

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
LAKE COUNTY, INDIANA
January 1, 2013 to December 31, 2013



FILED
04/16/2015

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SCHEDULE OF OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|---|---|--|
| County Auditor | Peggy Holinga Katona | 01-01-11 to 12-31-14 |
| County Treasurer | John E. Petalas | 01-01-11 to 12-31-14 |
| Clerk of the Circuit Court | Michael A. Brown | 01-01-10 to 12-31-17 |
| County Sheriff | John Buncich | 01-01-11 to 12-31-14 |
| County Recorder | Michael B. Brown | 01-01-13 to 12-31-16 |
| President of the Board of County Commissioners | Roosevelt Allen Jr. Michael C. Repay | 01-01-13 to 12-31-13 01-01-14 to 12-31-14 |
| President of the County Council | Ted Bilski | 01-01-13 to 12-31-14 |



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF LAKE COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Lake County (County), which comprises the financial position and results of operations for the year ended December 31, 2013, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the County prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the County for the year ended December 31, 2013.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the County for the year ended December 31, 2013, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated November 25, 2014, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Accompanying Information

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.


Paul D. Joyce, CPA
State Examiner

November 25, 2014



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

TO: THE OFFICIALS OF LAKE COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of Lake County (County), which comprises the financial position and results of operations for the year ended December 31, 2013, and the related notes to the financial statement, and have issued our report thereon dated November 25, 2014, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of the internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2013-001, 2013-002, 2013-003, 2013-004, and 2013-005 to be material weaknesses.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(Continued)

Compliance and Other Matters

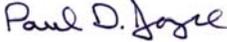
As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2013-001, 2013-002, 2013-003, 2013-004, and 2013-005.

Lake County's Response to Findings

The County's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. The County's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

November 25, 2014

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

The financial statement and accompanying notes were approved by management of the County. The financial statement and notes are presented as intended by the County.

LAKE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2013

| Fund | Cash and Investments 01-01-13 | Receipts | Disbursements | Cash and Investments 12-31-13 |
|---|-------------------------------------|----------------|----------------|-------------------------------------|
| General | \$ (1,762,469) | \$ 140,189,745 | \$ 139,618,109 | \$ (1,190,833) |
| Accident Report | 39,936 | 16,650 | 28,299 | 28,287 |
| Animal Control | 18,041 | 8,895 | 16,773 | 10,163 |
| Campaign Finance Enforcement - County | 21,522 | 3,840 | - | 25,362 |
| Child Advocacy | 9,479 | 600 | - | 10,079 |
| Clerk's Records Perpetuation | 126,185 | 174,658 | 212,506 | 88,337 |
| COIT - Special Legislation | 875 | 375 | - | 1,250 |
| Community Corrections | 664,160 | 3,547,640 | 3,568,561 | 643,239 |
| Congressional School Interest | 20,199 | 887 | - | 21,086 |
| Prisoner Reimbursement For Incarceration | - | 921 | - | 921 |
| Sales Disclosure - County Share | 52,946 | 45,910 | 44,876 | 53,980 |
| Cumulative Capital Development | 1,113,339 | 1,767,985 | 1,866,084 | 1,015,240 |
| Cumulative Capital Improvement | 494,619 | - | 445,300 | 49,319 |
| Cumulative Voting System | 1,674,936 | - | 23,494 | 1,651,442 |
| Drug Free Community | 373,087 | 369,542 | 332,355 | 410,274 |
| Electronic Map Generation | 7,506 | 17,958 | 24,750 | 714 |
| Emergency Planning/Right To Know | 84,817 | 37,120 | 15,539 | 106,398 |
| Extradition and Sheriff's Assistance | 15,935 | 1,931 | - | 17,866 |
| Firearms Training | 28,117 | 36,125 | 42,577 | 21,665 |
| General Drain Improvement | 1,098,844 | 284,109 | 972,982 | 409,971 |
| Health | 2,685,823 | 2,590,653 | 2,363,868 | 2,912,608 |
| Identification Security Protection | 860,798 | 516,499 | 468,469 | 908,828 |
| Levy Excess | 7,953,045 | - | 625,863 | 7,327,182 |
| Local Health Maintenance | 279,407 | 52,402 | 41,198 | 290,611 |
| Local Road and Street | 1,944,016 | 911,434 | 301,581 | 2,553,869 |
| Major Moves Construction | 1,985,838 | 44,308 | 914,172 | 1,115,974 |
| Medical Care for Inmates | - | 6,823 | - | 6,823 |
| Misdemeanant | 954,719 | 615,817 | 990,048 | 580,488 |
| Motor Vehicle Highway | 2,224,035 | 5,680,313 | 5,220,583 | 2,683,765 |
| Omitted Property Audits | 1,702,532 | 145,555 | 24,400 | 1,823,687 |
| Park Nonreverting Capital | 536,712 | 1,287,109 | 1,315,879 | 507,942 |
| Park Nonreverting Operating | 171,717 | 5,039,263 | 4,887,704 | 323,276 |
| Reassessment - 2009 | 229,280 | - | 178,507 | 50,773 |
| Reassessment - 2015 | 2,769,146 | 1,445,377 | 770,024 | 3,444,499 |
| Recorder's Records Perpetuation | 950,515 | 622,251 | 620,899 | 951,867 |
| Riverboat | 1,791,766 | 12,519,653 | 13,153,140 | 1,158,279 |
| Sheriff's Pension Trust | 182,961 | 901,644 | 850,230 | 234,375 |
| Storm Water Management Capital Projects | 28,148 | 10,156 | 13,676 | 24,628 |
| Storm Water Management Operating | 1,229,545 | 776,216 | 521,293 | 1,484,468 |
| Supplemental Public Defender Services | 62,575 | 236,274 | 270,798 | 28,051 |
| Surveyor's Corner Perpetuation | 172,876 | 95,845 | 132,340 | 136,381 |
| Tax Sale Fees | 2,774,334 | 8,442,621 | 9,702,174 | 1,514,781 |
| Tax Sale Redemption | 660,257 | 7,223,593 | 7,352,961 | 530,889 |
| Tax Sale Surplus | 18,866,509 | 18,611,653 | 21,338,533 | 16,139,629 |
| Unsafe Building | 273,981 | 29,366 | 2,700 | 300,647 |
| Vehicle Inspection | 18,351 | 27,895 | 5,471 | 40,775 |
| GAL/CASA | 105,338 | 313,977 | 318,881 | 100,434 |
| Auditors Ineligible Deductions | 907,455 | 1,287,854 | 673,210 | 1,522,099 |
| County Elected Officials Training | 57,490 | 52,327 | 5,692 | 104,125 |
| Park And Recreation | 199,002 | 8,214,697 | 8,650,983 | (237,284) |
| County Offender Transportation Fund | 6,938 | 4,875 | - | 11,813 |
| Statewide 911 | 3,375,443 | 2,967,466 | 1,673,932 | 4,668,977 |
| Adult Probation Administrative | 99,025 | 197,972 | 248,653 | 48,344 |
| Juvenile Probation Administrative | 9,684 | 210,324 | 208,553 | 11,455 |
| Supplemental Adult Probation Services | 1,857,126 | 914,571 | 1,224,234 | 1,547,463 |
| Supplemental Juvenile Probation Services | 155,317 | 16,898 | 62,012 | 110,203 |
| Alternative Dispute Resolution | 203,316 | 50,458 | 45,260 | 208,514 |
| County User Fee | 1,317,802 | 2,095,306 | 1,643,221 | 1,769,887 |
| Convention Center Operating | 124 | 1,511,394 | 1,511,090 | 428 |
| Animal Shelter | 55,241 | 81,784 | 67,752 | 69,273 |
| Sheriff Sale Administration | (9,670) | 630,000 | 642,044 | (21,714) |
| Drug Task Force | 516,620 | 717,842 | 522,500 | 711,962 |
| DUI Task Force | 6,644 | 9,209 | 8,492 | 7,361 |
| Local Ordinance Violations Fines - County | 12,970 | 2,000 | 11,350 | 3,620 |
| TIF Grants and Loans | 151,856 | 465,283 | 436,301 | 180,838 |
| Settlement | 836,289 | 573,729,830 | 573,527,891 | 1,038,228 |
| CVET Agency | 619 | 3,857,750 | 3,857,750 | 619 |
| Financial Institution Tax | - | 2,435,974 | 2,435,974 | - |
| HEA 1001 State Homestead Credit | 49,264 | 12,410 | - | 61,674 |
| Homestead Credit Rebate | 9,200 | 3,670 | - | 12,870 |
| State Fines and Forfeitures | 77,300 | 814,100 | 476,919 | 414,481 |

The notes to the financial statement is an integral part of this statement.

LAKE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2013
(Continued)

| Fund | Cash and Investments 01-01-13 | Receipts | Disbursements | Cash and Investments 12-31-13 |
|--|-------------------------------------|-----------|---------------|-------------------------------------|
| Infraction Judgements | 1,023,015 | 1,708,744 | 1,948,333 | 783,426 |
| Overweight Vehicle Fines | 107,234 | 285,636 | 159,281 | 233,589 |
| Special Death Benefit | 4,540 | 51,361 | 52,076 | 3,825 |
| Sales Disclosure - State Share | 52,377 | 150,090 | 124,365 | 78,102 |
| Coroners Training & Con't Education | 8,290 | 71,624 | 71,002 | 8,912 |
| Interstate Compact - State Share | 438 | 7,013 | 7,000 | 451 |
| Mortgage Recording Fees - State Share | 4,258 | 47,015 | 48,175 | 3,098 |
| Sex and Violent Offender Admin - State | 32,225 | 18,918 | 29,061 | 22,082 |
| Child Restraint Violations Fines | 130 | 2,014 | 2,019 | 125 |
| Inheritance Tax | 5,608,289 | 7,931,120 | 12,965,241 | 574,168 |
| Sales Tax Collections | 2,871 | 101,337 | 97,538 | 6,670 |
| Education Plate Fees Agency | 21,372 | 16,088 | 16,069 | 21,391 |
| City/Town Ordinance Violations Fines | 896,945 | 298,670 | 380,875 | 814,740 |
| 93.563 Prosecutor PCA | 691,424 | 53,222 | 97,117 | 647,529 |
| Rainy Day | 18,865 | - | - | 18,865 |
| Juvenile Probation Administrative | 14,346 | 32,040 | 29,516 | 16,870 |
| Ordinance Violation Deferral | 9,559 | 4,592 | - | 14,151 |
| Congressional School Principal | 35,887 | - | 887 | 35,000 |
| County Innkeepers Tax | (174,372) | - | - | (174,372) |
| Veteran Services Funds | 250 | - | - | 250 |
| 1387-Exempt Park Revenue Bond | (16,637) | 2,615,786 | 2,265,319 | 333,830 |
| County Bond Redemption | 1,059,611 | 6,746,832 | 5,214,608 | 2,591,835 |
| Exempt Debt Service | 1,091,908 | 2,368,783 | 3,227,950 | 232,741 |
| Park & Recreation Self Insurance | 584,039 | 752,165 | 1,062,118 | 274,086 |
| Excess Internet Access Fee | 121,859 | - | - | 121,859 |
| Non-reverting Self Ins. Fund | 2,313,486 | 920,533 | 2,073,072 | 1,160,947 |
| Lake County Jail Construction | 4,943,173 | - | 2,006,785 | 2,936,388 |
| Construction Fund | 3,470,604 | - | 9,046 | 3,461,558 |
| Cumulative Bridge | 6,616,138 | 88,301 | 1,596,397 | 5,108,042 |
| Co Hwy Maint Garage Bond | 778,689 | - | 753,368 | 25,321 |
| Park Dist Bond 1982 | 377,474 | 3,143,003 | 187,018 | 3,333,459 |
| Non-Sufficient Check Fund/LC | 57,789 | 6,900 | 264 | 64,425 |
| Park & Recreation Gift | 56,994 | 4,275 | 3,157 | 58,112 |
| Auditor's Tax Incentive | 358,109 | 236,000 | 234,244 | 359,865 |
| Doctor's Merchants | 1,037 | 48 | - | 1,085 |
| Division I LADOS | 304,004 | 185,177 | 177,052 | 312,129 |
| Division II LADOS | 99,930 | 194,544 | 211,499 | 82,975 |
| Ordinance Deferral Program | 84,623 | 463,866 | 443,431 | 105,058 |
| Disproportional Minority Contact Project Grant | 2 | - | - | 2 |
| Zoning Enforcement Fund | 1,000 | - | - | 1,000 |
| Collection Expense Reimbursement | 727,840 | - | - | 727,840 |
| Non-Revert. Hwy. Deposit. Gambl. | 396,486 | 620,208 | 393,314 | 623,380 |
| Domestic Relation Counseling B | 102,086 | 60,139 | 43,249 | 118,976 |
| Non-Revert Delinq Coll Fees | 1,626 | 151,510 | 141,322 | 11,814 |
| Commissioner's Incentive Fund | 294,511 | 250,000 | 216,564 | 327,947 |
| Coroner Facility Fee | 3,106 | 37,650 | 24,884 | 15,872 |
| Cum Helicopter Improvement Fund | 4,332 | - | - | 4,332 |
| Lake County Community Development FMHA | 45,238 | - | - | 45,238 |
| Anti-Bioterrorism | 7,341 | - | - | 7,341 |
| LC Sheriff's Marine Unit | 1,500 | 410 | - | 1,910 |
| Sheriff's Towing & Franchise | 101,539 | 252,800 | 437,457 | (83,118) |
| Lake County Operating Fund | 4,922,481 | - | 4,800,382 | 122,099 |
| Reimbursement Fund | 6,445,944 | 38,573 | 3,453,423 | 3,031,094 |
| Commissary Payroll Pass-Thru | (302,866) | 619,210 | 303,250 | 13,094 |
| Violence Intervention Program | 4,115 | 73,749 | 83,797 | (5,933) |
| Treasurer's Incentive | 337,255 | 240,000 | 148,466 | 428,789 |
| Child Support Incentive | 993,095 | 434,353 | 241,359 | 1,186,089 |
| HAVA Title III Voting System | 29,935 | - | - | 29,935 |
| Subdivision Escrow Bonds | 145,415 | 34,595 | 70,856 | 109,154 |
| Jury Fees | 180,619 | 124,811 | 158,902 | 146,528 |
| Check Deception Collection Fee | 82,928 | 31,248 | - | 114,176 |
| Children Psych Res Treatment | 1,931 | - | 1,931 | - |
| Fingerprint Fee Fund | 335 | 110 | - | 445 |
| HAVA Sec 101 Voting Sys Fund | 277,998 | - | - | 277,998 |
| Prosecutor's Elderly Abuse | 31,946 | 180,015 | 182,178 | 29,783 |
| County Welfare Trusts | 4,720 | - | - | 4,720 |
| Interpreter Services Grant | 149 | 18,824 | 7,530 | 11,443 |
| U.S. Research Consultants/Personal Property | 3,473 | - | - | 3,473 |
| VOCA -Victims of Crime Act | 35,787 | 70,296 | 97,974 | 8,109 |
| Payroll Court Judgement | 42,353 | - | - | 42,353 |
| HUD-NSP-3 Grant | 5,809 | 491,405 | 354,201 | 143,013 |

The notes to the financial statement is an integral part of this statement.

LAKE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2013
(Continued)

| Fund | Cash and Investments 01-01-13 | Receipts | Disbursements | Cash and Investments 12-31-13 |
|---|-------------------------------------|-----------------------|-------------------------|-------------------------------------|
| Lake Dalecarlia Grant Fund | 344,590 | 260,080 | 579,094 | 25,576 |
| Commissioner's Sale Surplus Property Deposit | 4,477 | - | - | 4,477 |
| JAIBG Block Grant | 113 | - | - | 113 |
| Lake County CASA Program Grant | 490 | - | - | 490 |
| ARRA Grant | 8,025 | - | - | 8,025 |
| 93.563 County IV-D Incentive | 155,780 | 173,352 | 166,569 | 162,563 |
| 93.563 Prosecutor IV-D Incentive - Post Oct "99 | 92,810 | - | 44,558 | 48,252 |
| State Drunk Driving Fees | 17,140 | 12,598 | 12,176 | 17,562 |
| LC Home Program | - | 790,844 | 786,846 | 3,998 |
| LC Comm. Dev. Cities & Towns | - | 924,725 | 924,725 | - |
| LC Dev. Rehabilitation | 1,359 | 254,644 | 255,964 | 39 |
| LC Comm. Dev. Remp I.D.O.C. | 360,950 | 80 | - | 361,030 |
| HUD - NSP Grant | 11,881 | 541,831 | 268,929 | 284,783 |
| LC Economic Rev. Loan | 1,860,059 | 1,180 | 765,222 | 1,096,017 |
| C.D.B.G. Recapture Loans | 1,149,006 | 567 | - | 1,149,573 |
| Sheriff's Grants Fund | 24,368 | 40,306 | 9,088 | 55,586 |
| Homeland Security Grant | 56,698 | (38,277) | - | 18,421 |
| Family Court Initiative Grant | 52,571 | 65 | 13,862 | 38,774 |
| Justice Assistance Grant | 12,888 | 267,476 | 266,058 | 14,306 |
| Sheriff's SIG Grant Fund | 15,269 | 675 | - | 15,944 |
| COPS Interoperability Grant | 3,428 | - | 561 | 2,867 |
| Juv Accountability Block Grant | 2,691 | 29,072 | 31,763 | - |
| LC Dev. Admin. Budge | (24,695) | 385,284 | 338,644 | 21,945 |
| Substance Abuse Testing | - | 20,000 | 2,888 | 17,112 |
| Payment Error (Refunds) | 391,805 | 360,857 | 331,637 | 421,025 |
| ARRA/EECB Grant | 1,500 | - | 1,500 | - |
| Juvenile Secured Detention | - | 156,747 | 16,684 | 140,063 |
| Parks - Outside Cash | 18,163 | 106,927 | 105,017 | 20,073 |
| Community Economic Development | 490 | 56,742 | 53,393 | 3,839 |
| Redevelopment Commission | 3,719,603 | 35,764 | 466,266 | 3,289,101 |
| Employee Benefit Accruals | 1,930,059 | 63,882,244 | 67,797,521 | (1,985,218) |
| Inmate Trust | 617,103 | 1,788,509 | 1,723,303 | 682,309 |
| Jail Commissary | 53,391 | 1,073,807 | 1,112,071 | 15,127 |
| Inmate Medical | 2,121 | 314 | 2,434 | 1 |
| Unfunded Money | 16,400,562 | 14,796,209 | 16,400,562 | 14,796,209 |
| Animal Control | 1,025 | 3,743 | 4,043 | 725 |
| Sheriff | 793,822 | 8,669,954 | 8,476,856 | 986,920 |
| Juvenile Division | - | 13,676 | 13,676 | - |
| Clerk | 12,035,514 | 50,501,720 | 50,468,336 | 12,068,898 |
| Hermit's Lake Debt Reserve | 40,500 | 5,445 | - | 45,945 |
| Sewage Collections | 134,055 | 164,517 | 170,002 | 128,570 |
| Totals | \$ 151,271,766 | \$ 992,452,862 | \$ 1,015,796,580 | \$ 127,928,048 |

The notes to the financial statement is an integral part of this statement.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The County was established under the laws of the State of Indiana. The County operates under a Council-Commissioner form of government and provides some or all of the following services: public safety (police), highways and streets, health welfare and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

The accompanying financial statement presents the financial information for the County.

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts may include the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the County.

Licenses and permits which include amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the County.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits which include receipts derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Utility fees which are comprised mostly of charges for current services.

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution, or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements may include the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service principal and interest which include fixed obligations resulting from financial transactions previously entered into by the County. It includes all expenditures for the reduction of the principal and interest of the County's general obligation indebtedness.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Utility operating expenses which include all outflows for operating the utilities.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

The County may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the County. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the County. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the County in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the County submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the County in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the County to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Risk Management

The County may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the County to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the County authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
1 North Capitol Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

LAKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

B. County Police Retirement Plan

Plan Description

The County Police Retirement Plan is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides retirement, death, and disability benefits to plan members and beneficiaries. Funds designated for payments related to this plan are accounted for in a pension trust fund. The activity of this trust fund has not been reflected in the financial statement. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy

The contribution requirements of plan members for the County Police Retirement Plan are established by state statute.

C. County Police Benefit Plan

Plan Description

The County Police Benefit Plan is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides dependent pensions, life insurance, and disability benefits to plan members and beneficiaries. Funds designated for payments related to this plan are accounted for in a pension trust fund. The activity of this trust fund has not been reflected in the financial statement. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy

The contribution requirements of plan members for the County Police Benefit Plan are established by state statute.

Note 7. Negative Receipts and Disbursements

The financial statement contains some receipts and/or disbursements which appear as negative entries. This is a result of a negative receipt reported in the current year for a correction of a prior period error of \$38,277 in the Homeland Security Grant.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of disbursements exceeding receipts, reimbursable grants, or awaiting reimbursement by the Jail's Commissary fund.

The General fund had a deficit in the prior years due to revenue shortfalls caused by Circuit Breaker Credits. The deficit has been reduced during 2013 and will be eliminated in the future as the County has reduced its reliance on property tax revenue because of additional income tax revenue in the General fund.

The County Innkeepers Tax fund has a negative balance of \$174,372 since December 31, 2012, because the County no longer receives tax collections based upon an Interlocal Agreement with the South Shore Convention and Visitors Authority (SSCVA).

The Park And Recreation fund is negative as a result of a TAW (Tax Anticipation Warrant) principal and interest payment.

The Sheriff Sale Administration, Sheriff's Towing & Franchise, and Violence Intervention Program funds are negative due to payroll overspending. Auditor Peggy Holinga Katona has communicated with Sheriff John Buncich regarding this issue.

The Employee Benefit Accruals fund is negative due to timing issues, all of which are currently being reviewed. One major portion of the negative accrual balance is the result of an RDA payment being posted to the incorrect fund; this has been corrected in 2014. Further investigation is being conducted.

Note 9. Restatement

For the year ended December 31, 2013, certain changes have been made to some of the beginning balances of the financial statement to more appropriately reflect financial activity of the County. The following schedule presents a summary of restated beginning balances.

| Fund Name | Balance as of December 31, 2012 | Prior Period Adjustment | Balance as of January 1, 2013 |
|--------------------------|---------------------------------------|----------------------------|-------------------------------------|
| Sheriff | \$ 805,155 | \$ (11,333) | \$ 793,822 |
| Redevelopment Commission | 4,738,028 | (1,018,425) | 3,719,603 |

Note 10. Holding Corporation

The County has entered into a capital lease with the Lake County 2000 Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related party of the County. Lease payments during the year 2013 totaled \$1,309,000.

LAKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 11. Subsequent Events

The County Council approved Ordinance 1370B on March 11, 2014, approving the issuance of \$20,000,000 in General Obligation Bonds. This will fund the costs of building improvements and provide Emergency - 911 services throughout the County.

The Park and Recreation Board approved Resolution 2014-09 on May 28, 2014, approving the issuance of \$25,080,000 in Park General Obligation Bonds that will refund the principal and interest of \$23,000,000 on the 2005 Park General Obligation Bond issue.

Note 12. Other Postemployment Benefits

The County provides health insurance benefits to eligible retirees and their spouses. These benefits pose a liability to the County for this year and in future years. Information regarding the benefits can be obtained by contacting the County.

Note 13. Combined Funds

The County implemented the new required uniform chart of accounts for counties during 2013. Many funds individually reported in the prior financial statement were combined into one fund for the current financial statement. This included the numerous separate settlement funds that were combined into one settlement fund.

Note 14. Contingent Liabilities

The County has pending lawsuits of which outcomes cannot be reasonably determined; however, unfavorable outcomes could result in damages to the County approximating \$7,425,000.

The County has a tax refund judgment of approximately \$7,000,000 in favor of Majestic Star Casino. The case is on appeal at the U.S. District Court of Appeals in Delaware.

The County has a \$1,200,000 judgment in favor of U.S. Research Consultants, Inc., for the non-payment of a contract. The case is on appeal at the Indiana Court of Appeals.

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SUPPLEMENTARY INFORMATION - UNAUDITED

For additional financial information, the County's Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Annual Report of the County which is referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The supplementary information presented was approved by management of the County. It is presented as intended by the County.

