President of the Common Council	Ronier Scott Kyle W. Allen	01-01-11 to 12-31-11 01-01-12 to 12-31-12



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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STATE BOARD OF ACCOUNTS  
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TO: THE OFFICIALS OF THE CITY OF GARY

We have audited the records of the City Court, City of Gary 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 Results and Comments. The financial transactions of this office are reflected in the Annual Report of City of Gary for the year 2011.

STATE BOARD OF ACCOUNTS

September 6, 2012

CITY COURT  
CITY OF GARY  
AUDIT RESULTS AND COMMENTS

***USE OF CREDIT CARD – CITY COURT***

The City Judge is using a credit card issued by Harris Bank. It is used by the Judge to purchase items and to pay for travel expenses, such as airfare, lodging, and registration fees. Travel charges paid were not always supported by detailed invoices or do not document the purpose of the travel expense.

The State Board of Accounts will not take exception to the use of credit cards by a governmental unit provided the following criteria are observed:

- (6) Credit cards should not be used to bypass the accounting system. One reason that purchase orders are issued is to provide the fiscal officer with the means to encumber and track appropriations to provide the governing board and other officials with timely and accurate accounting information and monitoring of the accounting system.
- (7) Payment should not be made on the basis of a statement or a credit card slip only. Procedures for payments should be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee should be the responsibility of that officer or employee.
- (8) If properly authorized, an annual fee may be paid.

(Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

The credit card was also used to purchase 500 imprinted Christmas Holiday Cards on November 22, 2011, totaling \$787.48. We requested that Deidre L. Monroe, City Judge, reimburse the City \$787.48 for costs incurred that does not appear to be related to the operation of the City Court. Deidre L. Monroe, City Judge, reimbursed the City \$787.48 on November 1, 2012, Receipt No. 274383. (See Summary of Charges, page 9)

Every effort should be made by the governmental unit to avoid unreasonable or excessive costs. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

***BOND COVERAGE – CITY COURT***

The City Judge has a bond of \$15,000 from Hartford Fire Insurance Company, Bond Number 36BSB BO5303 covering the term of March 6, 2011 to March 6, 2012.

CITY COURT  
CITY OF GARY  
AUDIT RESULTS AND COMMENTS  
(Continued)

***TRAVEL EXPENSE – CITY COURT***

Court employees received monthly payment of flat amounts for mileage.

1. Several employees did not submit mileage claims using General Form 101 for reimbursement. The claims submitted for the payments contained a memorandum or invoice only from the Judge stating the amount the employees were to receive.
2. Other employees did submit mileage claims for reimbursement. Mileage reimbursement forms were turned in with the employees receiving a flat monthly reimbursement amount. These flat amounts were less than the computed reimbursement based upon the miles driven at approved mileage rate. This resulted in employees not receiving the full amount of reimbursement.
3. Employees also claimed round trip mileage for travel to the City Court from their home. The travel policy does not allow for reimbursement for commuting mileage.

The following sets forth the audit position of the State Board of Accounts with regard to reimbursements made by local governmental units to their officers and employees for travel and meal expenses.

A local unit may reimburse such persons for actual miles traveled in their own motor vehicles on official business of the local unit at a reasonable rate per mile as fixed by an ordinance or resolution of the unit's legislative body. The mileage rate should be fixed by the board or commission having authority to approve claims for travel expenses. No particular mileage rate has been set by the State of Indiana for local units of government and, consequently, the mileage rate lies within the discretion of legislative body, board or commission, unless otherwise provided by statute. The body setting the mileage rate should also determine whether parking fees and toll charges are included in the rate or, on the other hand, whether such expenses are to be reimbursed separately based on the submission of receipts.

Reimbursed mileage should not include travel to and from the officer's or employee's home and regular place of employment. If more than one person rides in the same vehicle, only one mileage reimbursement is allowable. General Form 101 (or an approved substitute) should be used for claiming mileage. The odometer reading columns on this form are to be used only when the distance between points cannot be determined by fixed mileage or official highway maps. (Cities and Towns Bulletin and Uniform Compliance Guidelines, September 2004)

CITY COURT  
CITY OF GARY  
EXIT CONFERENCE

The contents of this report were discussed on September 6, 2012, with Deidre L. Monroe, City Judge. The Official Response has been made a part of this report and may be found on pages 7 and 8.





# CITY COURT OF GARY

**DEIDRE L. MONROE, Judge**

555 Polk Street  
Gary, Indiana 46402  
(219) 881-1271  
Fax: (219) 881-1278

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**OFFICIAL RESPONSE:**

Mailed and emailed: [tmoody@sboa.in.gov](mailto:tmoody@sboa.in.gov)

September 14, 2012

Bruce Hartman  
State Examiner  
302 W. Washington Street  
Indianapolis, IN 46204

RE: Gary City Court – 2011 Audit

Dear Mr. Hartman:

**USE OF CREDIT CARD – GARY CITY COURT**

It has been the policy of the City of Gary's – Controllers Office that they will not pay claims unless, the Court supplies them with supporting documents. It is our position that those documents were duly supplied and possibly misplaced by the controller's office. Nonetheless, the Court has copies of all supporting documents attached to its claims for the year 2011, and was not asked to reproduce those documents. It is the practice of the Court's bookkeeper to keep copies of all claims and the supporting documents as normal business records. These documents can be readily produced upon request.

As it relates to the Christmas Holiday Cards, our response is as follows: the City of Gary is a graying city. The senior citizens of the city look forward to small symbols of outreach from their governmental units of the city. Christmas Cards have been used historically by Americans to tell their neighbors "I am thinking of you during the Christmas season." The Court strongly believes that it is important that the Citizens of Gary know that the Court is accessible and is here to serve and help all citizens of Gary. We have several problem solving programs which include: Gary Drug Court, Domestic Violence Court, Truancy Court and Mental Health Court, which are vital to the "Health and Welfare" of our city. Citizens frequently seek assistance from these programs, even though, they may not have any pending charges in the Gary City Court.

The Court over the years has received Christmas Cards from all levels of government which includes: Federal, State and local elected officials. Therefore, it was not aware that this type of community communication was not allowed by the State.

I believe that it is unfair to ask for repayment and that the better course of action, would be to advise the governmental unit that this is not allowed. In my opinion this was not an unreasonable or excessive cost. However, is it worth arguing over, the answer is "probably no" and I will reimburse the City of Gary for the cost of the Christmas cards.

TRAVEL EXPENSE – CITY COURT

The Gary City Court no longer has mileage reimbursement for delivering local subpoenas. Most frequently, the Courts' travel is to Indianapolis which is calculated by the established travel allowance of 147 miles each way from Gary to Indianapolis.

Thank you for your consideration.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Deidre L. Monroe".

Deidre L. Monroe

DLM:cf

CITY COURT  
CITY OF GARY  
SUMMARY OF CHARGES

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Deidre L. Monroe, City Judge:			
Use Of Credit Card – City Court, page 4	\$ 787.48	\$	\$
Reimbursed by Deidre L. Monroe on November 1, 2012, Receipt No. 274383	_____	787.48	_____ -
Totals	<u>\$ 787.48</u>	<u>\$ 787.48</u>	<u>\$ -</u>