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013

| | General | Accident Report | Animal Control | Campaign Finance Enforcement - County | Child Advocacy | Clerk's Records Perpetuation | COIT - Special Legislation | Community Corrections |
|--|-----------------------|--------------------|-------------------|--|-------------------|------------------------------------|----------------------------------|--------------------------|
| Cash and investments - beginning | \$ (1,762,469) | \$ 39,936 | \$ 18,041 | \$ 21,522 | \$ 9,479 | \$ 126,185 | \$ 875 | \$ 664,160 |
| Receipts: | | | | | | | | |
| Taxes | 106,115,894 | - | - | - | - | - | - | - |
| Licenses and permits | 109,300 | - | - | - | - | - | - | - |
| Intergovernmental | 8,201,684 | - | - | - | - | - | - | 2,776,863 |
| Charges for services | 6,980,251 | - | - | - | - | - | 375 | 335,921 |
| Fines and forfeits | 2,305,775 | - | - | 3,840 | 600 | - | - | - |
| Utility fees | - | - | - | - | - | - | - | - |
| Other receipts | 16,476,841 | 16,650 | 8,895 | - | - | 174,658 | - | 434,856 |
| Total receipts | 140,189,745 | 16,650 | 8,895 | 3,840 | 600 | 174,658 | 375 | 3,547,640 |
| Disbursements: | | | | | | | | |
| Personal services | 84,972,207 | - | - | - | - | 181,902 | - | 2,558,362 |
| Supplies | 3,388,142 | - | - | - | - | 17,678 | - | 83,065 |
| Other services and charges | 20,424,233 | - | 16,773 | - | - | 12,926 | - | 552,443 |
| Debt service - principal and interest | 10,113,684 | - | - | - | - | - | - | - |
| Capital outlay | 349,146 | 28,299 | - | - | - | - | - | 61,614 |
| Other disbursements | 20,370,697 | - | - | - | - | - | - | 313,077 |
| Total disbursements | 139,618,109 | 28,299 | 16,773 | - | - | 212,506 | - | 3,568,561 |
| Excess (deficiency) of receipts over disbursements | 571,636 | (11,649) | (7,878) | 3,840 | 600 | (37,848) | 375 | (20,921) |
| Cash and investments - ending | <u>\$ (1,190,833)</u> | <u>\$ 28,287</u> | <u>\$ 10,163</u> | <u>\$ 25,362</u> | <u>\$ 10,079</u> | <u>\$ 88,337</u> | <u>\$ 1,250</u> | <u>\$ 643,239</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Congressional School Interest | Prisoner Reimbursement For Incarceration | Sales Disclosure - County Share | Cumulative Capital Development | Cumulative Capital Improvement | Cumulative Voting System | Drug Free Community | Electronic Map Generation |
|--|-------------------------------------|---|--|--------------------------------------|--------------------------------------|--------------------------------|---------------------------|---------------------------------|
| Cash and investments - beginning | \$ 20,199 | \$ - | \$ 52,946 | \$ 1,113,339 | \$ 494,619 | \$ 1,674,936 | \$ 373,087 | \$ 7,506 |
| Receipts: | | | | | | | | |
| Taxes | - | - | - | 1,629,355 | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - | - |
| Intergovernmental | - | - | - | 135,130 | - | - | - | - |
| Charges for services | - | - | - | 3,500 | - | - | 48 | 17,958 |
| Fines and forfeits | - | - | 45,910 | - | - | - | 365,142 | - |
| Utility fees | - | - | - | - | - | - | - | - |
| Other receipts | 887 | 921 | - | - | - | - | 4,352 | - |
| Total receipts | 887 | 921 | 45,910 | 1,767,985 | - | - | 369,542 | 17,958 |
| Disbursements: | | | | | | | | |
| Personal services | - | - | 20,224 | - | - | - | - | 2,436 |
| Supplies | - | - | 1,574 | - | 28,422 | - | 1,793 | 550 |
| Other services and charges | - | - | 19,683 | - | 66,071 | - | 1,501 | 21,764 |
| Debt service - principal and interest | - | - | - | - | - | - | - | - |
| Capital outlay | - | - | 3,395 | 1,866,084 | 350,807 | 23,494 | - | - |
| Other disbursements | - | - | - | - | - | - | 329,061 | - |
| Total disbursements | - | - | 44,876 | 1,866,084 | 445,300 | 23,494 | 332,355 | 24,750 |
| Excess (deficiency) of receipts over disbursements | 887 | 921 | 1,034 | (98,099) | (445,300) | (23,494) | 37,187 | (6,792) |
| Cash and investments - ending | \$ 21,086 | \$ 921 | \$ 53,980 | \$ 1,015,240 | \$ 49,319 | \$ 1,651,442 | \$ 410,274 | \$ 714 |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Emergency Planning/Right To Know | Extradition and Sheriff's Assistance | Firearms Training | General Drain Improvement | Health | Identification Security Protection | Levy Excess |
|--|---|---|----------------------|---------------------------------|---------------------|--|---------------------|
| Cash and investments - beginning | \$ 84,817 | \$ 15,935 | \$ 28,117 | \$ 1,098,844 | \$ 2,685,823 | \$ 860,798 | \$ 7,953,045 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | 242,670 | 1,292,340 | - | - |
| Licenses and permits | - | - | - | - | 465,821 | - | - |
| Intergovernmental | 37,120 | - | - | 20,126 | 260,465 | - | - |
| Charges for services | - | - | - | - | 563,609 | 43,858 | - |
| Fines and forfeits | - | 1,199 | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | - | 732 | 36,125 | 21,313 | 8,418 | 472,641 | - |
| Total receipts | <u>37,120</u> | <u>1,931</u> | <u>36,125</u> | <u>284,109</u> | <u>2,590,653</u> | <u>516,499</u> | <u>-</u> |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | 2,086,916 | - | - |
| Supplies | 2,222 | - | - | - | 36,215 | - | - |
| Other services and charges | 817 | - | - | - | 191,844 | 7,300 | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | 12,500 | - | 42,577 | 972,982 | 43,893 | - | - |
| Other disbursements | - | - | - | - | 5,000 | 461,169 | 625,863 |
| Total disbursements | <u>15,539</u> | <u>-</u> | <u>42,577</u> | <u>972,982</u> | <u>2,363,868</u> | <u>468,469</u> | <u>625,863</u> |
| Excess (deficiency) of receipts over disbursements | <u>21,581</u> | <u>1,931</u> | <u>(6,452)</u> | <u>(688,873)</u> | <u>226,785</u> | <u>48,030</u> | <u>(625,863)</u> |
| Cash and investments - ending | <u>\$ 106,398</u> | <u>\$ 17,866</u> | <u>\$ 21,665</u> | <u>\$ 409,971</u> | <u>\$ 2,912,608</u> | <u>\$ 908,828</u> | <u>\$ 7,327,182</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Local Health Maintenance | Local Road and Street | Major Moves Construction | Medical Care for Inmates | Misdemeanant | Motor Vehicle Highway | Omitted Property Audits |
|--|--------------------------------|--------------------------------|--------------------------------|-----------------------------------|-------------------|-----------------------------|-------------------------------|
| Cash and investments - beginning | \$ 279,407 | \$ 1,944,016 | \$ 1,985,838 | \$ - | \$ 954,719 | \$ 2,224,035 | \$ 1,702,532 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | 52,402 | 911,098 | 44,308 | - | 615,817 | 5,626,972 | 145,555 |
| Charges for services | - | - | - | 6,823 | - | 52,737 | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | - | 336 | - | - | - | 604 | - |
| Total receipts | <u>52,402</u> | <u>911,434</u> | <u>44,308</u> | <u>6,823</u> | <u>615,817</u> | <u>5,680,313</u> | <u>145,555</u> |
| Disbursements: | | | | | | | |
| Personal services | 36,255 | - | - | - | 484,026 | 4,238,702 | - |
| Supplies | - | 283,317 | - | - | - | 556,935 | - |
| Other services and charges | 4,943 | 18,264 | 914,172 | - | 506,022 | 350,882 | 24,400 |
| Debt service - principal and interest | - | - | - | - | - | 63,845 | - |
| Capital outlay | - | - | - | - | - | 10,219 | - |
| Other disbursements | - | - | - | - | - | - | - |
| Total disbursements | <u>41,198</u> | <u>301,581</u> | <u>914,172</u> | <u>-</u> | <u>990,048</u> | <u>5,220,583</u> | <u>24,400</u> |
| Excess (deficiency) of receipts over disbursements | <u>11,204</u> | <u>609,853</u> | <u>(869,864)</u> | <u>6,823</u> | <u>(374,231)</u> | <u>459,730</u> | <u>121,155</u> |
| Cash and investments - ending | <u>\$ 290,611</u> | <u>\$ 2,553,869</u> | <u>\$ 1,115,974</u> | <u>\$ 6,823</u> | <u>\$ 580,488</u> | <u>\$ 2,683,765</u> | <u>\$ 1,823,687</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Park Nonreverting Capital | Park Nonreverting Operating | Reassessment - 2009 | Reassessment - 2015 | Recorder's Records Perpetuation | Riverboat | Sheriff's Pension Trust |
|---|---------------------------------|-----------------------------------|------------------------|------------------------|---------------------------------------|--------------|-------------------------------|
| Cash and investments - beginning | \$ 536,712 | \$ 171,717 | \$ 229,280 | \$ 2,769,146 | \$ 950,515 | \$ 1,791,766 | \$ 182,961 |
| Receipts: | | | | | | | |
| Taxes | - | 554 | - | 1,334,685 | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | 135,861 | - | - | 110,692 | - | 12,406,981 | - |
| Charges for services | - | 3,929,074 | - | - | 298,942 | - | - |
| Fines and forfeits | - | - | - | - | - | - | 807,644 |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | 1,151,248 | 1,109,635 | - | - | 323,309 | 112,672 | 94,000 |
| Total receipts | 1,287,109 | 5,039,263 | - | 1,445,377 | 622,251 | 12,519,653 | 901,644 |
| Disbursements: | | | | | | | |
| Personal services | - | 2,102,110 | 5,225 | 246,612 | 464,825 | 1,251,436 | 570,020 |
| Supplies | - | 956,958 | 11,870 | 198 | 143 | 171,587 | - |
| Other services and charges | - | 1,151,964 | 158,266 | 523,017 | 155,931 | 1,946,339 | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | 215,879 | 25,272 | 3,146 | 197 | - | 7,710,195 | - |
| Other disbursements | 1,100,000 | 651,400 | - | - | - | 2,073,583 | 280,210 |
| Total disbursements | 1,315,879 | 4,887,704 | 178,507 | 770,024 | 620,899 | 13,153,140 | 850,230 |
| Excess (deficiency) of receipts over disbursements | (28,770) | 151,559 | (178,507) | 675,353 | 1,352 | (633,487) | 51,414 |
| Cash and investments - ending | \$ 507,942 | \$ 323,276 | \$ 50,773 | \$ 3,444,499 | \$ 951,867 | \$ 1,158,279 | \$ 234,375 |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Storm Water Management Capital Projects | Storm Water Management Operating | Supplemental Public Defender Services | Surveyor's Corner Perpetuation | Tax Sale Fees | Tax Sale Redemption | Tax Sale Surplus |
|--|---|---|--|--------------------------------------|---------------------|---------------------------|------------------------|
| Cash and investments - beginning | \$ 28,148 | \$ 1,229,545 | \$ 62,575 | \$ 172,876 | \$ 2,774,334 | \$ 660,257 | \$ 18,866,509 |
| Receipts: | | | | | | | |
| Taxes | - | 754,903 | 149,646 | - | - | - | 1,682,491 |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - | - |
| Charges for services | 8,131 | - | - | 95,845 | 474,273 | - | - |
| Fines and forfeits | 2,025 | - | 86,268 | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | - | 21,313 | 360 | - | 7,968,348 | 7,223,593 | 16,929,162 |
| Total receipts | <u>10,156</u> | <u>776,216</u> | <u>236,274</u> | <u>95,845</u> | <u>8,442,621</u> | <u>7,223,593</u> | <u>18,611,653</u> |
| Disbursements: | | | | | | | |
| Personal services | - | 297,303 | 186,260 | 37,705 | - | - | - |
| Supplies | - | 29,920 | 3,063 | 6,992 | - | - | - |
| Other services and charges | 13,676 | 141,480 | 76,913 | 79,964 | 989,326 | - | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | 52,590 | 4,562 | 7,679 | - | - | - |
| Other disbursements | - | - | - | - | 8,712,848 | 7,352,961 | 21,338,533 |
| Total disbursements | <u>13,676</u> | <u>521,293</u> | <u>270,798</u> | <u>132,340</u> | <u>9,702,174</u> | <u>7,352,961</u> | <u>21,338,533</u> |
| Excess (deficiency) of receipts over disbursements | <u>(3,520)</u> | <u>254,923</u> | <u>(34,524)</u> | <u>(36,495)</u> | <u>(1,259,553)</u> | <u>(129,368)</u> | <u>(2,726,880)</u> |
| Cash and investments - ending | <u>\$ 24,628</u> | <u>\$ 1,484,468</u> | <u>\$ 28,051</u> | <u>\$ 136,381</u> | <u>\$ 1,514,781</u> | <u>\$ 530,889</u> | <u>\$ 16,139,629</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Unsafe Building | Vehicle Inspection | GAL/CASA | Auditors Ineligible Deductions | County Elected Officials Training | Park And Recreation | County Offender Transportation Fund |
|--|--------------------|-----------------------|----------------|--------------------------------------|--|---------------------------|--|
| Cash and investments - beginning | \$ 273,981 | \$ 18,351 | \$ 105,338 | \$ 907,455 | \$ 57,490 | \$ 199,002 | \$ 6,938 |
| Receipts: | | | | | | | |
| Taxes | - | - | 182,398 | - | - | 3,137,375 | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | - | - | 131,579 | - | - | 1,130,028 | - |
| Charges for services | 29,126 | 26,420 | - | - | 52,267 | 930,398 | 4,875 |
| Fines and forfeits | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | 240 | 1,475 | - | 1,287,854 | 60 | 3,016,896 | - |
| Total receipts | 29,366 | 27,895 | 313,977 | 1,287,854 | 52,327 | 8,214,697 | 4,875 |
| Disbursements: | | | | | | | |
| Personal services | - | - | 318,881 | 78,145 | - | 4,042,649 | - |
| Supplies | - | - | - | - | - | 565,148 | - |
| Other services and charges | 2,700 | - | - | 551,772 | 5,692 | 878,143 | - |
| Debt service - principal and interest | - | - | - | - | - | 2,007,534 | - |
| Capital outlay | - | 5,471 | - | 43,293 | - | 148,178 | - |
| Other disbursements | - | - | - | - | - | 1,009,331 | - |
| Total disbursements | 2,700 | 5,471 | 318,881 | 673,210 | 5,692 | 8,650,983 | - |
| Excess (deficiency) of receipts over disbursements | 26,666 | 22,424 | (4,904) | 614,644 | 46,635 | (436,286) | 4,875 |
| Cash and investments - ending | \$ 300,647 | \$ 40,775 | \$ 100,434 | \$ 1,522,099 | \$ 104,125 | \$ (237,284) | \$ 11,813 |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Statewide 911 | Adult Probation Administrative | Juvenile Probation Administrative | Supplemental Adult Probation Services | Supplemental Juvenile Probation Services | Alternative Dispute Resolution | County User Fee |
|--|---------------------|--------------------------------------|---|--|---|--------------------------------------|-----------------------|
| Cash and investments - beginning | \$ 3,375,443 | \$ 99,025 | \$ 9,684 | \$ 1,857,126 | \$ 155,317 | \$ 203,316 | \$ 1,317,802 |
| Receipts: | | | | | | | |
| Taxes | 216,811 | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | - | - | 109,224 | - | - | 268 | - |
| Charges for services | 2,749,696 | - | - | - | - | 2,752 | 281,941 |
| Fines and forfeits | - | 197,972 | - | 913,807 | 16,898 | 9,640 | 1,812,133 |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | 959 | - | 101,100 | 764 | - | 37,798 | 1,232 |
| Total receipts | <u>2,967,466</u> | <u>197,972</u> | <u>210,324</u> | <u>914,571</u> | <u>16,898</u> | <u>50,458</u> | <u>2,095,306</u> |
| Disbursements: | | | | | | | |
| Personal services | 60,894 | 248,653 | 99,600 | 1,138,540 | 60,057 | 10,491 | 97,729 |
| Supplies | - | - | - | 15,274 | 1,005 | 177 | 21,919 |
| Other services and charges | 1,613,038 | - | 5,039 | 48,738 | 950 | 34,572 | 185,965 |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | 21,682 | - | - | 447 |
| Other disbursements | - | - | 103,914 | - | - | 20 | 1,337,161 |
| Total disbursements | <u>1,673,932</u> | <u>248,653</u> | <u>208,553</u> | <u>1,224,234</u> | <u>62,012</u> | <u>45,260</u> | <u>1,643,221</u> |
| Excess (deficiency) of receipts over disbursements | <u>1,293,534</u> | <u>(50,681)</u> | <u>1,771</u> | <u>(309,663)</u> | <u>(45,114)</u> | <u>5,198</u> | <u>452,085</u> |
| Cash and investments - ending | <u>\$ 4,668,977</u> | <u>\$ 48,344</u> | <u>\$ 11,455</u> | <u>\$ 1,547,463</u> | <u>\$ 110,203</u> | <u>\$ 208,514</u> | <u>\$ 1,769,887</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Convention Center Operating | Animal Shelter | Sheriff Sale Administration | Drug Task Force | DUI Task Force | Local Ordinance Violations Fines - County | TIF Grants and Loans |
|--|-----------------------------------|-------------------|-----------------------------------|-----------------------|----------------------|---|-------------------------------|
| Cash and investments - beginning | \$ 124 | \$ 55,241 | \$ (9,670) | \$ 516,620 | \$ 6,644 | \$ 12,970 | \$ 151,856 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | 116,930 | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | 1,510,966 | - | - | 225,820 | 9,209 | - | - |
| Charges for services | - | 55,694 | 630,000 | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | 428 | 26,090 | - | 375,092 | - | 2,000 | 465,283 |
| Total receipts | <u>1,511,394</u> | <u>81,784</u> | <u>630,000</u> | <u>717,842</u> | <u>9,209</u> | <u>2,000</u> | <u>465,283</u> |
| Disbursements: | | | | | | | |
| Personal services | - | 14,209 | 642,044 | 129,482 | 8,492 | - | 404,517 |
| Supplies | - | 15,619 | - | 78,705 | - | - | 8,538 |
| Other services and charges | 1,511,090 | 8,663 | - | 154,388 | - | - | 23,246 |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | 29,261 | - | 159,925 | - | 11,350 | - |
| Other disbursements | - | - | - | - | - | - | - |
| Total disbursements | <u>1,511,090</u> | <u>67,752</u> | <u>642,044</u> | <u>522,500</u> | <u>8,492</u> | <u>11,350</u> | <u>436,301</u> |
| Excess (deficiency) of receipts over disbursements | <u>304</u> | <u>14,032</u> | <u>(12,044)</u> | <u>195,342</u> | <u>717</u> | <u>(9,350)</u> | <u>28,982</u> |
| Cash and investments - ending | <u>\$ 428</u> | <u>\$ 69,273</u> | <u>\$ (21,714)</u> | <u>\$ 711,962</u> | <u>\$ 7,361</u> | <u>\$ 3,620</u> | <u>\$ 180,838</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Settlement | CVET Agency | Financial Institution Tax | HEA 1001 State Homestead Credit | Homestead Credit Rebate | State Fines and Forfeitures | Infraction Judgements |
|--|---------------------|------------------|---------------------------------|--|-------------------------------|--------------------------------------|--------------------------|
| Cash and investments - beginning | \$ 836,289 | \$ 619 | \$ - | \$ 49,264 | \$ 9,200 | \$ 77,300 | \$ 1,023,015 |
| Receipts: | | | | | | | |
| Taxes | 525,411,465 | - | - | 12,410 | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | 47,858,915 | 3,857,750 | 2,435,974 | - | - | 401,689 | - |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | 285,169 | 1,027,357 |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | 459,450 | - | - | - | 3,670 | 127,242 | 681,387 |
| Total receipts | <u>573,729,830</u> | <u>3,857,750</u> | <u>2,435,974</u> | <u>12,410</u> | <u>3,670</u> | <u>814,100</u> | <u>1,708,744</u> |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | - | - | 965,061 |
| Supplies | - | - | - | - | - | - | 24,012 |
| Other services and charges | - | - | - | - | - | - | 24,774 |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | 66,237 | 40,638 |
| Other disbursements | 573,527,891 | 3,857,750 | 2,435,974 | - | - | 410,682 | 893,848 |
| Total disbursements | <u>573,527,891</u> | <u>3,857,750</u> | <u>2,435,974</u> | <u>-</u> | <u>-</u> | <u>476,919</u> | <u>1,948,333</u> |
| Excess (deficiency) of receipts over disbursements | <u>201,939</u> | <u>-</u> | <u>-</u> | <u>12,410</u> | <u>3,670</u> | <u>337,181</u> | <u>(239,589)</u> |
| Cash and investments - ending | <u>\$ 1,038,228</u> | <u>\$ 619</u> | <u>\$ -</u> | <u>\$ 61,674</u> | <u>\$ 12,870</u> | <u>\$ 414,481</u> | <u>\$ 783,426</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Overweight Vehicle Fines | Special Death Benefit | Sales Disclosure - State Share | Coroners Training & Con't Education | Interstate Compact - State Share | Mortgage Recording Fees - State Share | Sex and Violent Offender Admin - State |
|---|--------------------------------|-----------------------------|---|--|---|--|---|
| Cash and investments - beginning | \$ 107,234 | \$ 4,540 | \$ 52,377 | \$ 8,290 | \$ 438 | \$ 4,258 | \$ 32,225 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | 110,803 | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - | - |
| Charges for services | 113,580 | - | 106,355 | - | 7,013 | 47,015 | 18,918 |
| Fines and forfeits | 61,253 | 51,361 | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | - | - | 43,735 | 71,624 | - | - | - |
| Total receipts | <u>285,636</u> | <u>51,361</u> | <u>150,090</u> | <u>71,624</u> | <u>7,013</u> | <u>47,015</u> | <u>18,918</u> |
| Disbursements: | | | | | | | |
| Personal services | 88,695 | - | 71,493 | - | - | - | 22,981 |
| Supplies | - | - | 2,944 | - | - | - | - |
| Other services and charges | - | - | 3,815 | 1,603 | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | 4,398 | - | - | - | 4,168 |
| Other disbursements | 70,586 | 52,076 | 41,715 | 69,399 | 7,000 | 48,175 | 1,912 |
| Total disbursements | <u>159,281</u> | <u>52,076</u> | <u>124,365</u> | <u>71,002</u> | <u>7,000</u> | <u>48,175</u> | <u>29,061</u> |
| Excess (deficiency) of receipts over disbursements | <u>126,355</u> | <u>(715)</u> | <u>25,725</u> | <u>622</u> | <u>13</u> | <u>(1,160)</u> | <u>(10,143)</u> |
| Cash and investments - ending | <u>\$ 233,589</u> | <u>\$ 3,825</u> | <u>\$ 78,102</u> | <u>\$ 8,912</u> | <u>\$ 451</u> | <u>\$ 3,098</u> | <u>\$ 22,082</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Child Restraint Violations Fines | Inheritance Tax | Sales Tax Collections | Education Plate Fees Agency | City/Town Ordinance Violations Fines | 93.563 Prosecutor PCA | Rainy Day |
|--|---|--------------------|-----------------------------|--------------------------------------|---|-----------------------------|--------------|
| Cash and investments - beginning | \$ 130 | \$ 5,608,289 | \$ 2,871 | \$ 21,372 | \$ 896,945 | \$ 691,424 | \$ 18,865 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | 15,975 | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | - | 7,931,120 | - | - | - | 53,222 | - |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | 2,014 | - | - | - | 172,726 | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | - | - | 101,337 | 113 | 125,944 | - | - |
| Total receipts | 2,014 | 7,931,120 | 101,337 | 16,088 | 298,670 | 53,222 | - |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | 354,385 | - | - |
| Supplies | - | - | - | - | 8,372 | 12,741 | - |
| Other services and charges | - | - | 97,538 | - | 572 | 59,679 | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | 3,046 | 24,697 | - |
| Other disbursements | 2,019 | 12,965,241 | - | 16,069 | 14,500 | - | - |
| Total disbursements | 2,019 | 12,965,241 | 97,538 | 16,069 | 380,875 | 97,117 | - |
| Excess (deficiency) of receipts over disbursements | (5) | (5,034,121) | 3,799 | 19 | (82,205) | (43,895) | - |
| Cash and investments - ending | \$ 125 | \$ 574,168 | \$ 6,670 | \$ 21,391 | \$ 814,740 | \$ 647,529 | \$ 18,865 |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Juvenile Probation Administrative | Ordinance Violation Deferral | Congressional School Principal | County Innkeepers Tax | Veteran Services Funds | 1387-Exempt Park Revenue Bond | County Bond Redemption |
|--|---|------------------------------------|--------------------------------------|-----------------------------|------------------------------|--|------------------------------|
| Cash and investments - beginning | \$ 14,346 | \$ 9,559 | \$ 35,887 | \$ (174,372) | \$ 250 | \$ (16,637) | \$ 1,059,611 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | 2,433,216 | 4,888,066 |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | 182,570 | 405,391 |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | 32,040 | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | - | 4,592 | - | - | - | - | 1,453,375 |
| Total receipts | <u>32,040</u> | <u>4,592</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,615,786</u> | <u>6,746,832</u> |
| Disbursements: | | | | | | | |
| Personal services | 29,516 | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | 2,265,319 | 5,214,608 |
| Capital outlay | - | - | - | - | - | - | - |
| Other disbursements | - | - | 887 | - | - | - | - |
| Total disbursements | <u>29,516</u> | <u>-</u> | <u>887</u> | <u>-</u> | <u>-</u> | <u>2,265,319</u> | <u>5,214,608</u> |
| Excess (deficiency) of receipts over disbursements | <u>2,524</u> | <u>4,592</u> | <u>(887)</u> | <u>-</u> | <u>-</u> | <u>350,467</u> | <u>1,532,224</u> |
| Cash and investments - ending | <u>\$ 16,870</u> | <u>\$ 14,151</u> | <u>\$ 35,000</u> | <u>\$ (174,372)</u> | <u>\$ 250</u> | <u>\$ 333,830</u> | <u>\$ 2,591,835</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Exempt Debt Service | Park & Recreation Self Insurance | Excess Internet Access Fee | Non-reverting Self Ins. Fund | Lake County Jail Construction | Construction Fund | Cumulative Bridge |
|--|---------------------------|--|-------------------------------------|---------------------------------------|--|----------------------|----------------------|
| Cash and investments - beginning | \$ 1,091,908 | \$ 584,039 | \$ 121,859 | \$ 2,313,486 | \$ 4,943,173 | \$ 3,470,604 | \$ 6,616,138 |
| Receipts: | | | | | | | |
| Taxes | 2,203,403 | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | 165,380 | - | - | - | - | - | 88,301 |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | - | 752,165 | - | 920,533 | - | - | - |
| Total receipts | <u>2,368,783</u> | <u>752,165</u> | <u>-</u> | <u>920,533</u> | <u>-</u> | <u>-</u> | <u>88,301</u> |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | 7,081 | - | - | - |
| Supplies | - | - | - | - | - | - | - |
| Other services and charges | - | 112,118 | - | 2,065,991 | 83,800 | - | 53,085 |
| Debt service - principal and interest | 3,227,950 | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | 1,922,985 | 9,046 | 1,543,312 |
| Other disbursements | - | 950,000 | - | - | - | - | - |
| Total disbursements | <u>3,227,950</u> | <u>1,062,118</u> | <u>-</u> | <u>2,073,072</u> | <u>2,006,785</u> | <u>9,046</u> | <u>1,596,397</u> |
| Excess (deficiency) of receipts over disbursements | <u>(859,167)</u> | <u>(309,953)</u> | <u>-</u> | <u>(1,152,539)</u> | <u>(2,006,785)</u> | <u>(9,046)</u> | <u>(1,508,096)</u> |
| Cash and investments - ending | <u>\$ 232,741</u> | <u>\$ 274,086</u> | <u>\$ 121,859</u> | <u>\$ 1,160,947</u> | <u>\$ 2,936,388</u> | <u>\$ 3,461,558</u> | <u>\$ 5,108,042</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Co Hwy Maint Garage Bond | Park Dist Bond 1982 | Non-Sufficient Check Fund/LC | Park & Recreation Gift | Auditor's Tax Incentive | Doctor's Merchants | Division I LADOS |
|--|-----------------------------------|------------------------------|------------------------------------|------------------------------|-------------------------------|-----------------------|---------------------|
| Cash and investments - beginning | \$ 778,689 | \$ 377,474 | \$ 57,789 | \$ 56,994 | \$ 358,109 | \$ 1,037 | \$ 304,004 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - | 3,230 |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | - | 6,900 | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | - | 3,143,003 | - | 4,275 | 236,000 | 48 | 181,947 |
| Total receipts | - | 3,143,003 | 6,900 | 4,275 | 236,000 | 48 | 185,177 |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | 234,244 | - | 127,549 |
| Supplies | - | - | - | - | - | - | 13,965 |
| Other services and charges | - | - | 264 | 3,157 | - | - | 27,081 |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | 753,368 | 187,018 | - | - | - | - | 8,457 |
| Other disbursements | - | - | - | - | - | - | - |
| Total disbursements | 753,368 | 187,018 | 264 | 3,157 | 234,244 | - | 177,052 |
| Excess (deficiency) of receipts over disbursements | (753,368) | 2,955,985 | 6,636 | 1,118 | 1,756 | 48 | 8,125 |
| Cash and investments - ending | \$ 25,321 | \$ 3,333,459 | \$ 64,425 | \$ 58,112 | \$ 359,865 | \$ 1,085 | \$ 312,129 |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Division II LADOS | Ordinance Deferral Program | Disproportional Minority Contact Project Grant | Zoning Enforcement Fund | Collection Expense Reimbursement | Non-Revert. Hwy. Deposit. Gambl. | Domestic Relation Counseling B |
|--|----------------------|----------------------------------|--|-------------------------------|--|---|--------------------------------------|
| Cash and investments - beginning | \$ 99,930 | \$ 84,623 | \$ 2 | \$ 1,000 | \$ 727,840 | \$ 396,486 | \$ 102,086 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | 3,230 | - | - | - | - | 620,208 | 10,779 |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | 463,866 | - | - | - | - | 38,760 |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | 191,314 | - | - | - | - | - | 10,600 |
| Total receipts | <u>194,544</u> | <u>463,866</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>620,208</u> | <u>60,139</u> |
| Disbursements: | | | | | | | |
| Personal services | 176,852 | - | - | - | - | - | 37,570 |
| Supplies | 6,053 | - | - | - | - | - | 3,779 |
| Other services and charges | 23,407 | 443,431 | - | - | - | 393,314 | 1,415 |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | 5,187 | - | - | - | - | - | 385 |
| Other disbursements | - | - | - | - | - | - | 100 |
| Total disbursements | <u>211,499</u> | <u>443,431</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>393,314</u> | <u>43,249</u> |
| Excess (deficiency) of receipts over disbursements | <u>(16,955)</u> | <u>20,435</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>226,894</u> | <u>16,890</u> |
| Cash and investments - ending | <u>\$ 82,975</u> | <u>\$ 105,058</u> | <u>\$ 2</u> | <u>\$ 1,000</u> | <u>\$ 727,840</u> | <u>\$ 623,380</u> | <u>\$ 118,976</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Non-Revert Delinq Coll Fees | Commissioner's Incentive Fund | Coroner Facility Fee | Cum Helicopter Improvement Fund | Lake County Community Development FMHA | Anti-Bioterrorism | LC Sheriff's Marine Unit |
|--|--------------------------------------|-------------------------------------|----------------------------|--|--|-------------------|-----------------------------------|
| Cash and investments - beginning | \$ 1,626 | \$ 294,511 | \$ 3,106 | \$ 4,332 | \$ 45,238 | \$ 7,341 | \$ 1,500 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - | - |
| Charges for services | 151,510 | - | - | - | - | - | 410 |
| Fines and forfeits | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | - | 250,000 | 37,650 | - | - | - | - |
| Total receipts | <u>151,510</u> | <u>250,000</u> | <u>37,650</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>410</u> |
| Disbursements: | | | | | | | |
| Personal services | - | 154,756 | 24,884 | - | - | - | - |
| Supplies | - | - | - | - | - | - | - |
| Other services and charges | 141,322 | 61,808 | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - |
| Other disbursements | - | - | - | - | - | - | - |
| Total disbursements | <u>141,322</u> | <u>216,564</u> | <u>24,884</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts over disbursements | <u>10,188</u> | <u>33,436</u> | <u>12,766</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>410</u> |
| Cash and investments - ending | <u>\$ 11,814</u> | <u>\$ 327,947</u> | <u>\$ 15,872</u> | <u>\$ 4,332</u> | <u>\$ 45,238</u> | <u>\$ 7,341</u> | <u>\$ 1,910</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Sheriff's Towing & Franchise | Lake County Operating Fund | Reimbursement Fund | Commissary Payroll Pass-Thru | Violence Intervention Program | Treasurer's Incentive | Child Support Incentive |
|--|------------------------------------|-------------------------------------|-----------------------|------------------------------------|-------------------------------------|--------------------------|-------------------------------|
| Cash and investments - beginning | \$ 101,539 | \$ 4,922,481 | \$ 6,445,944 | \$ (302,866) | \$ 4,115 | \$ 337,255 | \$ 993,095 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | 53,088 | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | 20,661 | - | 434,159 |
| Charges for services | 252,800 | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | - | - | 38,573 | 619,210 | - | 240,000 | 194 |
| Total receipts | <u>252,800</u> | <u>-</u> | <u>38,573</u> | <u>619,210</u> | <u>73,749</u> | <u>240,000</u> | <u>434,353</u> |
| Disbursements: | | | | | | | |
| Personal services | 437,457 | 1,822,481 | 1,124,818 | 209,250 | 46,062 | 142,978 | 209,116 |
| Supplies | - | - | - | - | 12,676 | - | 16,661 |
| Other services and charges | - | 2,977,901 | 1,870,229 | - | 25,059 | 5,013 | 8,087 |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | 458,376 | - | - | 475 | 7,495 |
| Other disbursements | - | - | - | 94,000 | - | - | - |
| Total disbursements | <u>437,457</u> | <u>4,800,382</u> | <u>3,453,423</u> | <u>303,250</u> | <u>83,797</u> | <u>148,466</u> | <u>241,359</u> |
| Excess (deficiency) of receipts over disbursements | <u>(184,657)</u> | <u>(4,800,382)</u> | <u>(3,414,850)</u> | <u>315,960</u> | <u>(10,048)</u> | <u>91,534</u> | <u>192,994</u> |
| Cash and investments - ending | <u>\$ (83,118)</u> | <u>\$ 122,099</u> | <u>\$ 3,031,094</u> | <u>\$ 13,094</u> | <u>\$ (5,933)</u> | <u>\$ 428,789</u> | <u>\$ 1,186,089</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | HAVA Title III Voting System | Subdivision Escrow Bonds | Jury Fees | Check Deception Collection Fee | Children Psych Res Treatment | Fingerprint Fee Fund | HAVA Sec 101 Voting Sys Fund |
|---|--|--------------------------------|--------------|---|---------------------------------------|----------------------------|---------------------------------------|
| Cash and investments - beginning | \$ 29,935 | \$ 145,415 | \$ 180,619 | \$ 82,928 | \$ 1,931 | \$ 335 | \$ 277,998 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - | - |
| Charges for services | - | - | - | 31,248 | - | - | - |
| Fines and forfeits | - | - | 56,517 | - | - | 110 | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | - | 34,595 | 68,294 | - | - | - | - |
| Total receipts | - | 34,595 | 124,811 | 31,248 | - | 110 | - |
| Disbursements: | | | | | | | |
| Personal services | - | - | 65,350 | - | - | - | - |
| Supplies | - | - | - | - | - | - | - |
| Other services and charges | - | - | 93,552 | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - |
| Other disbursements | - | 70,856 | - | - | 1,931 | - | - |
| Total disbursements | - | 70,856 | 158,902 | - | 1,931 | - | - |
| Excess (deficiency) of receipts over disbursements | - | (36,261) | (34,091) | 31,248 | (1,931) | 110 | - |
| Cash and investments - ending | \$ 29,935 | \$ 109,154 | \$ 146,528 | \$ 114,176 | \$ - | \$ 445 | \$ 277,998 |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Prosecutor's Elderly Abuse | County Welfare Trusts | Interpreter Services Grant | U.S. Research Consultants/Personal Property | VOCA -Victims of Crime Act | Payroll Court Judgement | HUD-NSP-3 Grant |
|--|----------------------------------|-----------------------------|----------------------------------|--|--|-------------------------------|--------------------|
| Cash and investments - beginning | \$ 31,946 | \$ 4,720 | \$ 149 | \$ 3,473 | \$ 35,787 | \$ 42,353 | \$ 5,809 |
| Receipts: | | | | | | | |
| Taxes | - | - | 18,824 | - | 20,175 | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | 174,015 | - | - | - | 41,621 | - | 130,610 |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | 6,000 | - | - | - | 8,500 | - | 360,795 |
| Total receipts | <u>180,015</u> | <u>-</u> | <u>18,824</u> | <u>-</u> | <u>70,296</u> | <u>-</u> | <u>491,405</u> |
| Disbursements: | | | | | | | |
| Personal services | 167,448 | - | - | - | 17,616 | - | 17,577 |
| Supplies | 2,979 | - | - | - | 495 | - | 11 |
| Other services and charges | 1,479 | - | 7,530 | - | 32,625 | - | 28,098 |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | 4,272 | - | - | - | - | - | 308,515 |
| Other disbursements | 6,000 | - | - | - | 47,238 | - | - |
| Total disbursements | <u>182,178</u> | <u>-</u> | <u>7,530</u> | <u>-</u> | <u>97,974</u> | <u>-</u> | <u>354,201</u> |
| Excess (deficiency) of receipts over disbursements | <u>(2,163)</u> | <u>-</u> | <u>11,294</u> | <u>-</u> | <u>(27,678)</u> | <u>-</u> | <u>137,204</u> |
| Cash and investments - ending | <u>\$ 29,783</u> | <u>\$ 4,720</u> | <u>\$ 11,443</u> | <u>\$ 3,473</u> | <u>\$ 8,109</u> | <u>\$ 42,353</u> | <u>\$ 143,013</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Lake Dalecarlia Grant Fund | Commissioner's Sale Surplus Property Deposit | JAIBG Block Grant | Lake County CASA Program Grant | ARRA Grant | 93.563 County IV-D Incentive | 93.563 Prosecutor IV-D Incentive - Post Oct '99 |
|--|-------------------------------------|--|-------------------------|--|-----------------|---------------------------------------|---|
| Cash and investments - beginning | \$ 344,590 | \$ 4,477 | \$ 113 | \$ 490 | \$ 8,025 | \$ 155,780 | \$ 92,810 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | 260,080 | - | - | - | - | 173,352 | - |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - |
| Total receipts | <u>260,080</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>173,352</u> | <u>-</u> |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | - | 166,569 | 41,163 |
| Supplies | - | - | - | - | - | - | 1,099 |
| Other services and charges | 153,285 | - | - | - | - | - | 2,296 |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | 383,183 | - | - | - | - | - | - |
| Other disbursements | 42,626 | - | - | - | - | - | - |
| Total disbursements | <u>579,094</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>166,569</u> | <u>44,558</u> |
| Excess (deficiency) of receipts over disbursements | <u>(319,014)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>6,783</u> | <u>(44,558)</u> |
| Cash and investments - ending | <u>\$ 25,576</u> | <u>\$ 4,477</u> | <u>\$ 113</u> | <u>\$ 490</u> | <u>\$ 8,025</u> | <u>\$ 162,563</u> | <u>\$ 48,252</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | State Drunk Driving Fees | LC Home Program | LC Comm. Dev. Cities & Towns | LC Dev. Rehabilitation | LC Comm. Dev. Remp I.D.O.C. | HUD - NSP Grant | LC Economic Rev. Loan |
|--|-----------------------------------|-----------------------|--|------------------------------|---|-----------------------|--------------------------------|
| Cash and investments - beginning | \$ 17,140 | \$ - | \$ - | \$ 1,359 | \$ 360,950 | \$ 11,881 | \$ 1,860,059 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | 12,598 | 699,579 | 924,725 | 241,311 | - | 76,179 | - |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | 50 | - | 100 | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | - | 91,215 | - | 13,233 | 80 | 465,652 | 1,180 |
| Total receipts | <u>12,598</u> | <u>790,844</u> | <u>924,725</u> | <u>254,644</u> | <u>80</u> | <u>541,831</u> | <u>1,180</u> |
| Disbursements: | | | | | | | |
| Personal services | 12,176 | - | - | - | - | 40,823 | - |
| Supplies | - | - | - | - | - | 612 | - |
| Other services and charges | - | 3,288 | - | 158 | - | 21,681 | 222 |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | 783,558 | 924,725 | 255,806 | - | 205,813 | 765,000 |
| Other disbursements | - | - | - | - | - | - | - |
| Total disbursements | <u>12,176</u> | <u>786,846</u> | <u>924,725</u> | <u>255,964</u> | <u>-</u> | <u>268,929</u> | <u>765,222</u> |
| Excess (deficiency) of receipts over disbursements | <u>422</u> | <u>3,998</u> | <u>-</u> | <u>(1,320)</u> | <u>80</u> | <u>272,902</u> | <u>(764,042)</u> |
| Cash and investments - ending | <u>\$ 17,562</u> | <u>\$ 3,998</u> | <u>\$ -</u> | <u>\$ 39</u> | <u>\$ 361,030</u> | <u>\$ 284,783</u> | <u>\$ 1,096,017</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | C.D.B.G. Recapture Loans | Sheriff's Grants Fund | Homeland Security Grant | Family Court Initiative Grant | Justice Assistance Grant | Sheriff's SIG Grant Fund | COPS Interoperability Grant |
|--|--------------------------------|-----------------------------|-------------------------------|--|--------------------------------|-----------------------------------|-----------------------------------|
| Cash and investments - beginning | \$ 1,149,006 | \$ 24,368 | \$ 56,698 | \$ 52,571 | \$ 12,888 | \$ 15,269 | \$ 3,428 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | 143,832 | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | - | 40,306 | - | 65 | 123,644 | - | - |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | 567 | - | (38,277) | - | - | 675 | - |
| Total receipts | 567 | 40,306 | (38,277) | 65 | 267,476 | 675 | - |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | 11,777 | 40,173 | - | 561 |
| Supplies | - | 1,285 | - | - | 111 | - | - |
| Other services and charges | - | 7,803 | - | 2,085 | 165,597 | - | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | 60,177 | - | - |
| Other disbursements | - | - | - | - | - | - | - |
| Total disbursements | - | 9,088 | - | 13,862 | 266,058 | - | 561 |
| Excess (deficiency) of receipts over disbursements | 567 | 31,218 | (38,277) | (13,797) | 1,418 | 675 | (561) |
| Cash and investments - ending | \$ 1,149,573 | \$ 55,586 | \$ 18,421 | \$ 38,774 | \$ 14,306 | \$ 15,944 | \$ 2,867 |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Juv Accountability Block Grant | LC Dev. Admin. Budge | Substance Abuse Testing | Payment Error (Refunds) | ARRA/EECB Grant | Juvenile Secured Detention | Parks - Outside Cash |
|--|---|-------------------------------|-------------------------------|-------------------------------|--------------------|----------------------------------|----------------------------|
| Cash and investments - beginning | \$ 2,691 | \$ (24,695) | \$ - | \$ 391,805 | \$ 1,500 | \$ - | \$ 18,163 |
| Receipts: | | | | | | | |
| Taxes | 18,970 | - | 20,000 | - | - | 156,747 | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | 10,102 | 289,908 | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | - | 95,376 | - | 360,857 | - | - | 106,927 |
| Total receipts | <u>29,072</u> | <u>385,284</u> | <u>20,000</u> | <u>360,857</u> | <u>-</u> | <u>156,747</u> | <u>106,927</u> |
| Disbursements: | | | | | | | |
| Personal services | 17,218 | 334,232 | - | - | - | 16,614 | - |
| Supplies | - | - | - | - | - | - | - |
| Other services and charges | 3,297 | 4,412 | 2,888 | - | 1,500 | 70 | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | 11,061 | - | - | - |
| Other disbursements | 11,248 | - | - | 320,576 | - | - | 105,017 |
| Total disbursements | <u>31,763</u> | <u>338,644</u> | <u>2,888</u> | <u>331,637</u> | <u>1,500</u> | <u>16,684</u> | <u>105,017</u> |
| Excess (deficiency) of receipts over disbursements | <u>(2,691)</u> | <u>46,640</u> | <u>17,112</u> | <u>29,220</u> | <u>(1,500)</u> | <u>140,063</u> | <u>1,910</u> |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ 21,945</u> | <u>\$ 17,112</u> | <u>\$ 421,025</u> | <u>\$ -</u> | <u>\$ 140,063</u> | <u>\$ 20,073</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Community Economic Development | Redevelopment Commission | Employee Benefit Accruals | Inmate Trust | Jail Commissary | Inmate Medical | Unfunded Money |
|--|--------------------------------------|-----------------------------|---------------------------------|-------------------|--------------------|-------------------|----------------------|
| Cash and investments - beginning | \$ 490 | \$ 3,719,603 | \$ 1,930,059 | \$ 617,103 | \$ 53,391 | \$ 2,121 | \$ 16,400,562 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | <u>56,742</u> | <u>35,764</u> | <u>63,882,244</u> | <u>1,788,509</u> | <u>1,073,807</u> | <u>314</u> | <u>14,796,209</u> |
| Total receipts | <u>56,742</u> | <u>35,764</u> | <u>63,882,244</u> | <u>1,788,509</u> | <u>1,073,807</u> | <u>314</u> | <u>14,796,209</u> |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - |
| Other disbursements | <u>53,393</u> | <u>466,266</u> | <u>67,797,521</u> | <u>1,723,303</u> | <u>1,112,071</u> | <u>2,434</u> | <u>16,400,562</u> |
| Total disbursements | <u>53,393</u> | <u>466,266</u> | <u>67,797,521</u> | <u>1,723,303</u> | <u>1,112,071</u> | <u>2,434</u> | <u>16,400,562</u> |
| Excess (deficiency) of receipts over disbursements | <u>3,349</u> | <u>(430,502)</u> | <u>(3,915,277)</u> | <u>65,206</u> | <u>(38,264)</u> | <u>(2,120)</u> | <u>(1,604,353)</u> |
| Cash and investments - ending | <u>\$ 3,839</u> | <u>\$ 3,289,101</u> | <u>\$ (1,985,218)</u> | <u>\$ 682,309</u> | <u>\$ 15,127</u> | <u>\$ 1</u> | <u>\$ 14,796,209</u> |

LAKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013
 (Continued)

| | Animal Control | Sheriff | Juvenile Division | Clerk | Hermit's Lake Debt Reserve | Sewage Collections | Totals |
|---|-------------------|-------------------|----------------------|----------------------|-------------------------------------|-----------------------|-----------------------|
| Cash and investments - beginning | \$ 1,025 | \$ 793,822 | \$ - | \$ 12,035,514 | \$ 40,500 | \$ 134,055 | \$ 151,271,766 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | 652,252,223 |
| Licenses and permits | - | - | - | - | - | - | 685,924 |
| Intergovernmental | - | - | - | - | - | - | 102,268,842 |
| Charges for services | - | - | - | - | - | - | 18,303,363 |
| Fines and forfeits | - | - | - | - | - | - | 8,767,076 |
| Utility fees | - | - | - | - | - | 163,817 | 163,817 |
| Other receipts | 3,743 | 8,669,954 | 13,676 | 50,501,720 | 5,445 | 700 | 210,011,617 |
| Total receipts | <u>3,743</u> | <u>8,669,954</u> | <u>13,676</u> | <u>50,501,720</u> | <u>5,445</u> | <u>164,517</u> | <u>992,452,862</u> |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | - | - | 114,333,435 |
| Supplies | - | - | - | - | - | - | 6,394,824 |
| Other services and charges | - | - | - | - | - | - | 42,411,239 |
| Debt service - principal and interest | - | - | - | - | - | - | 22,892,940 |
| Capital outlay | - | - | - | - | - | - | 20,945,535 |
| Other disbursements | 4,043 | 8,476,856 | 13,676 | 50,468,336 | - | 170,002 | 808,818,607 |
| Total disbursements | <u>4,043</u> | <u>8,476,856</u> | <u>13,676</u> | <u>50,468,336</u> | <u>-</u> | <u>170,002</u> | <u>1,015,796,580</u> |
| Excess (deficiency) of receipts over disbursements | <u>(300)</u> | <u>193,098</u> | <u>-</u> | <u>33,384</u> | <u>5,445</u> | <u>(5,485)</u> | <u>(23,343,718)</u> |
| Cash and investments - ending | <u>\$ 725</u> | <u>\$ 986,920</u> | <u>\$ -</u> | <u>\$ 12,068,898</u> | <u>\$ 45,945</u> | <u>\$ 128,570</u> | <u>\$ 127,928,048</u> |

LAKE COUNTY
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2013

| Government or Enterprise | Accounts Payable | Accounts Receivable |
|------------------------------|---------------------|------------------------|
| Hermit's Lake Sewer User Fee | \$ 31,569 | \$ - |
| Governmental activities | 10,355,155 | - |
| Totals | \$ 10,386,724 | \$ - |

LAKE COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2013

| Lessor | Purpose | Annual Lease Payment | Lease Beginning Date | Lease Ending Date |
|--|-------------------------------|----------------------------|----------------------------|-------------------------|
| Governmental activities: | | | | |
| American Eurocopter Corporation / SunTrust Equipment Finance | Purchased new Helicopter | \$ 203,724 | 7/15/2009 | 1/15/2016 |
| PNC Equip Finance | Highway Snow Plow Truck Lease | 63,550 | 1/3/2013 | 1/3/2018 |
| Lake County 2000 Building Corporation | Capital Improvements | <u>2,618,000</u> | 8/1/2013 | 2/1/2024 |
| Total of annual lease payments | | <u>\$ 2,885,274</u> | | |

| Type | Description of Debt | Purpose | Ending Principal Balance | Principal and Interest Due Within One Year |
|-------------------------------|---|---------|--------------------------------|---|
| Governmental activities: | | | | |
| General obligation bonds | Energy Savings Phase II | | \$ 8,280,000 | \$ 1,487,250 |
| General obligation bonds | Energy Savings Phase I | | 8,190,000 | 2,577,375 |
| General obligation bonds | Lake County Highway Garage | | 2,295,000 | 674,140 |
| General obligation bonds | Parks #2 - Improvements & Acquisitions | | 23,300,000 | 1,013,588 |
| General obligation bonds | Parks #4 - Improvements & Acquisitions | | 2,935,000 | 1,263,131 |
| General obligation bonds | Highway Improvements | | 4,780,000 | 589,563 |
| General obligation bonds | Series 2012B - Lake County Jail Construction | | 5,000,000 | 835,563 |
| General obligation bonds | Series 2012C - Lake County Operating Fund | | 5,000,000 | 1,169,650 |
| General obligation bonds | Series 2012D-1 - Construction Fund | | 3,500,000 | 66,150 |
| General obligation bonds | Series 2012D-2 - Reimbursement Fund | | 6,500,000 | 2,128,527 |
| General obligation bonds | Park District Bonds Of 2013 | | 3,000,000 | 674,908 |
| Claims and judgments | Judgment Funding General Obligation Bonds of 2012 | | 7,355,000 | 1,386,423 |
| Claims and judgments | Judgment Funding General Obligation Bonds Series 2010 | | <u>1,140,000</u> | <u>1,157,750</u> |
| Total governmental activities | | | <u>81,275,000</u> | <u>15,024,018</u> |
| Hermit's Lake Sewer User Fee: | | | | |
| Notes and loans payable | Improvements at Hermits Lake Sewage Treatment Plant | | <u>217,387</u> | <u>40,796</u> |
| Totals | | | <u>\$ 81,492,387</u> | <u>\$ 15,064,814</u> |

LAKE COUNTY
SCHEDULE OF CAPITAL ASSETS
December 31, 2013

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

| | Ending Balance |
|------------------------------------|-------------------|
| Governmental activities: | |
| Land | \$ 26,776,137 |
| Infrastructure | 256,384,101 |
| Buildings | 142,944,836 |
| Machinery, equipment, and vehicles | 37,847,112 |
| Construction in progress | 3,229,242 |
| Total governmental activities | 467,181,428 |
| Hermit's Lake Sewer User Fee: | |
| Land | 21,040 |
| Improvements other than buildings | 969,251 |
| Total Hermit's Lake Sewer User Fee | 990,291 |
| Total capital assets | \$ 468,171,719 |

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF LAKE COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Lake County's (County) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Basis for Qualified Opinion on the JAG Program Cluster

As described in item 2013-009 in the accompanying Schedule of Findings and Questioned Costs, we were unable to obtain sufficient documentation supporting the compliance of the County with its Jag Program Cluster regarding Matching and Reporting, nor were we able to satisfy ourselves as to the County's compliance with those requirements by other auditing procedures. Additionally, as described in item 2013-010 in the accompanying Schedule of Findings and Questioned Costs, the County did not comply with requirements regarding Earmarking that are applicable to its JAG Program Cluster. Compliance with such requirements is necessary, in our opinion, for the County to comply with requirements applicable to that program.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
(Continued)

Qualified Opinion on the JAG Program Cluster

In our opinion, except for the effects of such noncompliance, if any, as might have been determined had we been able to examine sufficient evidence regarding the County's compliance and the noncompliance described in the *Basis for Qualified Opinion* paragraph, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the JAG Program Cluster for the year ended December 31, 2013.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs for the year ended December 31, 2013.

Other Matters

The County's response to the noncompliance findings identified in our audit is described in the accompanying Corrective Action Plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and a significant deficiency.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2013-006, 2013-007, and 2013-008 to be material weaknesses.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
(Continued)

A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2013-011 to be a significant deficiency.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying Corrective Action Plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

November 25, 2014

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

The Schedule of Expenditures of Federal Awards and accompanying notes presented were prepared by management of the County. The schedule and notes are presented as intended by the County.

LAKE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2013

| Federal Grantor Agency Cluster Title/Program Title/Project Title | Pass-Through Entity or Direct Grant | Federal CFDA Number | Pass-Through Entity (or Other) Identifying Number | Total Federal Awards Expended |
|---|---|---------------------------|--|-------------------------------------|
| <u>Department of Agriculture</u> | | | | |
| Child Nutrition Cluster | | | | |
| School Breakfast Program | Indiana Department of Education | 10.553 | | |
| Juvenile Center Breakfast Program | | | FY 2013 | \$ 35,713 |
| National School Lunch Program | Indiana Department of Education | 10.555 | | |
| Juvenile Center Lunch Program | | | FY 2013 | 54,941 |
| Total - Department of Agriculture | | | | 90,654 |
| <u>Department of Commerce</u> | | | | |
| Coastal Zone Management Administration Awards | Indiana Department of Natural Resources | 11.419 | | |
| Park Grant | | | CZ222 | 4,199 |
| <u>Department of Housing and Urban Development</u> | | | | |
| CDBG - Entitlement Grants Cluster | | | | |
| Community Development Block Grants/Entitlement Grants | Direct Grant | 14.218 | | |
| CDBG | | | B-11-UC-18-0016 | 829,497 |
| CDBG | | | B-12-UC-18-0016 | 593,777 |
| Neighborhood Stabilization Program - NSP1 | | | B-08-UN-18-0002 | 76,179 |
| Neighborhood Stabilization Program - NSP 3 | | | B-11-UN-18-0002 | 136,419 |
| Total - CDBG - Entitlement Grants Cluster | | | | 1,635,872 |
| CDBG - State-Administered CDBG Cluster | | | | |
| Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Lake Dalecarlia Dam | Indiana Office of Community and Rural Affairs | 14.228 | | |
| | | | B-08-DI-18-0001 | 260,080 |
| Total - CDBG - State-Administered CDBG Cluster | | | | 260,080 |
| HOME Investment Partnerships Program | Direct Grant | 14.239 | | |
| Lake County HOME Program | | | M-10-UC-18-0207 | 345,272 |
| | | | M-11-UC-18-0207 | 237,410 |
| | | | M-12-UC-18-0207 | 99,505 |
| | | | M-13-UC-18-0207 | 17,393 |
| Total - HOME Investment Partnerships Program | | | | 699,580 |
| Total - Department of Housing and Urban Development | | | | 2,855,612 |
| <u>Department of Justice</u> | | | | |
| JAG Program Cluster | | | | |
| Edward Byrne Memorial Justice Assistance Grant Program | Direct Grant | 16.738 | | |
| Justice Assistance Grant | | | 2010-DJ-BX-0810 | 101,512 |
| Justice Assistance Grant | | | 2011-DJ-BX-3472 | 55,606 |
| Justice Assistance Grant | | | 2012-DJ-BX-0979 | 93,456 |
| Total - Edward Byrne Memorial Justice Assistance Grant Program - Direct Grants | | | | 250,574 |
| Edward Byrne Memorial Justice Assistance Grant Program | | | | |
| Justice Assistance Grant | Indiana Criminal Justice Institute | | 2010-DJ-BX-0254 | 61,165 |
| Detention Enhancement Project | | | 2011-DJ-BX-2622 | 99,228 |
| Justice Assistance Grant | | | 2011-DJ-BX-2622 | 19,398 |
| Justice Assistance Grant | | | 2012-DJ-BX-0765 | 98,425 |
| Total - Edward Byrne Memorial Justice Assistance Grant Program - Pass-Through Grants | | | | 278,216 |
| Total - Edward Byrne Memorial Justice Assistance Grant Program | | | | 528,790 |
| ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories | | 16.803 | | |
| Justice Assistance Grant | Direct Grant | | 2009-SB-B9-1671 | 13,192 |
| Total - JAG Program Cluster | | | | 541,982 |
| Juvenile Accountability Block Grants | Indiana Criminal Justice Institute | 16.523 | | |
| Juvenile Accountability Block Grant | | | 2010-JB-FX-0086 | 29,072 |

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

LAKE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2013
(Continued)

| Federal Grantor Agency Cluster Title/Program Title/Project Title | Pass-Through Entity or Direct Grant | Federal CFDA Number | Pass-Through Entity (or Other) Identifying Number | Total Federal Awards Expended |
|---|---|---------------------------|--|-------------------------------------|
| <u>Department of Justice (continued)</u> | | | | |
| Crime Victim Assistance | Indiana Criminal Justice Institute | 16.575 | | |
| VOCA Grant | | | 2011-VA-GX-0039 | 22,446 |
| VOCA Grant | | | 2012-VA-GX-0017 | 38,850 |
| Total - Crime Victim Assistance | | | | 61,296 |
| State Criminal Alien Assistance Program | Direct Grant | 16.606 | | |
| SCAAP | | | 2012-AP-BX-0363 | 25,306 |
| Equitable Sharing Program | Direct Grant | 16.922 | | |
| Equity Sharing | | | IND450000 | 66,237 |
| Total - Department of Justice | | | | 723,893 |
| <u>Department of Transportation</u> | | | | |
| Highway Planning and Construction Cluster | | | | |
| Highway Planning and Construction | Indiana Department of Transportation | 20.205 | | |
| Bridge 262 | | | DES# 0090260 | 34,671 |
| Bridge 255 | | | DES# 0600751 | 17,662 |
| Bridge 364 | | | DES# 0600753 | 72,405 |
| Oak Savannah Trail Enhancement | | | DES#1005521 | 46,295 |
| Bridge Inspection | | | DES# 1005386 | 3,316 |
| Advanced Clearing | | | DES# 1173546 | 21,171 |
| 45th Ave - Phase II | | | DES# 9980090 | 131,747 |
| Total - Highway Planning and Construction Cluster | | | | 327,267 |
| Highway Safety Cluster | | | | |
| Safety Belt Performance Grants | Indiana Criminal Justice Institute | 20.609 | | |
| Operation Pullover | | | OP-12-04-02-41 | 12,598 |
| Total - Department of Transportation | | | | 339,865 |
| <u>Environmental Protection Agency</u> | | | | |
| Great Lakes Program | Indiana Department of Natural Resources | 66.469 | CZ122 | 47,817 |
| <u>Department of Health and Human Services</u> | | | | |
| Project Grants and Cooperative Agreements for Tuberculosis Control Programs | Indiana Department of Health | 93.116 | | |
| TB Control | | | 5U52PS500520-28 | 10,205 |
| Child Support Enforcement | Indiana Department of Child Services | 93.563 | | |
| Title IV-D County Clerk | | | 2013 | 70,733 |
| Title IV-D Incentive County Clerk | | | 2013 | 151,091 |
| Title IV-D County Court | | | 2013 | 174,191 |
| Title IV-D Incentive County Court | | | 2013 | 166,569 |
| Title IV-D County Prosecutor | | | 2013 | 1,638,121 |
| Title IV-D Incentive County Prosecutor | | | 2013 | 76,834 |
| Title IV-D Indirect Costs | | | 2013 | 910,155 |
| Title IV-D - Post October 1999 County Prosecutor | | | 2013 | 50,226 |
| Total - Child Support Enforcement | | | | 3,237,920 |
| ARRA - Child Support Enforcement | Indiana Department of Child Services | 93.563 | | |
| Title IV-D Incentive | | | 2013 | 9,964 |
| Title IV-D County Clerk | | | 2013 | 3,470 |
| Total - ARRA - Child Support Enforcement | | | | 13,434 |
| Voting Access for Individuals with Disabilities - Grants to States | Indiana Secretary of State | 93.617 | FY 2013 | 56,039 |
| Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance | Indiana Department of Health | | | |
| HIV/AIDS Surveillance | | 93.944 | 5U62PS001049-03 | 71,546 |
| Total - Department of Health and Human Services | | | | 3,389,144 |
| <u>Department of Homeland Security</u> | | | | |
| Emergency Management Performance Grants | Indiana Department of Homeland Security | 97.042 | FY 2012 | 42,776 |
| Total federal awards expended | | | | \$ 7,233,880 |

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

LAKE COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the County and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

Note 2. Subrecipients

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows for the year ended December 31, 2013:

| Program Title | Federal CFDA Number | 2013 |
|---|---------------------------|------------------|
| Community Development Block Grants/Entitlement Grants | 14.218 | \$ <u>37,500</u> |

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

| | |
|--|--|
| Type of auditor's report issued: | Adverse as to GAAP; Unmodified as to Regulatory Basis |
| Internal control over financial reporting: | |
| Material weaknesses identified? | yes |
| Significant deficiencies identified? | none reported |
| Noncompliance material to financial statement noted? | yes |

Federal Awards:

| | |
|--|--|
| Internal control over major programs: | |
| Material weaknesses identified? | yes |
| Significant deficiencies identified? | yes |
| Type of auditor's report issued on compliance for major programs: | Unmodified for all programs except JAG Program Cluster which was qualified |
| Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? | yes |

Identification of Major Programs:

| <u>CFDA Number</u> | <u>Name of Federal Program or Cluster</u> |
|------------------------|--|
| 14.239 | CDBG - Entitlement Grants Cluster HOME Investment Partnerships Program JAG Program Cluster |
| 93.563 | Child Support Enforcement |

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? no

Section II - Financial Statement Findings

FINDING 2013-001 - INTERNAL CONTROLS AND COMPLIANCE OVER FINANCIAL TRANSACTIONS AND REPORTING

We noted deficiencies in the internal control system of the County related to financial transactions and reporting. Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the County's audited financial statement and then determining how those identified risks should be managed. The County has not identified risks to the preparation of the financial statement to prevent or detect material misstatements.

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The County Auditor is responsible for preparing the Annual Financial Report (AFR) and electronically submitting it to the Indiana State Board of Accounts. The financial information in the AFR is used to generate the financial statement to be audited. The financial statement presented for audit contained the following error:

1. Twenty funds that were accounted for in the County's ledgers were omitted from the financial statement. The omitted funds understated the beginning cash and investment balance by \$1,155,493.
2. The beginning cash and investment balances did not agree to the prior audited ending cash and investment balances for nine funds. The variances, totaling \$887,004, were caused by adjusting entries which affected the beginning cash and investment balances, the receipts, and the disbursements in the County's ledgers.
3. An irrevocable trust account's annual activity for a defeased debt instrument was erroneously included in the County's financial statement. The activity of the trust account resulted in the overstatement of the beginning cash and investment balance by \$1,018,426.
4. The financial statement receipts were understated by \$6,868,788. This was caused by errors, omissions, and adjusting entries that changed the current year's receipts.
5. The financial statement disbursements were understated by \$3,177,056. This was caused by errors and omissions.
6. The financial statement ending cash and investment balance was understated by \$4,703,526. The understatement was caused by the numerous errors, omissions, and adjustments that occurred with the beginning cash and investment balances, the receipts, and the disbursements addressed in the above items.

Audit adjustments were proposed, accepted by the County Auditor, and made to the financial statement.

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 Manual for County Auditors of Indiana, Chapter 14)

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7."

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

***FINDING 2013-002 - INTERNAL CONTROLS AND COMPLIANCE OVER
FINANCIAL TRANSACTIONS AND REPORTING - COUNTY CLERK***

Internal controls over the receipting, disbursing, recording, and accounting for the financial activities of the Clerk of the Circuit Court were insufficient. We noted several deficiencies in the internal control system of the Clerk of the Circuit Court's Office related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. **Lack of Segregation of Duties:** Control activities should be selected and developed at various levels of the Clerk of the Circuit Court's Office to reduce risks to the achievement of financial reporting objectives. The Clerk of the Circuit Court's Office has not separated incompatible activities related to receipts, disbursements, and cash and investment balances. The failure to establish these controls could enable material misstatements or irregularities to remain undetected.

The Clerk of the Circuit Court's Office has multiple offices and divisions. The divisions generally have a division manager, a bookkeeper, and clerks. The various clerks issue receipts for amounts received, and remit the receipts issued and related collections to the bookkeepers, who also issue receipts for collections from the public. The bookkeepers make adjustments for receipt errors, close and record the daily transactions, issue checks, prepare the bank deposit and reconcile the bank accounts. In some divisions, the bookkeeper also takes the deposit to the bank.

2. **Preparing Financial Statement:** Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the County's audited financial statement and then determining how those identified risks should be managed.

The Clerk of the Circuit Court does not have adequate internal controls over financial reporting to facilitate the preparation of accurate and complete financial reports to be included in the County's Annual Financial Report (AFR) and annual financial statement. The Clerk fund included in the financial statement includes all receipts and disbursements of the Clerk of the Circuit Court's Office, cash balances due to other governmental entities, and items held in trust for others.

The financial information provided by the Clerk of the Circuit Court to be included in the County's 2013 financial statement contained numerous errors and omissions. The Clerk of the Circuit Court has offices in multiple locations (Crown Point, East Chicago, Gary, and Hammond) and divisions (Civil, Small Claims, Criminal, and Traffic) within these locations. These offices and divisions were responsible for reporting their individual cash and investment balances as of December 31, 2013, as well as their receipts and disbursements for 2013 to the Financial Manager at the Crown Point Office. The individual offices' and divisions' reports are combined by the Financial Manager and reported in total to the County Auditor for inclusion in the financial statement. The total cash and investments reported on the 2013 financial statement was \$14,171,981; the audited cash and investments balance as of December 31, 2013, was \$12,068,897. The following presents the differences between reported and audited financial activity:

LAKE COUNTY
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 (Continued)

| | 01-01-13 Beginning Balance | Receipts | Disbursements | 12-31-13 Ending Balance |
|-----------------------------|----------------------------------|-----------------------|-----------------------|-------------------------------|
| Financial Activity Reported | \$ 12,064,993 | \$47,646,286 | \$ 45,539,298 | \$ 14,171,981 |
| Audited Financial Activity | <u>12,035,514</u> | <u>50,501,720</u> | <u>50,468,336</u> | <u>12,068,898</u> |
| Variances | <u>\$ 29,479</u> | <u>\$ (2,855,434)</u> | <u>\$ (4,929,038)</u> | <u>\$ 2,103,083</u> |

Identified errors that contributed to the differences included the reporting of depository balances instead of reconciled record balances, reporting trust activity only and omitting fee activity, and not properly recording a disbursement due to a bank error. The audit adjustments were included in the variances noted in Finding 2013-001 above and the County Auditor approved the proposed adjustments to the financial statement.

The lack of adequate controls over the Clerk of the Circuit Court's financial report before it was filed with the County Auditor was evidenced above. Adequate internal control over financial reporting requires that employees understand the importance of complete and accurate financial reporting and that they have the requisite knowledge and skills to prepare them. In addition, adequate internal control requires sufficient supervision and oversight by management and the governing bodies to ensure complete and accurate financial reporting.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Clerks of the Circuit Courts of Indiana, Chapter 13)

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 Manual for Clerks of the Circuit Courts of Indiana, Chapter 13)

**FINDING 2013-003 - INTERNAL CONTROLS AND COMPLIANCE
 OVER FINANCIAL REPORTING - SHERIFF**

We noted several deficiencies in the internal control system of the Sheriff Department related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

1. Lack of Segregation of Duties: Control activities should be selected and developed at various levels within the Sheriff's Department to reduce risks to the achievement of financial reporting objectives. The Sheriff Department had not separated incompatible activities related to receipts and disbursements. The failure to establish these controls could enable material misstatements or irregularities to remain undetected.

The Sheriff Department has multiple offices and divisions. Those divisions with a lack of segregation of duties included Civil, Inmate Trust, Commissary, and the Lake County Drug Task Force. In the Civil, Inmate Trust, and Lake County Drug Task Force divisions, one employee was responsible for receipting and disbursing funds, reconciling the monthly bank statements to the respective ledgers, and posting transactions to the ledgers. For the Commissary division, one employee was responsible for disbursing funds, reconciling to the bank, and posting transactions to the ledger.

2. Receipt Issuance: Receipts were not issued for collections made by the Commissary division. Commissary collections were from three main sources: purchases made from Inmate Trust, commission from telephone calls, and commission from video conferences.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

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 Manual for Counties of Indiana, Chapter 1)

***FINDING 2013-004 - INTERNAL CONTROLS AND COMPLIANCE OVER
THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS***

The County did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The County should have proper controls in place for the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected.

Various departments are responsible for applying for grants, seeking board approval for the grants, and overseeing the implementation of the grant and the related grant activity. The County Auditor's Office (finance department) is responsible for preparing the SEFA based upon the grant information obtained from the financial accounting records and other information provided by each department. The financial accounting records maintained by the departments should reconcile with the County's detailed financial records. When the departments' reports were compared to the County's financial records, differences were noted. The County has contracted with a grant supervisor to review the departments' information for completeness and accuracy and to compile the SEFA. The internal controls established were not effective in detecting and correcting errors.

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

We noted the following material errors:

1. The SEFA did not include \$204,143 of expenditures for seven different grants or projects.
2. Expenditures were underreported by \$1,687,253 for fourteen projects of various grants.
3. Expenditures were overreported by \$1,523,533 for eleven projects of various grants.

The combination of the financial errors resulted in the expenditures on the SEFA being understated by \$367,863.

Audit adjustments were proposed, accepted by the County, and made to the SEFA presented in this report.

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 Manual for Counties of Indiana, Chapter 1)

OMB Circular A-133, Subpart C, section .300 states in part: "The auditee shall: . . . (d) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with section .310."

OMB Circular A-133, Subpart C, section .310(b) states in part:

"Schedule of expenditures of Federal awards. The auditee shall also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple years, the auditee may list the amount of Federal awards expended for each award year separately. At a minimum, the schedule shall:

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a sub-recipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide the total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available."

LAKE COUNTY
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 (Continued)

FINDING 2013-005 - INTERNAL CONTROLS AND COMPLIANCE OVER TREASURER'S DAILY BALANCE OF CASH AND DEPOSITORIES AND THE AUDITOR'S FUND LEDGER

The County Treasurer's Office is responsible for maintaining the Treasurer's Daily Balance of Cash and Depositories (Cash Book). The Cash Book reflects the daily receipts and disbursements, the total amount of cash and investments, and a proof of the financial condition of the office at the close of each day.

As part of the monthly reconciling process, the County Auditor's Office compares the County Auditor's funds ledger balance to the County Treasurer's calculated Funds Ledger line per the Cash Book. As of December 31, 2013, the County Auditor's Office reconciliation and the funds ledger balances agreed. However, a reconciling item totaling \$481,694.42 did not have the proper supporting documentation to substantiate the amount. Based on further review of the County Treasurer's Cash Book entries, it was determined that the County Treasurer's Office recorded a negative quietus (receipt) in the County Treasurer's "Funds Ledger" line. A corresponding entry was not posted to the County Auditor's funds ledger to reflect the County Treasurer's Cash Book entry. The County Treasurer's Cash Book "Funds Ledger - Cash" line item should not be adjusted without the proper supporting documentation from the County Auditor's Office that a corresponding entry was recorded to the County Auditor's funds ledger.

In addition, cash short or cash long entries are recorded in the Cash Book which indicates a difference between the ending balance of the taxes, other sources, funds, and investments when compared to the ending depository balances. Various cash short and cash long entry explanations during the year included voided transactions, payment by credit card, electronic check timing differences, and bank errors.

The cumulative cash short and cash long at December 31, 2010, 2011, 2012, and 2013, is noted as follows:

| Description | December 31, 2010 | December 31, 2011 | December 31, 2012 | December 31, 2013 |
|----------------------------|----------------------|------------------------|------------------------|------------------------|
| Cash Short | \$ 64,015.79 | \$ 609,747.45 | \$ 538,136.20 | \$ 48,472.24 |
| Cash Long | 269,328.50 | 147,075.89 | 150,436.29 | 154,459.90 |
| Unsubstantiated Adjustment | - | - | - | 481,694.42 |
| Net (Short)/Long | <u>\$ 205,312.71</u> | <u>\$ (462,671.56)</u> | <u>\$ (387,699.91)</u> | <u>\$ (375,706.76)</u> |

The cumulative cash short noted above, while large, is not material to the financial statement at December 31, 2013. However, failure to establish controls to identify and find resolution to these items could cause a material misstatement of the financial statement in the future. As of the June 30, 2014, the reconciling item totaling \$481,694.42 between the County Auditor's and County Treasurer's Office had not been resolved.

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.

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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 Manual for County Treasurers of Indiana, Chapter 10)

It is important that the amounts distributed at each semiannual settlement agree with the amounts shown in the treasurer's daily balance of cash and depositories, since a settlement and distribution in excess of the amounts entered in this record will result in "cash short" on the day the settlement is made. Conversely, if the settlement and distribution is made for less than the amount shown in this record, it will result in "cash long" for that day. Therefore, every effort should be made before settlement and distribution to see that the amounts distributed for each taxing district agree with the amounts entered in the register of taxes collected and in the treasurer's daily balance of cash and depositories. (Accounting and Uniform Compliance Guidelines Manual for County Treasurers of Indiana, Chapter 4)

Section III - Federal Award Findings and Questioned Costs

FINDING 2013-006 - INTERNAL CONTROLS - CDBG ENTITLEMENT GRANTS CLUSTER

Federal Agency: Department of Housing and Urban Development
Federal Program: Community Development Block Grants/Entitlement Grants
CFDA Number: 14.218
Federal Award Numbers: B-11-UC-18-0016, B-12-UC-18-0016, B-08-UN-18-0002, B-11-UN-18-0002

Management of the County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the Reporting compliance requirements that have a direct and material effect on the program. The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the grant.

The County has not designed or implemented adequate policies or procedures to ensure that required quarterly reports were accurately prepared and submitted. The reports contained no evidence that they had been reviewed by anyone other than the person preparing the report. Segregation of duties, such as an oversight or approval process, has not been established.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement, or a type of compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The failure to establish internal controls could enable material noncompliance to go undetected. Noncompliance with the grant agreement or the reporting compliance requirements that have a direct and material effect on the program could result in the loss of federal funds to the County.

We recommended that the County's management establish controls, including segregation of duties, related to the grant agreement and the compliance requirements noted above that have a direct and material effect on the program.

FINDING 2013-007 - INTERNAL CONTROLS - HOME INVESTMENT PARTNERSHIPS PROGRAM

Federal Agency: Department of Housing and Urban Development

Federal Program: HOME Investment Partnerships Program

CFDA Number: 14.239

Federal Award Numbers: M-10-UC-18-0207, M-11-UC-18-0207, M-12-UC-18-0207, M-13-UC-18-0207

The County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the Special Tests and Provisions for Housing Quality Standards compliance requirements that have a direct and material effect on the program. The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

The frequency of Housing Quality Standards inspections depends on the number of Home-Assisted units in a project. The Department of Community Development did not have proper controls in place to ensure that the required inspections were completed.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement, or a type of compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable material noncompliance to go undetected. Noncompliance with the grant agreement or the compliance requirements that have a direct and material effect on the program could result in the loss of federal funds to the County.

We recommended that the County's management establish controls related to the grant agreement and the compliance requirements noted above that have a direct and material effect on the program.

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2013-008 - INTERNAL CONTROLS - EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM, ARRA - EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT (JAG) PROGRAM/GRANTS TO STATES AND TERRITORIES

Federal Agency: Department of Justice

Federal Programs: Edward Byrne Memorial Justice Assistance Grant Program,
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/
Grants to States and Territories

CFDA Numbers: 16.738, 16.803

Federal Award Numbers: Justice Assistance Grants 2010-DJ-BX-0810, 2011-DJ-BX-3472,
2012-DJ-BX-0979, 2010-DJ-BX-0254, 2011-DJ-BX-2622, 2012-DJ-BX-0765,
2009-SB-B9-1671 and Detention Enhancement Project 2011-DJ-BX-2622

Pass-Through Entity: Indiana Criminal Justice Institute (for grants 2010-DJ-BX-0254, 2011-DJ-BX-2622,
and 2012-DJ-BX-0765)

Management of the County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and all of the compliance requirements that have a direct and material effect on the programs that are administered by the law enforcement department of the County. The Lake County Drug Task Force (LCDTF) lacks internal controls over the compliance requirements for Activities Allowed, Allowable Costs, Cash Management, Matching, Earmarking, Period of Availability, and Reporting. The Community Corrections Department lacks internal controls over the Reporting and Matching compliance requirements.

The following applies to the Lake County Drug Task Force (LCDTF):

1. Activities Allowed, Allowable Costs, Period of Availability - The Purchase Orders (PO) and Accounts Payable Vouchers (APV) prepared in the latter half of 2013 were prepared by the Bookkeeper. The POs and APVs were also approved by the same Bookkeeper in the name of the Grant Administrator instead of approved by the Grant Administrator. Thus, the submitted APVs were prepared by one individual without a system of oversight or review prior to submission for payment. Previously, the Grant Administrator had signed the PO to authorize the purchase and the APV to authorize the payment.
2. Cash Management - The supporting spreadsheet and drawdown requests of grant funds were prepared by the Grant Administrator without a system of oversight or review prior to submission.
3. Earmarking and Reporting - Required reports were prepared and submitted by the Grant Administrator (financial reports and quarterly progress reports). These reports were prepared from spreadsheets prepared by the Grant Administrator. The reports were not based upon the County's financial accounting system. In response to the prior audit finding, the County Sheriff's Office assigned an individual to review the reports. The individual signed copies of several 3rd quarter report drafts to indicate review, but not 4th quarter reports. The Grant Administrator indicated that the review process conducted was verbal.
4. Matching - The grant funding received from the Indiana Criminal Justice Institute requires matching funds. The LCDTF has not designed or implemented adequate policies and procedures to ensure that Matching requirements have been met.

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The following applies to the Community Corrections Department:

1. Reporting - The Community Corrections Department has not designed or implemented adequate policies and procedures to ensure that all required reports are accurately prepared and submitted. Evidence of an oversight, review, or approval process was not provided.
2. Matching - The grant funding received from the Indiana Criminal Justice Institute requires matching funds. The Community Corrections Department has not designed or implemented adequate policies and procedures to ensure that Matching requirements have been met.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement, or a type of compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable material noncompliance to go undetected. Non-compliance with the grant agreement or the compliance requirements that have a direct and material effect on the program could result in the loss of federal funds to the County.

We recommended that the County's management establish controls, including segregation of duties, related to the grant agreement and all compliance requirements that have a direct and material effect on the program.

***FINDING 2013-009 - MATCHING AND REPORTING - EDWARD BYRNE
MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM***

Federal Agency: Department of Justice
Federal Program: Edward Byrne Memorial Justice Assistance Grant Program
CFDA Number: 16.738
Federal Award Numbers: 2011-DJ-BX-2622, 2012-DJ-BX-0765
Pass-Through Entity: Indiana Criminal Justice Institute

The pass-through grant awarded by the Indiana Criminal Justice Institute (ICJI) required matching funds. Per the Grant Award letter for 2012-DJ-BX-0765, the matching funds required for the 2013 grant period was \$110,000. Per grant amendment 1 submitted by the Lake County Drug Task Force, the match consisted of 2.4 Task Force Officers totaling \$100,436 and communications for \$9,564. For the 2011-DJ-BX-2622 grant administered by the Lake County Community Corrections Programs, the grant required a match of \$66,667.

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Review of the four quarterly "Subgrantee Cumulative Fiscal Report" submitted to ICJI for 2013 noted the match was reported as a cash match. The amounts reported each quarter for the grant period totaled exactly \$27,500 and \$16,666, respectively. The amount reported each quarter as the match is one-fourth of the total required match.

The grant records (binders and spreadsheets) did not contain documentation to support the match reported. Inquiry of the Grant Administrator indicated that the office match consisted of some officers working for the task force paid for by a participating city, and disbursements from a forfeiture fund. Records tracking and supporting the amounts reported, however, were not maintained. Due to the lack of records, we were unable to determine the accuracy of the amounts reported or if the match requirement was met.

28 CFR 66.24(b)(6) Matching or cost sharing states:

"Records. Costs and third party in-kind contributions counting towards satisfying a cost sharing or matching requirement must be verifiable from the records of grantees and subgrantee or cost-type contractors. These records must show how the value placed on third party in-kind contributions was derived. To the extent feasible, volunteer services will be supported by the same methods that the organization uses to support the allocability of regular personnel costs."

The Indiana Criminal Justice Institute's Drug & Crime Control Division - Subgrantee Policy and Procedure Manual, Chapter 6: Matching states in part:

"A. In-Kind Match (Cost Sharing) . . . In kind match, or cost sharing, does not require a cash outlay by the recipient agency, yet it must represent real dollars . . .

B. Cash Match (hard match) includes real dollars that are contributed toward the project or program . . .

D. Records of Match Subgrantee must maintain records which clearly show the source, the amount, and the timing of all matching contributions."

28 CFR 66.20 states in part:

"(b) The financial management systems of other grantees and subgrantees must meet the following standards:

- (1) *Financial reporting.* Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant.
- (2) *Accounting records.* Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially- assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income."

Failure to maintain records that track the matching funds hinders the County's ability to adequately monitor and report matching. Noncompliance with the grant agreement or the matching and reporting compliance requirements could result in the loss of federal funds to the County.

We recommended that officials adequately identify, track, and report matching funds.

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

**FINDING 2013-010 - EARMARKING - EDWARD BYRNE
MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM**

Federal Agency: Department of Justice
Federal Program: Edward Byrne Memorial Justice Assistance Grant Program
CFDA Number: 16.738
Federal Award Number: 2012-DJ-BX-0765
Pass-Through Entity: Indiana Criminal Justice Institute

The Lake County Drug Task Force receives various Edward Byrne Memorial Justice Assistance Grants (JAG), both direct grants from the Department of Justice and pass through grants from the Indiana Criminal Justice Institute (ICJI). The budget amounts for these grants awards are approved by the grantor agencies.

The grant received from ICJI budget included amounts for salary and benefits for a Grant Administrator and Data Entry/Bookkeeping Clerk, and office supplies. The total grant award, including local match, was \$220,000. The County could only earmark a maximum of 10 percent or \$22,000 for administrative costs.

The total budget for administrative costs was \$63,126. Based upon grant reports and grant spreadsheets maintained by the Grant Administrator, the County disbursed \$63,126 for administrative costs. The amount budgeted and disbursed exceeded the maximum allowed by \$41,126. The \$41,126 excess disbursed for administrative cost over the allowable amount is considered questioned costs.

Amounts were reported as disbursed in 2013 from three other JAG grants received from the Department of Justice for administration costs which were below 10 percent of the grant award. When the grants were combined, the maximum amount was still exceeded due to the administrative amount disbursed from the grant received from ICJI.

The grant reimbursements received from ICJI are based upon the quarterly "Subgrantee Cumulative Fiscal Report." These reports contain a "personnel expenditure details" section which details the amounts expended for these two positions. Review of the grant agreement, and the ICJI Drug & Crime Control Division Subgrantee Policy and Procedure Manual noted that earmarking was not addressed.

42 USC 3751 states in part: "(e) Administrative costs. Not more than 10 percent of a grant made under this part may be used for costs incurred to administer such grant."

Noncompliance with the earmarking compliance requirements could result in the loss of federal funds to the County.

We recommended that officials comply with all grant requirements applicable to the Earmarking requirements.

LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2013-011 - INTERNAL CONTROLS - CHILD SUPPORT ENFORCEMENT

Federal Agency: Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA Number: 93.563
Federal Award Number: Indirect Costs 2013
Pass-Through Entity: Indiana Department of Child Services

Management has not established an effective internal control system to ensure the reliability and accuracy of data used in determining the indirect cost allocation plan and indirect cost rate that are used to charge indirect costs to the program.

The County hired an outside consultant to prepare their indirect cost allocation plan. This consultant requests financial and other pertinent information from the County to complete the cost allocation plan. This plan determines the amount of indirect costs that the County is eligible to receive.

The consultant also submits the plan to the Indiana Department of Child Services for the reimbursement of the indirect costs for the County. Documentation of evidence that the County reviewed the indirect cost allocation plan report information prepared by the consultant was not provided.

The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements related to the grant. A lack of an internal control system could also allow the misuse and mismanagement of federal funds and assets by not having proper oversight and reviews.

An internal control system should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement, or a type of compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis.

OMB Circular A-133, Subpart C, section .300 states in part:

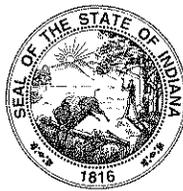
"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable noncompliance to go undetected. Noncompliance with the grant agreement or the compliance requirements could result in the loss of federal funds to the County.

We recommended that the County establish internal controls to ensure the reliability and accuracy of the data used in determining the amount of indirect costs that the County receives.

AUDITEE PREPARED DOCUMENTS

The subsequent documents were provided by management of the County. The documents are presented as intended by the County.



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

 1049-M

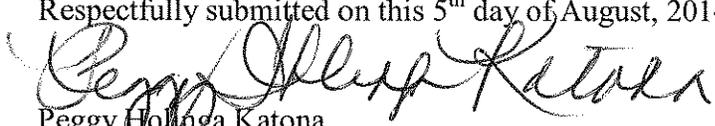
Section III
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING NO. 2012-4 INTERNAL CONTROLS OVER COMPLIANCE
REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT ON CHILD
SUPPORT ENFORCEMENT

Original Audit Report Number: B42923
Report period: Jan 1, 2012 Through Dec 31, 2012
Federal Agency: U.S. Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA Number: 93.563
Award No: FY12
Pass Through: Indiana Department of Child services
Auditee Contact Persons: Barbara L McConnell (Office of Prosecutor) 219-755-3720
Marilyn Hrnjak (Office of Clerk) 219-755-3049
Michael Wieser (Office of Auditor) 219-755-3129
Cynthia Staehle (Juvenile Court) 219-660-6839

Status of Audit Finding:
Please refer to the attached response from the above named contact persons.

Respectfully submitted on this 5th day of August, 2014


Peggy Holinga Katona
Lake County Auditor



Office of the Prosecuting Attorney

31st JUDICIAL CIRCUIT
LAKE COUNTY, INDIANA

BERNARD A. CARTER
PROSECUTING ATTORNEY



MAIN OFFICE
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307
(219) 755-3720 THRU 755-3727
FAX (219) 755-3642

July 30, 2014

Indiana State Board of Accounts
302 W. Washington St., Room E 418
Indianapolis, IN 46204-2765

RE: Summary Schedule of Prior Audit Finding

Finding Number 2012-4 INTERNAL CONTROLS OVER COMPLIANCE THAT HAVE A DIRECT AND MATERIAL EFFECT TO CHILD SUPPORT ENFORCEMENT

Original SBA Audit Report Number: B42923
Fiscal Year: 2012
Auditee Contact Person; Barbara L. McConnell
Title of Contact Person: Chief Deputy Prosecuting Attorney
Phone Number: (219) 755-3720

Status of Finding:

Our IV-D bookkeeper calculates the amount of employer paid fringe benefit costs by multiplying the gross payroll amount by the employer paid fringe benefit rate that is supplied by the Auditor's Office. We then ensure that our figures are accurate, by comparing them to the LC500 and PR260 reports, before we submit our monthly and quarterly claims to the Department of Child Services. This procedure has been consistently followed since the audit.

We have also implemented a management review procedure before we submit our monthly expense claims and quarterly incentive expenditure reports. The claims and reports are first submitted to a member of upper management, along with all supporting documentation including LC500 and PR260, for review and written approval. The materials are then forwarded to a second member of upper management who follows the same review process before giving written approval.

Sincerely,

A handwritten signature in cursive script that reads "Barbara L. McConnell".

Barbara L. McConnell
Chief Deputy Prosecuting Attorney



MICHAEL A. BROWN
CLERK LAKE CIRCUIT/SUPERIOR COURT
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

PHONE: (219) 755-3460
July 30, 2014

FAX: (219) 755-3520



Finding 2012-4: INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO CHILD SUPPORT ENFORCEMENT

U.S. Department of Health and Human Services

CFDA Number: 93.563

Year: 2012

Auditee Contact Person: Marilyn Hrnjak

Title of Contact Person: 219-755-3049

Implementation of the plan is complete. The only changes were that Tassy Koutouvas replaced Dennis Tobin when Dennis ended his employment in the Clerk's Office; and instead of ordering a rubber stamp, a signature page was created for each employee to sign and date. Upper management reviews the completion of reports and act as signators.

Signature: _____

Michael A. Brown ^{MB}

Title: _____

Lake County Clerk



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307



FINDING NO. 2012-4 INTERNAL CONTROLS OVER COMPLIANCE
REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT ON CHILD
SUPPORT ENFORCEMENT

Original Audit Report Number: B42923
Report period: Jan 1, 2012 Through Dec 31, 2012
Federal Agency: U.S. Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA Number: 93.563
Award No: FY12
Pass Through: Indiana Department of Child services
Auditee Contact Person:
Michael Wieser (Office of Auditor) 219-755-3129

Status of Audit Finding:

The Lake County Auditor's Office has contacted the consulting firm hired to prepare and publish the allocation plan and has scheduled a meeting with their representative. This meeting will allow the Lake County Auditor and the Auditor's staff the opportunity to verify all information contained in the report.

Respectfully submitted on this 5th day of August, 2014

Michael Wieser
Director of Finance
Lake County Auditor's Office



Superior Court of Lake County
JUVENILE DIVISION

Judge Thomas P. Stefaniak, Jr.
LAKE COUNTY JUVENILE JUSTICE COMPLEX
3000 WEST 93RD AVENUE
CROWN POINT, IN 46307



PHONE: 219-660-6900
FAX: 219-736-6209

FINDING NO. 2012-4 and 2012-6: INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS
THAT HAVE A DIRECT AND MATERIAL EFFECT TO CHILD SUPPORT ENFORCEMENT

Original Audit Report Number: B42923
Report Period: Jan. 1, 2012 through Dec. 31, 2012
Federal Agency: U.S. Department of Health and Human Services
CFDA Number: 93.563
Award No: FY 12
Auditee: Contact Person: Cynthia Staehle
Title of Contact Person: Court Executive, Lake Superior Court, Juvenile Division
Phone: (219) 660-6839

Status of Audit Finding:

The corrective action plan submitted to State Board of Account July 11, 2013, has been performed. We discovered that, although the report reconciliation controls instituted were effective for the most part, there were incidents identified that required additional internal controls for full compliance. In particular, additional training regarding Title IV-D requirements and a more rigorous time-line was instituted. This should allow enough time to secure the appropriate reports for review without impacting the report's due date. We feel that the controls in place now should be sufficient.

Respectfully submitted on this 30th day of July, 2014.

Cynthia Staehle, Court Executive
Lake Superior Court
Juvenile Division

cc: Judge Thomas P. Stefaniak, Jr.



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING NO. 2012-5-COMPLIANCE RELATED TO CHILD SUPPORT
ENFORCEMENT GRANTS-ALLOWABLE COSTS/CASH
MANAGEMENT/MATCHING

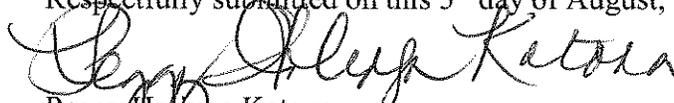
Original Audit Report Number: B42923
Report period: Jan 1, 2012 Through Dec 31, 2012
Federal Agency: U.S. Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA Number: 93.563
Award No: FY12 Prosecutor's IV D, Indirect Cost Allocation Plan
Auditee Contact Person: Michael Wieser
Title of Contact Person: Director of Finance, Lake County Auditor Office
Phone Number: (219) 755-3129

Status of Audit Finding:

Auditor's Response:

The Lake County Auditor's Office has contacted the consulting firm hired to prepare and publish the allocation plan and has scheduled a meeting with their representative. This meeting will allow the Lake County Auditor and the Auditor's staff the opportunity to verify all information contained in the report.

Respectfully submitted on this 5th day of August, 2014


Peggy Holinga Katona
Lake County Auditor



Office of the Prosecuting Attorney
31st JUDICIAL CIRCUIT
LAKE COUNTY, INDIANA

BERNARD A. CARTER
PROSECUTING ATTORNEY



MAIN OFFICE
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307
Ph. (219) 755-3720
FAX (219) 755-3642

July 30, 2014

Indiana State Board of Accounts
302 W. Washington St., Room E 418
Indianapolis, IN 46204-2765

RE: Summary Schedule of Prior Audit Finding

Finding Number 2012-5 COMPLINACE RELATED TO CHILD SUPPORT ENFORCEMENT GRANTS-
ALLOWABLE COSTS/CASH MANAGEMENT MATCHING

Original SBA Audit Report Number: B42923
Fiscal Year: 2012
Auditee Contact Person; Barbara L. McConnell
Title of Contact Person: Chief Deputy Prosecuting Attorney
Phone Number: (219) 755-3720

Status of Finding:

Since the audit we no longer calculate the amount of employer fringe benefit costs by simply multiplying the gross amount by the employer paid fringe rate. This resulted in an estimated figure for the amount of benefits paid. To determine the exact amount of benefits paid, we now use the PR260 report which is prepared directly from Central Payroll records. We use the LC500 report to verify our records with the exact figures recorded by the Auditor's Office for our Supplies, Other Services and Capital Outlay expenses before we submit those amounts to the Department of Child Services for reimbursement.

On our March, 2014 Expense Report, an adjustment of \$3,103.34 was made to deduct the amount that was incorrectly reported due to our previous method of calculating the amount of fringe benefits paid. That figure was determined after we compared all the monthly expenses submitted, during the audit period, with the PR260 reports for that same period.

Sincerely,

Barbara L. McConnell
Chief Deputy Prosecuting Attorney



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING NO. 2012-6 COMPLIANCE RELATED TO CHILD SUPPORT
ENFORCEMENT GRANTS -REPORTING

Original Audit Report Number: B42923

Report period: Jan 1, 2012 Through Dec 31, 2012

Federal Agency: U.S. Department of Health and Human Service

Federal Program: Child Support Enforcement

CFDA Number: 93.563

Award No: FY12 Prosecutor, Clerk, Court

Pass Through: Indiana Department of Child services

Auditee Contact Persons: Barbara L McConnell (Office of Prosecutor) 219-755-3720

Marilyn Hrnjak (Office of Clerk) 219-755-3049

Cynthia Staehle (Juvenile Court) 219-660-6839

Status of Audit Finding:

Please refer to the attached response from the above named contact persons.

Respectfully submitted on this 5th day of August, 2014

Peggy Holinga Katona
Lake County Auditor



Office of the Prosecuting Attorney
31st JUDICIAL CIRCUIT
LAKE COUNTY, INDIANA

BERNARD A. CARTER
PROSECUTING ATTORNEY



MAIN OFFICE
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307
Ph. (219) 755-3720
FAX (219) 755-3642

July 30, 2014

Indiana State Board of Accounts
302 W. Washington St., Room E 418
Indianapolis, IN 46204-2765

RE: Summary Schedule of Prior Audit Finding

Finding Number 2012-6 COMPLIANCE RELATED TO CHILD SUPPORT ENFORCEMENT GRANTS

Original SBA Audit Report Number: B42923
Fiscal Year: 2012
Auditee Contact Person; Barbara L. McConnell
Title of Contact Person: Chief Deputy Prosecuting Attorney
Phone Number: (219) 755-3720

Status of Finding:

As we previously explained in our Corrective Action Plan, the reason that it appeared that the Regular Incentive Fund's monthly expenses exceeded the 2012 County records was due to the fact that the adjustment made covered both portions of 2012 and all of 2011. The adjustment of \$3,115.88 made on the May, 2013 Expense Report was allowable under guidelines of the Financial Management Department of Child Services. That adjustment was calculated by comparing our internal records to the LC500 reports for that same period.

The management review procedure, that has been implemented, covers all monthly expense claims and quarterly incentive expenditure reports. The claims and reports are first submitted to a member of upper management, along with all supporting documentation including LC500 and PR260, for review and written approval. The materials are then forwarded to a second member of upper management who follows the same review process before giving written approval. Upper management also ensures that all monthly and quarterly reports are filed in a timely manner.

Sincerely,

Barbara L. McConnell
Chief Deputy Prosecuting Attorney



MICHAEL A. BROWN
CLERK LAKE CIRCUIT/SUPERIOR COURT
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

PHONE: (219) 755-3460

FAX: (219) 755-3520



July 30, 2014

Finding 2012-6: COMPLIANCE RELATED TO CHILD SUPPORT ENFORCEMENT GRANTS

U.S. Department of Health and Human Services

Pass-Through Entity: Indiana Department of Child Services CFDA Number: 93.563

Year: 2012

Auditee Contact Person: Marilyn Hrnjak

Title of Contact Person: Executive Chief Deputy

Phone Number: 219-755-3049

Due to the departure of employee Dennis Tobin, who created much of the plan, and who provided payroll information for the report, Tassy Koutouvas, from finance was assigned to the implementation of the plan. As a result of this, implementation of the plan was delayed. Summaries of the LC500 and PR260 were not submitted with the Quarterly Expenditure Report. That delay in implementing the plan has been rectified. Summaries of the LC500 and the PR260 are now included and implementation of the plan is complete.

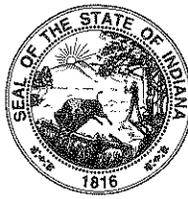
ARRA funds have been depleted. The LC500 is used to complete the Quarterly Incentive Expenditure Report for the regular incentive funds.

Signature: _____

Michael A. Brown *mcb*

Title: _____

Lake County Clerk



Superior Court of Lake County
JUVENILE DIVISION

Judge Thomas P. Stefaniak, Jr.
LAKE COUNTY JUVENILE JUSTICE COMPLEX
3000 WEST 93RD AVENUE
CROWN POINT, IN 46307



PHONE: 219-660-6900
FAX: 219-736-6209

FINDING NO. 2012-4 and 2012-6: INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS
THAT HAVE A DIRECT AND MATERIAL EFFECT TO CHILD SUPPORT ENFORCEMENT

Original Audit Report Number: B42923
Report Period: Jan. 1, 2012 through Dec. 31, 2012
Federal Agency: U.S. Department of Health and Human Services
CFDA Number: 93.563
Award No: FY 12
Auditee: Contact Person: Cynthia Staehle
Title of Contact Person: Court Executive, Lake Superior Court, Juvenile Division
Phone: (219) 660-6839

Status of Audit Finding:

The corrective action plan submitted to State Board of Account July 11, 2013, has been performed. We discovered that, although the report reconciliation controls instituted were effective for the most part, there were incidents identified that required additional internal controls for full compliance. In particular, additional training regarding Title IV-D requirements and a more rigorous time-line was instituted. This should allow enough time to secure the appropriate reports for review without impacting the report's due date. We feel that the controls in place now should be sufficient.

Respectfully submitted on this 30th day of July, 2014.

Cynthia Staehle, Court Executive
Lake Superior Court
Juvenile Division

cc: Judge Thomas P. Stefaniak, Jr.



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING NO. 2012-7 INTERNAL CONTROLS OVER COMPLIANCE
REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT ON
EDWARD BYRNE MEMORIAL JUSTICE GRANT PROGRAM ARRA

Original Audit Report Number: B42923

Report period: Jan 1, 2012 Through Dec 31, 2012

Federal Agency: U.S. Department of Justice

Federal Program: Edward Byrne Memorial Justice Assistance Grant Program, ARRA-
Edward Byrne Memorial Justice Assistance Grant (JAG)

CFDA Number: 16.738, 16.803

Award No.2009-SB-B9-1671, 2009-DJ-BX-1410, 2010-DJ-BX-0810, 2011-DJ,-BX-
34722010-DJ-BX-0254 (1—DJ-062)

Auditee Contact Persons: Kellie Bittorf, Executive Director (219-755-3850)

Lisa Smith (Sheriff Office) Grant Administrator (756-4742)

Status of Audit Finding:

Please refer to the attached response from the above named contact person.

Respectfully submitted on this 5th day of August, 2014

Peggy Holinga Katona
Lake County Auditor

LAKE COUNTY COMMUNITY CORRECTIONS

2600 West 93rd Avenue
Crown Point, Indiana 46307
(219) 755-3850 – Fax (219) 755-3871

KELLIE J. BITTORF
Executive Director

MARK R. MURPHY
Director of Operations

LONI N. BRITTINGHAM
Quality Assurance Manager

JEFFERY A. BATCHELOR
Residential Manager

RICHARD F. SERVI
Budget and Personnel Manager

BOARD OF COMMISSIONERS

ROOSEVELT ALLEN JR.
First District

GERRY J. SCHEUB
Second District

MICHAEL REPAY
Third District

ADVISORY BOARD

PAUL E. PANTHER
Chairman

HON. THOMAS P. STEFANIAK JR.
Vice-Chairman

LONI N. BRITTINGHAM
Secretary (Non-member)

SHERIFF JOHN BUNCICH

HON. SAMUEL L. CAPPAS

PROS. ATTY. BERNARD CARTER

JAMES CLEMENT JR.

HON. KAREN FREEMAN-WILSON

CARLEAN GADLING

LEE GILLIAM

KEVIN HUSEMAN

ROBERT KRUMWEID

RICHARD MAROC

HON. SHEILA M. MOSS

JAN PARSONS

JOSEPH M. PELLICCIOTTI

COUNCILMAN JEROME PRINCE

HERBERT I. SHAPS

ALMA V. WHITE

July 30, 2014

Mr. Michael Wieser, Director of Finance
Lake County Auditor's Office
Lake County Government Center
2293 North Main Street
Crown Point, IN 46307

Dear Mr. Wieser:

I am writing in regards to the corrective action plan for finding No. 2012-07 Internal Controls (attached). The action plan has been completed as outlined below:

- 1) Payroll authorization reports are completed by the bookkeeper and then reviewed and approved by the Budget and Personnel Manager or Executive Director.
- 2) Verification appropriate grant funds are available to cover payroll before checks are prepared.
- 3) Payroll details, by employee, are now furnished electronically to the Indiana Criminal Justice Institute each quarter along with back up from the LC500 report.

Please feel free to contact me if you have any questions or concerns.

Sincerely,



Kellie Bittorf
Executive Director

Cc: Richard Servi, LCCC Budget Manager
file



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number 2012-07

Original SBA Audit Report Number:

| | |
|-------------------------|---|
| Fiscal Year | 2012 |
| Auditee Contact Person | Lisa Smith |
| Title of Contact Person | Grant Administrator Lake County Sheriff's Department |
| Phone Number | (219) 756-4742 |
| Status of Finding | Followed Published Corrective Action Plan including: |

The Grant Administrator took action in correcting segregation of duties related to the grant agreement and all compliance requirements that have a direct and material effect to the program.

Cash Management - Rob Arnold (Deputy Commander of Staff Services) has been assigned the additional responsibility of oversight of grants. Deputy Commander Arnold, reviews grant paperwork and continuity of segregation of duties.

Earmarking – The grant administrator reviews and signs-off the grant bookkeeper's work with name and date to document the oversight responsibility functions. Duties of the grant administrator and grant bookkeeper will be kept segregated and no overrides of administrative procedures will be allowed.

Procurement – The assistant grant administrator reviews the Federal government's website to check vendors against the suspension and debarment list.

Signed: _____

Date: July 31, 2014

PEGGY HOLINGA KATONA
AUDITOR



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING NO. 2012-8 COMPLIANCE RELATED TO EDWARD BYRNE
MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM,ARRA-ALLOWABLE
COSTS/COSTS PRINCIPLES, **REPORTING**

Original Audit Report Number: B42923

Report period: Jan 1, 2012 Through Dec 31, 2012

Federal Agency: U.S. Department of Justice

Federal Program: Edward Byrne Memorial Justice Assistance Grant Program, ARRA-
Edward Byrne Memorial Justice Assistance Grant (JAG)

CFDA Number: 16.738, 16.803

Award No.2009-SB-B9-1671, 2009-DJ-BX-1410, 2010-DJ-BX-0810, 2011-DJ-BX-3472

Auditee Contact Person: Lisa Smith, Grant Administrator (219) 756-4742

Status of Audit Finding:

Please refer to the attached response from the above named contact person.

Respectfully submitted on this 5th day of August, 2014

Peggy Holinga Katona
Lake County Auditor



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number 2012-08

Original SBA Audit Report Number:

Fiscal Year 2012

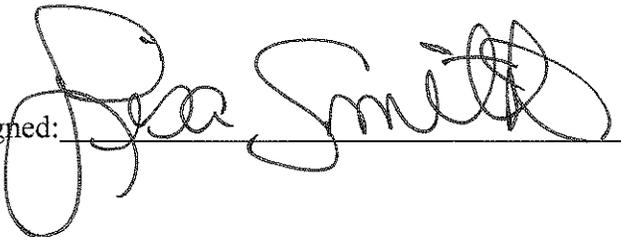
Auditee Contact Person Lisa Smith

Title of Contact Person Grant Administrator
Lake County Sheriff's Department

Phone Number (219) 756-4742

Status of Finding Followed Published Corrective Action Plan including:

Officials are following state and local policies compensation and benefits paid to all employees. That all policies and procedures for documenting compensation paid be in conformity with federal requirements over allowable costs. Time records now indicate allocation of the compensation to the other grants. Salary and benefit amounts paid are now documented in compliance. Amounts are reported every pay period into grant spreadsheets rather than quarterly.

Signed: 

Date: July 31, 2014

PEGGY HOLINGA KATONA
AUDITOR



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING NO. 2012-9 COMPLIANCE RELATED TO EDWARD BYRNE
MEMORIAL JUSTICE ASSISTANCE GRANT , REPORTING

Original Audit Report Number: B42923

Report period: Jan 1, 2012 Through Dec 31, 2012

Federal Agency: U.S. Department of Justice

Federal Program: Edward Byrne Memorial Justice Assistance Grant Program

CFDA Number: 16.738

Award No. 2009 DJ-BX-1410, 2010-DJ-BX-0810, 2011-DJ-BX-3472, 20010-DJ-062

Auditee Contact Person: Lisa Smith, Grant Administrator (219) 756-4742

Status of Audit Finding:

Please refer to the attached response from the above named contact person.

Respectfully submitted on this 5th day of August, 2014

Peggy Holinga Katona
Lake County Auditor



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number 2012-09

Original SBA Audit Report Number:

Fiscal Year 2012

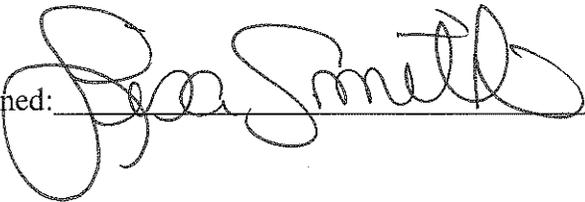
Auditee Contact Person Lisa Smith

Title of Contact Person Grant Administrator
Lake County Sheriff's Department

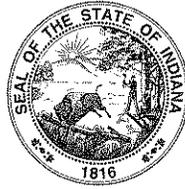
Phone Number (219) 756-4742

Status of Finding Followed Published Corrective Action Plan
including:

Officials took action in procedures to adequately identify and report grant disbursements in the official records of the County. Grant spreadsheets are maintained and actively tries to work on reconciling with the County's records.

Signed: 

Date: July 31, 2014



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING NO. 2012-10 COMPLIANCE RELATED TO EDWARD BYRNE
MEMORIAL JUSTICE ASSISTANCE GRANT-PERIOD OF AVAILABILITY

Original Audit Report Number: B42923
Report period: Jan 1, 2012 Through Dec 31, 2012
Federal Agency: U.S. Department of Justice
Federal Program: Edward Byrne Memorial Justice Assistance Grant Program
CFDA Number: 16.738
Award No. 2009-DJ-BX 1410
Auditee Contact Person: Lisa Smith, Grant Administrator (219) 756-4742

Status of Audit Finding:

Please refer to the attached response from the above named contact person.

Respectfully submitted on this 5th day of August, 2014

Peggy Holinga Katona
Lake County Auditor



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number 2012-10

Original SBA Audit Report Number:

Fiscal Year 2012

Auditee Contact Person Lisa Smith

Title of Contact Person Grant Administrator
Lake County Sheriff's Department

Phone Number (219) 756-4742

Status of Finding Followed Published Corrective Action Plan
including:

The County is taking action to comply with all grant requirements applicable to the period of availability. To prevent payments after the grant period from being termed "questioned costs", the grant administrator will request extensions of time to disburse funds from the grantor on an as needed basis.

Signed: _____

Date: July 31, 2014

PEGGY HOLINGA KATONA
AUDITOR



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING NO. 2012-11 COMPLIANCE RELATED TO EDWARD BYRNE
MEMORIAL JUSTICE ASSISTANCE GRANT-PROCUREMENT

Original Audit Report Number: B42923

Report period: Jan 1, 2012 Through Dec 31, 2012

Federal Agency: U.S. Department of Justice

Federal Program: ARRA Edward Byrne Memorial Justice Assistance Grant Program

CFDA Number: 16.803

Award No. 2009-SB-B9-1671

Auditee Contact Person: Lisa Smith, Grant Administrator (219) 756-4742

Status of Audit Finding:

Please refer to the attached response from the above named contact person.

Respectfully submitted on this 5th day of August, 2014

Peggy Holinga Katona
Lake County Auditor



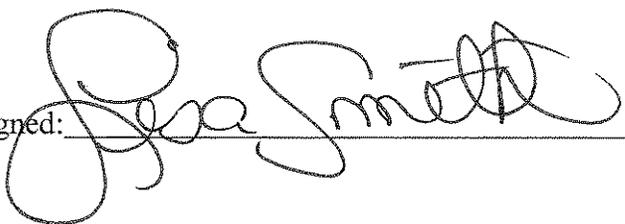
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding Number 2012-11

Original SBA Audit Report Number:

| | |
|-------------------------|---|
| Fiscal Year | 2012 |
| Auditee Contact Person | Lisa Smith |
| Title of Contact Person | Grant Administrator Lake County Sheriff's Department |
| Phone Number | (219) 756-4742 |
| Status of Finding | Followed Published Corrective Action Plan including: |

The Grant Administration office is taking action to comply with federal, state or local purchasing requirements. The grant administrator is working with recipient cities that may share federal grants to more closely adhere to spending timetables and Lake County ordinances concerning asset acquisitions.

Signed: 

Date: July 31, 2014

PEGGY HOLINGA KATONA
AUDITOR



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING NO: 2012-12 INTERNAL CONTROLS OVER COMPLIANCE
REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT ON THE
COMMUNITY DEVELOPMENT BLOCK GRANTS

Original Audit Report Number: B42923

Report period: Jan 1, 2012 Through Dec 31, 2012

Federal Agency: U.S. Department Housing and Urban Development

Federal Program: Community Development Block Grants

Pass Through: Indiana Office of Community & Rural Affairs

CFDA Number: 14.228

Award No. D-08-DI-18-001

Auditee Contact Person: Larry Blanchard, Commissioner Consultant (219) 755-3211

Status of Audit Finding:

Please refer to the attached response from the above named contact person.

Respectfully submitted on this 5th day of August, 2014

Peggy Holinga Katona
Lake County Auditor



**OFFICE OF THE ATTORNEY
TO THE BOARD OF COMMISSIONERS**

John S. Dull

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, IN 46307
PH. 219-755-3058 • FAX 219-648-6138
EMAIL: jsdull@yahoo.com



PRIOR AUDIT FINDING CORRECTIONS

Section III – Federal Awards Findings and Questioned Costs

FINDING 2012-12 INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO THE COMMUNITY DEVELOPMENT BLOCK GRANTS/STATE'S PROGRAM AND NON-ENTITLEMENT IN HAWAII

Federal Agency: U.S. Department of Housing & Urban Development

Federal Programs: CDBG/State's Program and Non-Entitlement Grant in Hawaii

CFDA Numbers: 14.228

Pass-Through: Indiana Office of Community & Rural Affairs

Award Numbers: DR2-29-208

Auditee Contact Person: Larry Blanchard

Title of Contact Person: Commissioner's Consultant

Phone Number: (219)-755-3211

Commissioners worked with the Lake County Council and Auditor's office and entered into a contractual agreement for a Grants Supervisor on November 6, 2013. The Grant Oversight Committee developed a list of criteria for the Grant Supervisor to provide to departmental Grants Administrators for current and future grants. Internal Controls have been put in place to include management oversight of accurate financial reporting and recordkeeping, meeting with Grant Administrators on compliance requirements of grant agreements and all laws and regulations.

PEGGY HOLINGA KATONA
AUDITOR



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

® EECBG 1049-M

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING NO: 2012-13 INTERNAL CONTROLS OVER COMPLIANCE
REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT ON THE
AARA & EECBG

Original Audit Report Number: B42923

Report period: Jan 1, 2012 Through Dec 31, 2012

Federal Agency: U.S. Department of Energy

Federal Program: AARA Energy Efficiency and Conservation Block Grant Program

CFDA Number: 81.128

Award No.DE-EE0000724

Auditee Contact Person: Brenda Koselke, Commissioner Consultant (219) 755-3200

Status of Audit Finding:

Please refer to the attached response from the above named contact person.

Respectfully submitted on this 5th day of August, 2014

Peggy Holinga Katona
Lake County Auditor



**THE BOARD OF COMMISSIONERS
OF THE COUNTY OF LAKE**

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2293 North Main Street
Crown Point, Indiana 46307
Phone: (219) 755-3200
Fax: (219) 755-3064

Roosevelt Allen, Jr., First District
Gerry J. Scheub, Second District
Michael C. Repay, Third District

July 25, 2014.

Prior Audit Finding Action

Section III - Federal Award Findings and Questioned Costs

Findings 2012-13 - Internal Control System

Federal Agency: US Department of Energy

Federal Program: ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)

CFDA Number: 81.128

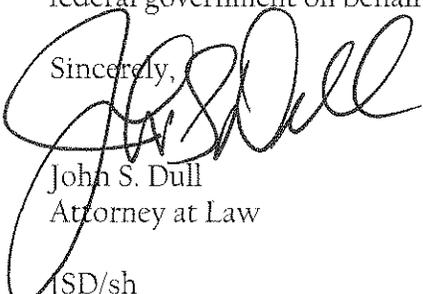
Award Number: DE-EE0000724

#1 We are currently in the process of getting the electronic files from CDMSmith (E-Room).

#2 Lake County checks for compliance concerning non-suspension and/or non-debarment of vendors prior to bid awards.

#3 Lake County has retained a third party vendor (CPA) to review all reports submitted to the federal government on behalf of Lake County when it pertains to grants.

Sincerely,


John S. Dull
Attorney at Law

JSD/sh



**THE BOARD OF COMMISSIONERS
OF THE COUNTY OF LAKE**



2293 North Main Street
Crown Point, Indiana 46307
Phone: (219) 755-3200
Fax: (219) 755-3054

Roosevelt Allen, Jr., First District
Gerry J. Scheub, Second District
Michael C. Repay, Third District

Prior Audit Finding Action

Section III – Federal Award Findings and Questioned Costs

Finding 2012-13 – Internal Control System

Federal Agency: U.S. Department of Energy
Federal Program: ARRA – Energy Efficiency and Conservation Block Grant Program
(EECBG)
CFDA Number: 81.128
Award Number: DE-EE0000724

#1 The electronic files have been retrieved from CDMSmith (E-Room) and placed into safe keeping.

#2 Lake County checks for compliance concerning non-suspension and/or non-debarment of vendors prior to bid awards.

#3 Lake County has retained a third party vendor (CPA) to review all reports submitted to the federal government on behalf of Lake County when it pertains to grants.

July 25, 2014

PEGGY HOLINGA KATONA
AUDITOR



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING NO: 2012-14 AARA-ENERGY EFFICIENCY AND CONSERVATION
BLOCK GRANT PROGRAM –EQUIPMENT MANAGEMENT

Original Audit Report Number: B42923

Report period: Jan 1, 2012 Through Dec 31, 2012

Federal Agency: U.S. Department of Energy

Federal Program: AARA Energy Efficiency and Conservation Block Grant Program

CFDA Number: 81.128

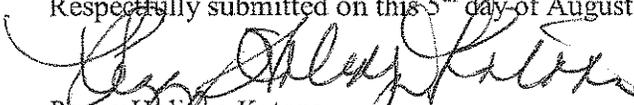
Award No.DE-EE0000724

Auditee Contact Person: Brenda Koselke, Commissioner Consultant (219) 755-3200

Status of Audit Finding:

Please refer to the attached response from the above named contact person.

Respectfully submitted on this 5th day of August, 2014


Peggy Holinga Katona
Lake County Auditor



THE BOARD OF COMMISSIONERS OF THE COUNTY OF LAKE

1049-M

2293 North Main Street
Crown Point, Indiana 46307
Phone: (219) 755-3200
Fax: (219) 755-3064

Roosevelt Allen, Jr., First District
Gerry J. Scheub, Second District
Michael C. Repay, Third District

Prior Audit Finding Action

Section III - Federal Award Findings and Questioned Costs

Finding 2012-14 - Equipment Management, ARRA

Federal Agency: U.S. Department of Energy

Federal Program: ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)

CFDA Number 81.128

Award Number: DE-EE0000724

#1 We are currently in the process of getting the electronic files from CDMSmith (E-Room).

Brenda Koselke

July 25, 2014

PEGGY HOLINGA KATONA
AUDITOR



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING NO: 2012-15 INTERNAL CONTROLS OVER COMPLIANCE
REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT ON HOME
INVESTMENT PARTNERSHIPS PROGRAMS.

Original Audit Report Number: B42923

Report period: Jan 1, 2012 Through Dec 31, 2012

Federal Agency: U.S. Department OF Housing and Urban Development

Federal Program: HOME Investment Partnerships Program

CFDA Number: 14.239

Award No M-09-UC-18-0207, M-10-UC-18-0207, M-11-UC-18-207, M-96-UC-18-0207, M-97-UC-18-0207

Auditee Contact Person: Milan Grozdanich, Executive Director (219) 755-3231

Status of Audit Finding:

Please refer to the attached response from the above named contact person.

Respectfully submitted on this 5th day of August, 2014

Peggy Holinga Katona
Lake County Auditor



COPY

LAKE COUNTY
COMMUNITY ECONOMIC DEVELOPMENT DEPARTMENT

2293 N. Main Street • Crown Point, IN 46307
Tel. (219) 755-3225 • Fax (219) 736-5925
econdev@lakecountyin.com

MILAN GROZDANICH
Executive Director



June 16, 2014

Mr. Aaron B. Bailey, CPD Representative
U.S. Department of Housing & Urban Development
151 North Delaware Street, 12th Floor
Indianapolis, Indiana 46204-2526

Re: Lake County Audit Report

Dear Mr. Bailey,

This letter is to transmit documentation concerning the Corrective Action Plan recently submitted to your office for findings 2012-15 Internal Controls Over Compliance Requirements That Have a Direct & Material Effect on HOME Investment Partnerships Program & 2012-16 Compliance Related to HOME Investment Partnerships Program - Reporting. All actions have been implemented.

Enclosed are the following documents:

- 1) Monthly "greenbar" LC-500 Reports after reconciliation with the manual ledgers by Anna Nunez, Fiscal Officer or Lori Burke, Bookkeeper, to verify agreement with the expenditures of administrative & CHDO funds initialed by Alverna Hooks demonstrating management review. (August 2013 thru May 2014).
- 2) HOME Match Log generated by Liz Foster, Loan Officer reviewed and initialed by Alverna Hooks, demonstrating management review (October 2013 thru May 2014).
- 3) IDIS PR09 Program Income Detail Report reviewed & initialed by Milan Grozdanich, Executive Director demonstrating management review.(October 13 thru May 2014)
- 4) Section 3 Summary Report corrected by fiscal staff, reviewed & initialed by Alverna D. Hooks, Deputy Director.

All other Findings addressed in HUD's letter dated April 22, 2014 concerning Lake County Audit will be addressed in on or before July 18, 2014.

Sincerely,

A handwritten signature in black ink, appearing to read "Milan Grozdanich". The signature is fluid and cursive, with a large initial "M" and "G".

Milan Grozdanich
Executive Director

171 6100 44220 - Building & Struct Improvements

| UNPAID ITEMS | | | | | PAID ITEMS | | | | | PAYABLES TOTAL | |
|---------------------------|--------------|--------|---------|------------|-------------------------|-------------|--------|---------|------------|----------------|-----------|
| DATE | VENDOR NAME | VENDOR | PO # | AMOUNT | DATE | VENDOR NAME | VENDOR | PO # | CHECK | | AMOUNT |
| 7/10/13 | CENTIER BANK | 2379 | 3308161 | 5,000.00 | 7/05/13 | CENTIER BAN | 2379 | 3302647 | 9950 | 5,000.00 | 86,006.40 |
| 7/10/13 | CENTIER BANK | 2379 | 3308162 | 5,000.00 | 7/05/13 | CENTIER BAN | 2379 | 3302652 | 9947 | 5,000.00 | |
| 7/10/13 | CENTIER BANK | 2379 | 3308163 | 5,000.00 | 7/05/13 | CENTIER BAN | 2379 | 3302665 | 9955 | 2,332.27 | |
| 7/11/13 | LAKE COUNTY | 71495 | 3308238 | 17.00 | 7/05/13 | CENTIER BAN | 2379 | 3302666 | 9946 | 5,000.00 | |
| 7/29/13 | SCHNEIDER LA | 2429 | 3309033 | 40.00 | 7/05/13 | CENTIER BAN | 2379 | 3302668 | 9953 | 5,000.00 | |
| 7/29/13 | CHICAGO TITL | 6505 | 3309040 | 180.00 | 7/05/13 | CENTIER BAN | 2379 | 3302669 | 9951 | 5,000.00 | |
| 7/29/13 | KOVACHEVICH | 12869 | 3309025 | 200.00 | 7/05/13 | CENTIER BAN | 2379 | 3302675 | 9952 | 5,000.00 | |
| 7/29/13 | LAKE COUNTY | 71495 | 3309022 | 17.00 | 7/05/13 | CENTIER BAN | 2379 | 3302676 | 9949 | 5,000.00 | |
| 7/29/13 | LAKE COUNTY | 71495 | 3309024 | 19.00 | 7/05/13 | CENTIER BAN | 2379 | 3302677 | 9954 | 5,000.00 | |
| 7/29/13 | NORTHWEST CO | 142555 | 3309051 | 21,085.00 | 7/05/13 | LAKE COUNTY | 71495 | 3304241 | 9956 | 51.00 | |
| 7/30/13 | CENTIER BANK | 2379 | 3309083 | 453.43 | 7/05/13 | LAKE COUNTY | 71495 | 3304242 | 9957 | 17.00 | |
| | | | | | 7/05/13 | LAKE COUNTY | 71495 | 3304243 | 9958 | 17.00 | |
| | | | | | 7/05/13 | LAKE COUNTY | 71495 | 3304245 | 9959 | 17.00 | |
| | | | | | 7/05/13 | LAKE COUNTY | 71495 | 3305066 | 9960 | 51.00 | |
| | | | | | 7/05/13 | LAKE COUNTY | 71495 | 3305408 | 9961 | 51.00 | |
| | | | | | 7/05/13 | LAKE COUNTY | 71495 | 3305667 | 9962 | 17.00 | |
| | | | | | 7/05/13 | LAKE COUNTY | 71495 | 3305832 | 9963 | 34.00 | |
| | | | | | 7/05/13 | LAKE COUNTY | 71495 | 3305983 | 9964 | 17.00 | |
| | | | | | 7/08/13 | LAKE COUNTY | 71495 | 3303599 | 9965 | 22.00 | |
| TOTAL UNPAID ITEMS (76) | | | | 366,678.81 | TOTAL PAID ITEMS (84) | | | | 298,064.97 | 42,626.27 | |
| | | | | | ACCOUNT BALANCE | | | | 664,743.78 | | |
| | | | | | | | | | 265,857.97 | | |

DEPARTMENTAL RECAP

| OBJECT : ----- | DESCRIPTION----- | CURRENT APP | PRIOR APP. | ENCUMBRANCES | EXPENDITURES | BALANCE |
|-------------------------------|--------------------------------|--------------|------------|--------------|--------------|------------|
| 43995 | Other Services & Charges | 3,380.00 | 0.00 | 0.00 | 1,266.00 | 2,114.00 |
| 44220 | Building & Struct Improvements | 784,570.35 | 146,031.40 | 366,678.81 | 298,064.97 | 265,857.97 |
| * * * DEPARTMENT TOTALS * * * | | 787,950.35 | 146,031.40 | 366,678.81 | 299,330.97 | 267,971.97 |
| FUND : ----- | DESCRIPTION----- | CURRENT APP. | PRIOR APP. | ENCUMBRANCES | EXPENDITURES | BALANCE |
| 171 | * * * FUND TOTALS * * * | 787,950.35 | 146,031.40 | 366,678.81 | 299,330.97 | 267,971.97 |

ASH

171 6100 44220 - Building & Struct Improvements

| | | | | | | |
|----|--------------------------------------|--------------|------------|--------------|--------------|------------|
| 1 | 43995 Other Services & Charges | 3,380.00 | 0.00 | 199.00 | 1,266.00 | 1,785.00 |
| 2 | | | | | | |
| 3 | 44220 Building & Struct Improvements | 784,570.35 | 146,031.40 | 352,362.26 | 398,294.63 | 179,944.86 |
| 4 | | | | | | |
| 5 | * * * DEPARTMENT TOTALS * * * | 787,950.35 | 146,031.40 | 352,561.26 | 399,560.63 | 181,859.86 |
| 6 | | | | | | |
| 7 | FUND :-----DESCRIPTION-----: | CURRENT APP. | PRIOR APP. | ENCUMBRANCES | EXPENDITURES | BALANCE |
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| 9 | 171 * * * FUND TOTALS * * * | 787,950.35 | 146,031.40 | 352,561.26 | 399,560.63 | 181,859.86 |
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171 6100 44220 - Building & Struct Improvements

| UNPAID ITEMS | | | | PAID ITEMS | | | | PAYABLES TOTAL | | | |
|--------------------------|-------------|--------|------|------------|-------------------------|---------|---------|----------------|------------|--|------------|
| DATE | VENDOR NAME | VENDOR | PO # | DATE | VENDOR NAME | VENDOR | PO # | | | | |
| | | | | 9/03/13 | CENTIER BAN | 2379 | 3309083 | 9983 | 453.43 | | |
| | | | | 9/09/13 | W#792-CENTI ER BANK 1 | 2/19/12 | | | 637.06 | | |
| | | | | 9/13/13 | LAKE COUNTY | 629182 | 3301144 | 9984 | 21,005.02 | | |
| | | | | 9/16/13 | Reverse JE# 7 dated 0 | 9/10/13 | | | 637.06 | | |
| | | | | 9/17/13 | NORTHWEST C | 142555 | 3309051 | 9985 | 20,920.00 | | |
| TOTAL UNPAID ITEMS (66) | | | | 262,354.60 | TOTAL PAID ITEMS (117) | | | | 460,673.08 | | 62,378.45 |
| | | | | | ACCOUNT-BALANCE | | | | | | 723,027.68 |
| | | | | | | | | | | | 431,610.24 |

DEPARTMENTAL RECAP:

| OBJECT | DESCRIPTION | CURRENT APP. | PRIOR APP. | ENGUMBRANCES | EXPENDITURES | BALANCE |
|-------------------------------|--------------------------------|--------------|------------|--------------|--------------|-----------------------|
| 43995 | Other Services & Charges | 3,380.00 | 0.00 | 554.00 | 1,266.00 | 1,560.00 |
| 44220 | Building & Struct Improvements | 1,008,606.52 | 146,031.40 | 262,354.60 | 460,673.08 | 431,610.24 |
| * * * DEPARTMENT TOTALS * * * | | 1,011,986.52 | 146,031.40 | 262,908.60 | 461,939.08 | 433,170.24 |
| FUND | DESCRIPTION | CURRENT APP. | PRIOR APP. | ENCUMBRANCES | EXPENDITURES | BALANCE |
| 171 | * * * FUND TOTALS * * * | 1,011,986.52 | 146,031.40 | 262,908.60 | 461,939.08 | 433,170.24 <i>She</i> |

171 6100 44220 - Building & Struct Improvements

| UNPAID ITEMS | | | | | PAID ITEMS | | | | | PAYABLES TOTAL | |
|--------------------------|-------------|--------|------|------------|-------------------------|-------------|--------|---------|------------|----------------|--------|
| DATE | VENDOR NAME | VENDOR | PO # | AMOUNT | DATE | VENDOR NAME | VENDOR | PO # | CHECK | | AMOUNT |
| | | | | | 10/29/13 | CENTIER BAN | 2379 | 3308160 | 10008 | 5,000.00 | |
| | | | | | 10/29/13 | SCHNEIDER L | 2426 | 3309033 | 10036 | 45.00 | |
| | | | | | 10/29/13 | CHICAGO TIT | 6505 | 3312263 | 10014 | 155.00 | |
| | | | | | 10/29/13 | CHICAGO TIT | 6505 | 3312264 | 10015 | 155.00 | |
| | | | | | 10/29/13 | KOVACHEVICH | 12869 | 3312267 | 10023 | 200.00 | |
| | | | | | 10/29/13 | KOVACHEVICH | 12869 | 3312269 | 10024 | 200.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3307642 | 10025 | 102.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3308026 | 10026 | 51.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3308238 | 10027 | 17.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3309022 | 10028 | 17.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3309230 | 10029 | 102.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3309457 | 10030 | 34.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3309458 | 10034 | 15.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3309829 | 10031 | 68.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3310405 | 10033 | 19.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3310407 | 10032 | 68.00 | |
| | | | | | 10/29/13 | IN FACT INC | 127760 | 3300598 | 10020 | 15,169.48 | |
| | | | | | 10/29/13 | NORTHWEST C | 142555 | 3309051 | 10018 | 3,465.00 | |
| | | | | | 10/29/13 | JULIE SADLE | 653347 | 3310461 | 10021 | 22,739.00 | |
| TOTAL UNPAID ITEMS (41) | | | | 199,579.18 | TOTAL PAID ITEMS (162) | | | | 597,553.35 | 136,880.27 | |
| | | | | | ACCOUNT BALANCE | | | | 797,132.53 | 832,176.85 | |

DEPARTMENTAL RECAP:

| OBJECT | DESCRIPTION | CURRENT APP. | PRIOR APP. | ENCUMBRANCES | EXPENDITURES | BALANCE |
|-------------------------------|--------------------------------|--------------|------------|--------------|--------------|------------------------------------|
| 43995 | Other Services & Charges | 6,820.00 | 0.00 | 1,172.45 | 2,278.52 | + 1560.00 - 3,369.03 4929.03 |
| 44220 | Building & Struct Improvements | 1,483,277.98 | 146,031.40 | 199,579.18 | 597,553.35 | 832,176.85 |
| * * * DEPARTMENT TOTALS * * * | | 1,490,097.98 | 146,031.40 | 200,751.63 | 599,831.87 | 835,545.88 |
| FUND | DESCRIPTION | CURRENT APP. | PRIOR APP. | ENCUMBRANCES | EXPENDITURES | BALANCE |
| 171 | * * * FUND TOTALS * * * | 1,490,097.98 | 146,031.40 | 200,751.63 | 599,831.87 | 835,545.88 |

end of year balance

wrong amount

61.00

837,044.88

26

-109-

171 6100 44220 - Building & Struct Improvements

| UNPAID ITEMS | | | | | PAID ITEMS | | | | | PAYABLES TOTAL | |
|--------------------------|-------------|--------|------|------------|-------------------------|-------------|--------|---------|------------|-----------------|------------|
| DATE | VENDOR NAME | VENDOR | PO # | AMOUNT | DATE | VENDOR NAME | VENDOR | PO # | CHECK | | AMOUNT |
| | | | | | 10/29/13 | CENTIER BAN | 2379 | 3308138 | 10037 | 5,000.00 | |
| | | | | | 10/29/13 | CENTIER BAN | 2379 | 3308144 | 10007 | 5,000.00 | |
| | | | | | 10/29/13 | CENTIER BAN | 2379 | 3308145 | 10013 | 5,000.00 | |
| | | | | | 10/29/13 | CENTIER BAN | 2379 | 3308156 | 10010 | 5,000.00 | |
| | | | | | 10/29/13 | CENTIER BAN | 2379 | 3308158 | 10009 | 5,000.00 | |
| | | | | | 10/29/13 | CENTIER BAN | 2379 | 3308160 | 10008 | 5,000.00 | |
| | | | | | 10/29/13 | SCHNEIDER L | 2429 | 3309033 | 10026 | 45.00 | |
| | | | | | 10/29/13 | CHICAGO TIT | 6505 | 3312263 | 10014 | 155.00 | |
| | | | | | 10/29/13 | CHICAGO TIT | 6505 | 3312264 | 10015 | 155.00 | |
| | | | | | 10/29/13 | KOVACHEVICH | 12869 | 3312267 | 10023 | 200.00 | |
| | | | | | 10/29/13 | KOVACHEVICH | 12869 | 3312269 | 10024 | 200.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3307642 | 10025 | 102.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3308026 | 10026 | 51.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3308238 | 10027 | 17.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3309022 | 10028 | 17.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3309230 | 10029 | 102.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3309457 | 10030 | 34.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3309458 | 10034 | 15.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3309829 | 10031 | 68.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3310405 | 10033 | 19.00 | |
| | | | | | 10/29/13 | LAKE COUNTY | 71495 | 3310407 | 10032 | 68.00 | |
| | | | | | 10/29/13 | IN PACT INC | 127760 | 3300598 | 10020 | 15,169.48 | |
| | | | | | 10/29/13 | NORTHWEST C | 142555 | 3309051 | 10018 | 3,465.00 | |
| | | | | | 10/29/13 | JULIE SADLE | 653347 | 3310461 | 10021 | 22,739.00 | |
| | | | | | 11/21/13 | CENTIER BAN | 2379 | 3308152 | 10040 | 5,000.00 | 136,880.27 |
| | | | | | 11/21/13 | CENTIER BAN | 2379 | 3313047 | 10040 | 406.19 | |
| | | | | | 11/21/13 | CHICAGO TIT | 6505 | 3312754 | 10041 | 155.00 | |
| | | | | | 11/21/13 | KOVACHEVICH | 12869 | 3312755 | 10042 | 200.00 | |
| | | | | | 11/21/13 | LAKE COUNTY | 71495 | 3312304 | 10045 | 17.00 | |
| | | | | | 11/21/13 | LAKE COUNTY | 71495 | 3312338 | 10045 | 153.00 | |
| | | | | | 11/21/13 | LAKE COUNTY | 71495 | 3312339 | 10045 | 102.00 | |
| | | | | | 11/21/13 | LAKE COUNTY | 71495 | 3312340 | 10045 | 15.00 | |
| | | | | | 11/21/13 | LAKE COUNTY | 71495 | 3312341 | 10045 | 17.00 | |
| TOTAL UNPAID ITEMS (34) | | | | 193,971.18 | TOTAL PAID ITEMS (171) | | | | 603,618.54 | 6,065.19 | |
| | | | | | | | | | | 797,589.72 | |
| | | | | | | | | | | 831,719.66 | |
| | | | | | | | | | | ACCOUNT BALANCE | |

DEPARTMENTAL RECAP:

| OBJECT | DESCRIPTION | CURRENT APP. | PRIOR APP. | ENCUMBRANCES | EXPENDITURES | BALANCE |
|---------------------------|--------------------------------|--------------|------------|--------------|--------------|------------|
| 43995 | Other Services & Charges | 6,820.00 | 0.00 | 121.00 | 3,130.26 | 3,568.74 |
| 44220 | Building & Struct Improvements | 1,483,277.98 | 146,031.40 | 193,971.18 | 603,618.54 | 831,719.66 |
| *** DEPARTMENT TOTALS *** | | 1,490,097.98 | 146,031.40 | 194,092.18 | 606,748.80 | 835,288.40 |
| FUND | DESCRIPTION | CURRENT APP. | PRIOR APP. | ENCUMBRANCES | EXPENDITURES | BALANCE |
| 171 | *** FUND TOTALS *** | 1,490,097.98 | 146,031.40 | 194,092.18 | 606,748.80 | 835,288.40 |

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171 6100 44220 - Building & Struct Improvements

| OBJECT :-----DESCRIPTION-----: | CURRENT APP. | PRIOR APP. | ENCUMBRANCES | EXPENDITURES | BALANCE |
|---|---------------------|------------------|------------------|-----------------|---------------------|
| 43995 Other Services & Charges | 3,518.03 | 14.00 | 77.48 | 0.00 | 3,454.55 |
| 44220 Building & Struct Improvements | 765,419.23 | 99,716.56 | 105,011.56 | 32,932.00 | 727,192.23 |
| * * * DEPARTMENT TOTALS * * * | 768,937.26 | 99,730.56 | 105,089.04 | 32,932.00 | 730,646.78 |
| FUND :-----DESCRIPTION-----: | CURRENT APP. | PRIOR APP. | ENCUMBRANCES | EXPENDITURES | BALANCE |
| 171 * * * FUND TOTALS * * * | 768,937.26 | 99,730.56 | 105,089.04 | 32,932.00 | 730,646.78 |

SK

171 6100 44220 - Building & Struct Improvements

DEPARTMENTAL RECAP:

| OBJECT :-----DESCRIPTION-----: | CURRENT APP. | PRIOR APP. | ENCUMBRANCES | EXPENDITURES | BALANCE |
|--------------------------------------|--------------|------------|--------------|--------------|------------|
| 43995 Other Services & Charges | 3,518.03 | 14.00 | 697.48 | 0.00 | 2,834.55 |
| 44220 Building & Struct Improvements | 765,419.23 | 99,716.56 | 114,517.99 | 33,464.57 | 717,153.23 |
| * * * DEPARTMENT TOTALS * * * | 768,937.26 | 99,730.56 | 115,215.47 | 33,464.57 | 719,987.78 |

| FUND :-----DESCRIPTION-----: | CURRENT APP. | PRIOR APP. | ENCUMBRANCES | EXPENDITURES | BALANCE |
|------------------------------|--------------|------------|--------------|--------------|------------|
| 171 * * * FUND TOTALS * * * | 768,937.26 | 99,730.56 | 115,215.47 | 33,464.57 | 719,987.78 |

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171 6100 44220 - Building & Struct Improvements

| UNPAID ITEMS | | | | | PAID ITEMS | | | | | PAYABLES TOTAL | | | |
|--------------------------|--------------|--------|---------|------------|------------------------|-------------|--------|---------|-------|----------------|-----------|------------|------------|
| DATE | VENDOR NAME | VENDOR | PO # | AMOUNT | DATE | VENDOR NAME | VENDOR | PO # | CHECK | | AMOUNT | | |
| 3/17/14 | LAKE COUNTY | 71495 | 340306Z | 15.00 | 3/03/14 | LAKE COUNTY | 71495 | 331317Z | 10084 | 136.00 | | | |
| 3/17/14 | JULIE SADLER | 623347 | 340307B | 24,438.00 | 3/03/14 | LAKE COUNTY | 71495 | 3313661 | 10087 | 17.00 | | | |
| 3/25/14 | CENTIER BANK | 2379 | 3403287 | 10,000.00 | 3/03/14 | LAKE COUNTY | 71495 | 3400819 | 10088 | 187.00 | | | |
| 3/25/14 | LAKE COUNTY | 71495 | 3403238 | 17.00 | 3/13/14 | CENTIER BAN | 2379 | 3400797 | 10089 | 33,000.00 | | | |
| 3/25/14 | LAKE COUNTY | 71495 | 3403301 | 34.00 | | | | | | | 33,819.00 | | |
| 3/31/14 | IN FACT INC | 127760 | 340349Z | 22,636.75 | | | | | | | | | |
| TOTAL UNPAID ITEMS (22) | | | | 133,325.60 | TOTAL PAID ITEMS (20) | | | | | | 87,283.57 | 220,609.17 | |
| | | | | | ACCOUNT BALANCE | | | | | | | | 651,348.83 |

DEPARTMENTAL RECAP:

| OBJECT | DESCRIPTION | CURRENT APP. | PRIOR APP. | ENCUMBRANCES | EXPENDITURES | BALANCE |
|-------------------------------|--------------------------------|--------------|------------|--------------|--------------|------------|
| 43995 | Other Services & Charges | 3,518.03 | 14.00 | 1,421.69 | 683.48 | 1,426.86 |
| 44220 | Building & Struct Improvements | 772,241.44 | 99,716.56 | 133,325.60 | 87,283.57 | 651,348.83 |
| * * * DEPARTMENT TOTALS * * * | | 775,759.47 | 99,730.56 | 134,747.29 | 87,967.05 | 652,775.69 |

| FUND | DESCRIPTION | CURRENT APP. | PRIOR APP. | ENCUMBRANCES | EXPENDITURES | BALANCE |
|------|-------------------------|--------------|------------|--------------|--------------|------------|
| 171 | * * * FUND TOTALS * * * | 775,759.47 | 99,730.56 | 134,747.29 | 87,967.05 | 652,775.69 |

HOME MATCH LOG FY

13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|---|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1552 | | 3800 W. 78 th St Merrillville | H | 39.58 | 4/25/14 | 9.90 | - | N/A | | HB |
| 1553 | | 2225 99 th St Highland | H | 5,017.00 | 2/24/14 | 1,254.25 | - | N/A | | HB |
| 1554 | | 2444 Walnut St Highland | H | 5,017.00 | 2/24/14 | 1,254.25 | - | N/A | | HB |
| 1555 | | 1730 Chestnut Lane CP | H | 5,017.00 | 2/24/14 | 1,254.25 | - | N/A | | HB |
| 1556 | | 7524 Jersey Pl Merrillville | H | 5,017.00 | 2/24/14 | 1,254.25 | - | N/A | | HB |
| 1557 | | 200 South Oak Hobart | H | 2,700.76 | 2/24/14 | 675.19 | - | N/A | | HB |
| | | | | Subtotal | 22,808.34 | 5,702.09 | | | | |
| | | | | Balance Forward | 342,840.22 | 85,610.16 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|--|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1549 | | 3606 E. 35 th Ave Lake Station | H | 40,83 | 4/25/14 | 10.21 | - | N/A | | HB |
| 1550 | | 906 Hayes CP | H | 5,000.00 | 1/24/14 | 1,250.00 | - | N/A | | HB |
| 1550 | | " | H | 17.00 | 2/24/14 | 4.25 | - | N/A | | HB |
| 1550 | | " | H | 40.82 | 4/25/14 | 10.21 | - | N/A | | HB |
| 1551 | | 7728 N. Main Merrellville | H | 5,017.00 | 3/7/14 | 1,254.25 | - | N/A | | HB |
| 1552 | | 3800 W. 78 th St Merrellville | H | 5,017.00 | 3/7/14 | 1,254.25 | - | N/A | | HB |
| | | | | Subtotal | 15,132.65 | | 3,783.17 | | | |
| | | | | Balance Forward | 320,031.88 | | 79,908.07 | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|--|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1547 | | 24208 Cline Ave Lowell | H | 39.58 | 4/25/14 | 9.90 | — | N/A | | H B |
| 1548 | | 1194 Auburn Meadow Lane Schererville | H | 5,000.00 | 12/20/13 | 1,250.00 | — | N/A | | H B |
| 1548 | | " | H | 17.00 | 2/24/14 | 4.25 | — | N/A | | H B |
| 1548 | | " | H | 39.59 | 4/25/14 | 9.90 | — | N/A | | H B |
| 1549 | | 3606 E. 35 th Ave Lake Station | H | 5,000.00 | 1/24/14 | 1,250.00 | — | N/A | | H B |
| 1549 | | " | H | 17.00 | 2/24/14 | 4.25 | — | N/A | | H B |
| | | | Subtotal | 10,113.17 | | 2,528.30 | | | | |
| | | | Balance Forward | 304,899.23 | | 76,124.90 | | | | |

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HOME MATCH LOG FY 13

26

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|--|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1545 | | 904 W. 72 ND PL Merrillville | H | 40.83 | 4/25/14 | 10.21 | - | N/A | | HB |
| 1546 | | 6087 Delaware Dr Merrillville | H | 2,793.88 | 12/20/13 | 698.47 | | N/A | | HB |
| 1546 | | " | H | 17.00 | 2/24/14 | 4.25 | | N/A | | HB |
| 1546 | | " | H | 40.82 | 4/25/14 | 10.21 | | N/A | | HB |
| 1547 | | 24208 Cline Ave Lawrence | H | 5,000.00 | 12/20/13 | 1,250.00 | | N/A | | HB |
| 1547 | | " | H | 17.00 | 2/24/14 | 4.25 | | N/A | | HB |
| | | | Subtotal | 7,909.53 | | 1,977.39 | | | | |
| | | | Balance Forward | 294,786.06 | | 73,596.60 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|------------------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1543 | | 11398 W. 133rd Lane Cedar Lake | H | 17.00 | 2/24/14 | 4.25 | - | N/A | | HB |
| 1544 | | 819 N. Oakwood Ave Merrillville | H | 5,000.00 | 12/20/13 | 1,250.00 | - | N/A | | HB |
| 1544 | | " | H | 26.63 | 1/31/14 | 6.66 | - | N/A | | HB |
| 1544 | | " | H | 17.00 | 2/24/14 | 4.25 | - | N/A | | HB |
| 1545 | | 904 W. 72nd Pl Merrillville | H | 5,000.00 | 12/20/13 | 1,250.00 | - | N/A | | HB |
| 1545 | | " | H | 17.00 | 2/24/14 | 4.25 | - | N/A | | HB |
| | | | Subtotal | 10,077.63 | | 2,519.41 | - | | | |
| | | | Balance Forward | 286,876.53 | | 71,619.21 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|-----------------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1521 | | 8947 Pettit Dr Highland | H | 17.00 | 1/14/13 | 4.25 | - | N/A | | HB |
| 1521 | | " | H | 26.63 | 1/31/14 | 6.66 | - | N/A | | HB |
| 1540 | | 2917 Fairview Lake Station | H | 5,000.00 | 12/13/13 | 1,250.00 | - | N/A | | HB |
| 1540 | | " | H | 17.00 | 12/20/13 | 4.25 | - | N/A | | HB |
| 1543 | | 11398 W. 133rd Lane Cedar Lake | H | 5,000.00 | 12/20/13 | 1,250.00 | - | N/A | | HB |
| 1543 | | " | H | 26.63 | 1/31/14 | 6.66 | - | N/A | | HB |
| | | | | Subtotal | 10,087.26 | | 2,521.82 | | | |
| | | | | Balance Forward | 276,798.90 | | 69,099.80 | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|-------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1519 | | 12723 Cedar Lake | H | 17,442.00 | 12/3/13 | 4,360.50 | - | N/A | | Rehab |
| 1519 | | " | H | 7,073.00 | 12/11/13 | 1,768.25 | - | N/A | | Rehab |
| 1520 | | 3252 Highland | H | 5,000.00 | 10/22/13 | 1,250.00 | - | N/A | | HB |
| 1520 | | " | H | 17.00 | 11/14/13 | 4.25 | - | N/A | | HB |
| 1520 | | " | H | 39.59 | 4/25/14 | 9.90 | - | N/A | | HB |
| 1521 | | 8947 Pettibone Highland | H | 5,000.00 | 10/22/13 | 1,250.00 | - | N/A | | HB |
| | | | Subtotal | 34,571.59 | | 8,642.90 | | | | |
| | | | Balance Forward | 266,711.64 | | 46,577.98 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|---|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1518 | | 2241 W. 60 th St Merrillville | H | 17.00 | 11/14/13 | 4.25 | - | N/A | | Rehab |
| 1518 | | " | H | 15,928.49 | 12/3/13 | 3,980.88 | - | N/A | | Rehab |
| 1518 | | " | H | 6,326.51 | 12/3/13 | 1,581.63 | - | N/A | | Rehab |
| 1518 | | " | H | 45.00 | 1/24/14 | 11.25 | - | N/A | | Rehab |
| 1519 | | 1272 30 th St Cedar Lake | H | 355.00 | 10/27/13 | 88.75 | - | N/A | | Rehab |
| 1519 | | " | H | 17.00 | 11/14/13 | 4.25 | - | N/A | | Rehab |
| | | | Subtotal | 22,684.00 | | 5,671.01 | | | | |
| | | | Balance Forward | 232,140.05 | | 57,935.08 | | | | |

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21

HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|--|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1513 | | 1316 W. 38 th Ave Hobart | H | 5,000.00 | 11/14/13 | 1,250.00 | - | N/A | | HB |
| 1513 | | " | H | 17.00 | 12/13/13 | 4.25 | - | N/A | | HB |
| 1516 | | 6201 Hayes Merrellville | H | 5,000.00 | 1/24/14 | 1,250.00 | - | N/A | | HB |
| 1516 | | " | H | 17.00 | 2/24/14 | 4.25 | - | N/A | | HB |
| 1516 | | " | H | 40.83 | 4/25/14 | 10.21 | - | N/A | | HB |
| 1518 | | 2241 W. 60 th Ave Merrellville | H | 355.00 | 10/22/13 | 88.75 | - | N/A | | Rehabs |
| | | | | Subtotal | 10,429.83 | 2,607.46 | | | | |
| | | | | Balance Forward | 209,456.05 | 52,264.07 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|----------------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1509 | | 2208 Hait ayer | H | 17.00 | 2/24/14 | 4.25 | - | N/A | | HB |
| 1510 | | 5400 Connecticut Merrillville | H | 5,000.00 | 12/20/13 | 1,250.00 | - | N/A | | HB |
| 1510 | | " | H | 17.00 | 2/24/14 | 4.25 | - | N/A | | HB |
| 1510 | | " | H | 40.82 | 4/25/14 | 10.21 | - | N/A | | HB |
| 1512 | | 7345 Loney Rd Merrillville | H | 5,000.00 | 12/13/13 | 1,250.00 | - | N/A | | HB |
| 1512 | | " | H | 17.00 | 12/20/13 | 4.25 | - | N/A | | HB |
| | | | Subtotal | 10,091.82 | | 3,522.96 | | | | |
| | | | Balance Forward | 199,026.22 | | 49,656.61 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|--|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1507 | | 1259 W. 84 th St Inverness | H | 26.63 | 1/31/14 | 6.66 | - | N/A | | HB |
| 1507 | | " | H | 17.00 | 2/24/14 | 4.25 | - | N/A | | HB |
| 1508 | | | H | 5,000.00 | 12/13/13 | 1,250.00 | - | N/A | | HB |
| 1508 | | | H | 17.00 | 12/20/13 | 4.25 | - | N/A | | HB |
| 1509 | | 2208 Hunt St Seyon | H | 5,000.00 | 12/20/13 | 1,250.00 | - | N/A | | HB |
| 1509 | | " | H | 26.63 | 1/31/14 | 6.66 | - | N/A | | HB |
| | | | Subtotal | 10,087.26 | | 2,521.82 | | | | |
| | | | Balance Forward | 188,934.40 | | 47,133.65 | | | | |

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ASB

HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|---------------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1504 | | 6909 Van Buren Merrillville | H | 17.00 | 11/14/13 | 4.25 | - | N/A | | HB |
| 1504 | | 1 | H | 26.63 | 4/31/14 | 6.66 | - | N/A | | HB |
| 1505 | | 2517 Lincoln Highland | H | 5,000.0 | 10/22/13 | 1,250.00 | - | N/A | | HB |
| 1505 | | " | H | 17.00 | 11/14/13 | 4.25 | - | N/A | | HB |
| 1505 | | " | H | 39.59 | 4/25/14 | 9.90 | - | N/A | | HB |
| 1507 | | 1259 W. 84th Pl Merrillville | H | 5,000.00 | 12/20/13 | 1,250.00 | - | N/A | | HB |
| | | | | Subtotal | 10,100.23 | 2,525.06 | | | | |
| | | | | Balance Forward | 178,847.14 | 44,611.83 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|----------------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1501 | | 970 Jordan Circle Schireville | H | 17.00 | 11/14/13 | 4.25 | - | N/A | | HB |
| 1501 | | " | H | 40.82 | 4/25/14 | 10.21 | - | N/A | | HB |
| 1503 | | 5461 Adams Merrellville | H | 5,000.00 | 10/22/13 | 1,250.00 | - | N/A | | HB |
| 1503 | | " | H | 17.00 | 11/14/13 | 4.25 | - | N/A | | HB |
| 1503 | | " | H | 26.63 | 1/31/14 | 6.66 | - | N/A | | HB |
| 1504 | | 6909 Van Buren Merrellville | H | 5,000.00 | 10/22/13 | 1,250.00 | - | N/A | | HB |
| | | | Subtotal | 10,101.45 | | 3,525.37 | | | | |
| | | | Balance Forward | 168,746.92 | | 42,086.77 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|-----------------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1499 | | 3528 La Porte Highland | H | 17.00 | 11/14/13 | 4.25 | - | N/A | | HB |
| 1499 | | " | H | 26.63 | 1/31/14 | 6.66 | - | N/A | | HB |
| 1500 | | 1105 Garfield Hobart | H | 5,000.00 | 10/22/13 | 1,250.00 | - | N/A | | HB |
| 1500 | | " | H | 17.00 | 11/14/13 | 4.25 | - | N/A | | HB |
| 1500 | | " | H | 26.63 | 1/31/14 | 6.66 | - | N/A | | HB |
| 1501 | | 970 Jordan Circle Schererville | H | 5,000.00 | 10/22/13 | 1,250.00 | - | N/A | | HB |
| | | | Subtotal | 10,087.26 | | 2,521.80 | | | | |
| | | | Balance Forward | 158,645.47 | | 39,561.40 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|-----------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1497 | | 945 n Elmer Suffern | H | 17.00 | 11/14/13 | 4.25 | - | N/A | | HB |
| 1497 | | | H | 39.59 | 4/25/14 | 9.90 | - | N/A | | HB |
| 1498 | | 9327 Waymon Ave Highland | H | 5,000.00 | 10/22/13 | 1,250.00 | - | N/A | | HB |
| 1498 | | " | H | 17.00 | 11/14/13 | 4.25 | - | N/A | | HB |
| 1498 | | " | H | 26.63 | 4/31/14 | 6.66 | - | N/A | | HB |
| 1499 | | 3528 La Porte Highland | H | 5,000.00 | 10/22/13 | 1,250.00 | - | N/A | | HB |
| Subtotal | | | | 10,100.22 | | 2,525.06 | | | | |
| Balance Forward | | | | 148,558.21 | | 37,039.58 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|----------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1495 | | 2516 Kerry St Seyon | H | 17.00 | 11/14/13 | 4.25 | - | N/A | | H.B |
| 1495 | | " | H | 26.63 | 1/31/14 | 6.66 | - | N/A | | H.B |
| 1496 | | 6761 W. 158th Rd Lowell | H | 2,194.79 | 9/26/13 | 548.70 | - | N/A | | H.B |
| 1496 | | " | H | 17.00 | 11/14/13 | 4.25 | - | N/A | | H.B |
| 1496 | | " | H | 26.63 | 1/31/14 | 6.66 | - | N/A | | H.B |
| 1497 | | 945 N. Elmer Suffield | H | 5,000.00 | 9/26/13 | 1,250.00 | - | N/A | | H.B |
| | | | Subtotal | 7,282.05 | | 1,820.52 | | | | |
| | | | Balance Forward | 138,457.99 | | 34,514.58 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|--------------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1493 | | 6822 Van Buren Mendellville | H | 40.83 | 4/25/14 | 10.21 | - | N/A | | H/B |
| 1494 | | 9534 Sand Highlands | H | 1,343.80 | 9/26/13 | 335.95 | - | N/A | | H/B |
| 1494 | | " | H | 3,656.20 | 9/24/13 | 914.05 | - | N/A | | H/B |
| 1494 | | " | H | 17.00 | 11/14/13 | 4.25 | - | N/A | | H/B |
| 1494 | | " | H | 26.63 | 1/31/14 | 6.66 | - | N/A | | H/B |
| 1495 | | 2516 Kelly Dyer | H | 5,000.00 | 9/26/13 | 1,250.00 | - | N/A | | H/B |
| | | | Subtotal | 10,084.46 | | 2,421.12 | | | | |
| | | | Balance Forward | 131,175.94 | | 33,694.06 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|---------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1491 | | 2497 Liberty Hobart | H | 17.00 | 5/27/14 | 4.25 | - | N/A | | Rehab |
| 1492 | | 743 n. Indiana Suffern | H | 5,000.00 | 9/26/13 | 1,250.00 | - | N/A | | HB |
| 1492 | | " | H | 17.00 | 11/14/13 | 4.25 | - | N/A | | HB |
| 1492 | | " | H | 26.63 | 1/31/14 | 6.66 | - | N/A | | HB |
| 1493 | | 6822 Van Buren Mendham | H | 5,000.00 | 9/26/13 | 1,250.00 | - | N/A | | HB |
| 1493 | | " | H | 17.00 | 11/14/13 | 4.25 | - | N/A | | HB |
| | | | Subtotal | 10,077.63 | | 2,519.41 | | | | |
| | | | Balance Forward | 121,091.48 | | 30,272.94 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|----------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1490 | | 8423 Gordon St Highland | H | 19.00 | 10/22/13 | 4.75 | - | N/A | | Rehab |
| 1490 | | " | H | 20,840.00 | 12/11/13 | 5,210.00 | - | N/A | | Rehab |
| 1490 | | " | H | 45.00 | 2/24/14 | 11.25 | - | N/A | | Rehab |
| 1491 | | 249 n. Liberty Herbert | H | 180.00 | 9/26/13 | 45.00 | - | N/A | | Rehab |
| 1491 | | " | H | 14,500.00 | 1/6/14 | 3,625.00 | - | N/A | | Rehab |
| 1491 | | " | H | 200.00 | 2/24/14 | 50.00 | - | N/A | | Rehab |
| | | | Subtotal | 35,784.00 | | 8,946.00 | | | | |
| | | | Balance Forward | 111,013.85 | | 27,753.53 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|------------------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1487 | | 4000 Grant St Lang (col camp) | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| 1487 | | " | H | 26.60 | 4/31/14 | 6.65 | - | N/A | | HB |
| 1489 | | 138-71 st St Huffman | H | 380.00 | 9/26/13 | 95.00 | - | N/A | | Rehab |
| 1489 | | " | H | 22,739.00 | 10/22/13 | 5,684.75 | - | N/A | | Rehab |
| 1489 | | " | H | 1,440.00 | 12/11/13 | 360.00 | - | N/A | | Rehab |
| 1490 | | 8423 Gordon Highland | H | 355.00 | 9/26/13 | 88.75 | - | N/A | | Rehab |
| | | | | Subtotal | 24,957.60 | 6,239.40 | | | | |
| | | | | Balance Forward | 75,229.85 | 18,807.53 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|----------------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1485 | | 567 E. Anderson CP. | H | 77.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| 1485 | | " | H | 26.63 | 1/31/14 | 6.66 | - | N/A | | HB |
| 1486 | | 14 N. Delwood Hubart | H | 5,000.00 | 9/26/13 | 1,250.00 | - | N/A | | HB |
| 1486 | | " | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| 1486 | | " | H | 40.83 | 4/25/14 | 10.21 | - | N/A | | HB |
| 1487 | | 4000 Grants St Gary (Cal Sup) | H | 5,000.00 | 9/26/13 | 1,250.00 | - | N/A | | HB |
| | | | | Subtotal | 10,101.46 | | 2,525.57 | | | |
| | | | | Balance Forward | 50,272.25 | | 12,568.13 | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|---------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1483 | | 239 n. Virginia Hibart | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| 1483 | | " | H | 26.63 | 1/31/14 | 6.66 | - | N/A | | HB |
| 1484 | | 325 n. Cavender Hibart | H | 5,000.00 | 9/26/13 | 1,250.00 | - | N/A | | HB |
| 1484 | | " | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| 1484 | | " | H | 26.63 | 1/31/14 | 6.66 | - | N/A | | HB |
| 1485 | | 567 E. Anderson CP | H | 5,000.00 | 9/26/13 | 1,250.00 | - | N/A | | HB |
| | | | Subtotal | 10,087.26 | | 2,521.92 | | | | |
| | | | Balance Forward | 40,170.79 | | 10,042.76 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|----------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1480 | | 308 N. Elmer Middletown | H | 3,804.08 | 11/12/13 | 951.00 | - | N/A | | HB |
| 1480 | | " | H | 40.61 | 11/14/13 | 10.16 | - | N/A | | HB |
| 1481 | | 8906 Cottage Highland | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| 1481 | | " | H | 26.63 | 11/31/14 | 6.66 | - | N/A | | HB |
| 1482 | | 8216 Trace Highland | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| 1482 | | " | H | 26.63 | 11/31/14 | 6.66 | - | N/A | | HB |
| | | | | Subtotal | 3,931.95 | | 983.00 | - | | |
| | | | | Balance Forward | 30,083.53 | | 7,520.94 | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|-----------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1477 | | 7432 Marshall Rd Memphis | H | 40.62 | 11/14/13 | 10.16 | - | N/A | | HB |
| 1478 | | 2595 W. 59th Rd Memphis | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| 1478 | | " | H | 40.62 | 11/14/13 | 10.16 | - | N/A | | HB |
| 1479 | | 2343-99th Rd Highland | H | 17.00 | 10/23/13 | 4.25 | - | N/A | | HB |
| 1479 | | " | H | 40.62 | 11/14/13 | 10.16 | - | N/A | | HB |
| 1480 | | 308 N. Elmer Guffey | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| | | | Subtotal | 172.86 | | 43.23 | | | | |
| | | | Balance Forward | 26,151.58 | | 6,537.94 | | | | |

HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|----------------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1474 | | 7501 Broadway Merrillville | H | 40.62 | 11/14/13 | 10.16 | - | N/A | | H/B |
| 1475 | | 315 N. Cline Ave Suffice | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | H/B |
| 1475 | | " | H | 40.62 | 11/14/13 | 10.16 | - | N/A | | H/B |
| 1476 | | 1411 W. 61st Rd | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | H/B |
| 1476 | | " | H | 40.62 | 11/14/13 | 10.16 | - | N/A | | H/B |
| 1477 | | 7432 Marshall Rd Merrillville | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | H/B |
| | | | | Subtotal | 172.86 | 43.23 | | | | |
| | | | | Balance Forward | 25,978.72 | 6,494.71 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|-------------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1471 | | 10631 Baker CP | PL H | 17.00 | 5/27/14 | 4.25 | - | N/A | | Rehab |
| 1472 | | 7725 Janey Merrillville | PL H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| 1472 | | ' | H | 40.62 | 11/14/13 | 10.16 | - | N/A | | HB |
| 1473 | | 3107 W. 79th Merrillville | PL H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| 1473 | | ' | H | 40.62 | 11/14/13 | 10.16 | - | N/A | | HB |
| 1474 | | 7501 Broadway Merrillville | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| Subtotal | | | | 149.24 | | 37.32 | | | | |
| Balance Forward | | | | 25,805.86 | | 6,451.48 | | | | |

HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|---|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1468 | | 3640 W. 75 th Ave Meridenville | H | 77.00 | 10/22/13 | 4.25 | - | N/A | | H/B |
| 1469 | | 3319 E. 34 th Avenue Lake Station | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | N/B |
| 1470 | | 11672 Broadway CP | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | H/B |
| 1470 | | | H | 40,62 | 11/14/13 | 10.16 | - | N/A | | H/B |
| 1471 | | 10631 Baker CP | H | 20,920.00 | 9/11/13 | 5,230.00 | - | N/A | | Rehab |
| 1471 | | " | H | 3,510.00 | 10/22/13 | 877.50 | - | N/A | | Rehab |
| | | | | Subtotal | 24,521.62 | 6,130.41 | | | | |
| | | | | Balance Forward | 25,656.62 | 6,414.16 | | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|-----------------------------------|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1462 | | 2639 Eder Highland | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| 1463 | | 137 S. John CP | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| 1464 | | 2267 Sandcastle Dr Dyer | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| 1465 | | 813 E. Woodside Dr Safford | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| 1466 | | 900 E. 36 th St Robert | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| 1467 | | 835 Woodside Dr Safford | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| | | | | Subtotal | 102.00 | | 25.50 | | | |
| | | | | Balance Forward | 1,135.00 | | 283.75 | | | |

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HOME MATCH LOG FY 13

| Project Number (1) | Date Project Committed (2) | Project Address (3) | Project Type (4) | HOME Funds Expended (5) | Date HOME \$ Expended (6) | Amount of Match Liability Incurred (7) | Value of Match Contribution (8) | Type of Match (9) | Date Match Recognized (10) | Comments (11) |
|--------------------|----------------------------|---|------------------|-------------------------|---------------------------|--|---------------------------------|-------------------|----------------------------|---------------|
| 1423 | | 9104 W. 155 th Ave Lawrence | H | 950.00 | 10/22/13 | 237.50 | - | N/A | | Rehab |
| 1423 | | " | H | 15.00 | 11/14/13 | 3.75 | - | N/A | | Rehab |
| 1432 | | 800 W. 66 th Ave Merriam | H | 15.00 | 10/22/13 | 3.75 | - | N/A | | Rehab |
| 1437 | | 1023 W. 72 nd Place Merriam | H | 19.00 | 9/26/13 | 4.75 | - | N/A | | Rehab |
| 1460 | | 4923 W. 92 nd Ave CP | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| 1461 | | 8808 Columet Avenue Merriam | H | 17.00 | 10/22/13 | 4.25 | - | N/A | | HB |
| | | | | Subtotal | 1,033.00 | | 258.25 | | | |
| | | | | Balance Forward | 1,033.00 | | 258.25 | | | |

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| Program Year | Program | Associated Grant Number | Fund Type | Estimated Income for Year | Transaction | Voucher # | Voucher Created | Voucher Type | IDIS Proj. ID | IDIS Actv. ID | Matrix Code | Received/Drawn Amount |
|--------------|---------|-------------------------|-----------|---------------------------|-------------|-------------|-----------------|--------------|---------------|---------------|-------------|-----------------------|
| | | | | | | 5633262-002 | 12-03-13 | PY | 4 | 1512 | | 5,000.00 |
| | | | | | | 5633262-005 | 12-03-13 | PY | 4 | 1518 | | 6,326.51 |
| | | | | | | | | | | | Receipts | 26,295.78 |
| | | | | | | | | | | | PI Draws | 26,295.78 |
| | | | | | | | | | | | PA Draws | 0.00 |
| | | | | | | | | | | | Balance | 0.00 |

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| Program Year | Associated Program | Grant Number | Fund Type | Estimated Income for Year | Transaction | Voucher # | Voucher Created | Voucher Type | IDIS Proj. ID | IDIS Actv. ID | Matrix Code | Received/Drawn Amount |
|-----------------|-----------------------|--------------|--------------|------------------------------|-------------|-------------|--------------------|-----------------|------------------|------------------|----------------|--------------------------|
| | | | | | | 5626187-001 | 11-12-13 | PY | 4 | 1480 | | 3,804.08 |
| | | | | | | 5627302-001 | 11-14-13 | PY | 4 | 1423 | | 15.00 |
| | | | | | | 5627302-002 | 11-14-13 | PY | 4 | 1499 | | 17.00 |
| | | | | | | 5627302-003 | 11-14-13 | PY | 4 | 1470 | | 40.62 |
| | | | | | | 5627302-004 | 11-14-13 | PY | 4 | 1500 | | 17.00 |
| | | | | | | 5627302-005 | 11-14-13 | PY | 4 | 1472 | | 40.62 |
| | | | | | | 5627302-006 | 11-14-13 | PY | 4 | 1501 | | 17.00 |
| | | | | | | 5627302-007 | 11-14-13 | PY | 4 | 1473 | | 40.62 |
| | | | | | | 5627302-008 | 11-14-13 | PY | 4 | 1503 | | 17.00 |
| | | | | | | 5627302-009 | 11-14-13 | PY | 4 | 1474 | | 40.62 |
| | | | | | | 5627302-010 | 11-14-13 | PY | 4 | 1504 | | 17.00 |
| | | | | | | 5627302-011 | 11-14-13 | PY | 4 | 1475 | | 40.62 |
| | | | | | | 5627302-012 | 11-14-13 | PY | 4 | 1505 | | 17.00 |
| | | | | | | 5627302-013 | 11-14-13 | PY | 4 | 1476 | | 40.62 |
| | | | | | | 5627302-014 | 11-14-13 | PY | 4 | 1513 | | 5,100.00 |
| | | | | | | 5627302-015 | 11-14-13 | PY | 4 | 1477 | | 40.62 |
| | | | | | | 5627302-016 | 11-14-13 | PY | 4 | 1518 | | 17.00 |
| | | | | | | 5627302-017 | 11-14-13 | PY | 4 | 1478 | | 40.62 |
| | | | | | | 5627302-018 | 11-14-13 | PY | 4 | 1519 | | 17.00 |
| | | | | | | 5627302-019 | 11-14-13 | PY | 4 | 1479 | | 40.62 |
| | | | | | | 5627302-020 | 11-14-13 | PY | 4 | 1520 | | 17.00 |
| | | | | | | 5627302-021 | 11-14-13 | PY | 4 | 1480 | | 40.61 |
| | | | | | | 5627302-022 | 11-14-13 | PY | 4 | 1521 | | 17.00 |
| | | | | | | 5627302-023 | 11-14-13 | PY | 4 | 1492 | | 17.00 |
| | | | | | | 5627302-025 | 11-14-13 | PY | 4 | 1493 | | 17.00 |
| | | | | | | 5627302-026 | 11-14-13 | PY | 16 | 1539 | | 355.00 |
| | | | | | | 5627302-027 | 11-14-13 | PY | 4 | 1494 | | 17.00 |
| | | | | | | 5627302-028 | 11-14-13 | PY | 4 | 1495 | | 17.00 |
| | | | | | | 5627302-029 | 11-14-13 | PY | 4 | 1496 | | 17.00 |
| | | | | | | 5627302-030 | 11-14-13 | PY | 4 | 1497 | | 17.00 |
| | | | | | | 5627302-031 | 11-14-13 | PY | 4 | 1498 | | 17.00 |
| | | | | | | 5633262-001 | 12-03-13 | PY | 4 | 1508 | | 5,000.00 |

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**LAKE COUNTY
COMMUNITY ECONOMIC DEVELOPMENT DEPARTMENT**

2293 N. Main Street • Crown Point, IN 46307

Tel. (219) 755-3225 • Fax (219) 736-5925

econdev@lakecountvin.com

MILAN GROZDANICH
Executive Director



INTEROFFICE MEMO

TO: MILAN GROZDANICH, Executive Director
ALVERNA HOOKS, Deputy Director

FROM: ANNA NUNEZ, Fiscal Officer
LORI BURKE, Bookkeeper

Handwritten initials in blue ink, appearing to be "AN" and "LB", with circular scribbles around them.

DATE: May 28, 2014

RE: PROGRAM INCOME REPORT

Attached is the IDIS PR09 Program Income Details by Fiscal Year and Program Report which reflect Program Income received and booked in both IDIS and our ledger books from 10/1/13 – 12/31/13.

Please initial in accordance with State Board of Accounts FINDING 2012-15 – COMPLINANCE RELATED TO HOME INVESTMENT PARTNERSHIPS PROGRAM – REPORTING and return to us.

| Program Year | Program | Associated Grant Number | Fund Type | Estimated Income for Year | Transaction | Voucher # | Voucher Created | Voucher Type | IDIS Proj. ID | IDIS Actv. ID | Matrix Code | Receipted/Drawn Amount |
|--------------|---------|-------------------------|-----------|---------------------------|-------------|------------|-----------------|--------------|---------------|---------------|-------------|------------------------|
| | | | | | | 5125365001 | 01-27-14 | | | | | 6,392.29 |
| | | | | | | 5125366001 | 01-27-14 | | | | | 3,658.02 |
| | | | | | | 5125367001 | 01-27-14 | | | | | 4,125.12 |
| | | | | | | 5125368001 | 01-27-14 | | | | | 3,621.64 |
| | | | | | | 5125369001 | 01-27-14 | | | | | 3,753.22 |
| | | | PI | | DRAWS | | | | | | | |
| | | | | | | 5652640001 | 01-31-14 | PY | 4 | 1509 | | 26.63 |
| | | | | | | 5652640002 | 01-31-14 | PY | 4 | 1482 | | 26.63 |
| | | | | | | 5652640003 | 01-31-14 | PY | 4 | 1503 | | 26.63 |
| | | | | | | 5652640004 | 01-31-14 | PY | 4 | 1492 | | 26.63 |
| | | | | | | 5652640005 | 01-31-14 | PY | 4 | 1504 | | 26.63 |
| | | | | | | 5652640006 | 01-31-14 | PY | 4 | 1495 | | 26.63 |
| | | | | | | 5652640007 | 01-31-14 | PY | 4 | 1500 | | 26.63 |
| | | | | | | 5652640008 | 01-31-14 | PY | 4 | 1481 | | 26.63 |
| | | | | | | 5652640009 | 01-31-14 | PY | 4 | 1483 | | 26.63 |
| | | | | | | 5652640010 | 01-31-14 | PY | 4 | 1507 | | 26.63 |
| | | | | | | 5652640011 | 01-31-14 | PY | 4 | 1498 | | 26.63 |
| | | | | | | 5652640012 | 01-31-14 | PY | 4 | 1544 | | 26.63 |
| | | | | | | 5652640013 | 01-31-14 | PY | 4 | 1484 | | 26.63 |
| | | | | | | 5652640014 | 01-31-14 | PY | 4 | 1543 | | 26.63 |
| | | | | | | 5652640015 | 01-31-14 | PY | 4 | 1496 | | 26.63 |
| | | | | | | 5652640016 | 01-31-14 | PY | 4 | 1485 | | 26.63 |
| | | | | | | 5652640017 | 01-31-14 | PY | 4 | 1499 | | 26.63 |
| | | | | | | 5652640018 | 01-31-14 | PY | 4 | 1521 | | 26.63 |
| | | | | | | 5652640019 | 01-31-14 | PY | 4 | 1494 | | 26.63 |
| | | | | | | 5652640020 | 01-31-14 | PY | 4 | 1487 | | 26.60 |
| | | | | | | 5652991001 | 02-03-14 | PY | 16 | 1539 | | 237.00 |
| | | | | | | 5660734001 | 02-24-14 | PY | 4 | 1490 | | 45.00 |
| | | | | | | 5660734002 | 02-24-14 | PY | 4 | 1491 | | 200.00 |
| | | | | | | 5660734003 | 02-24-14 | PY | 4 | 1507 | | 17.00 |
| | | | | | | 5660734004 | 02-24-14 | PY | 4 | 1505 | | 17.00 |
| | | | | | | 5660734005 | 02-24-14 | PY | 4 | 1510 | | 17.00 |

| Program Year | Program | Associated Grant Number | Fund Type | Estimated Income for Year | Transaction | Voucher # | Voucher Created | Voucher Type | IDIS Proj. ID | IDIS Actv. ID | Matrix Code | Received/Drawn Amount |
|--------------|---------|-------------------------|-----------|---------------------------|-------------|------------|-----------------|--------------|---------------|---------------|-------------|-----------------------|
| | | | | | | 5660734006 | 02-24-14 | PY | 4 | 1516 | | 17.00 |
| | | | | | | 5660734008 | 02-24-14 | PY | 16 | 1541 | | 17.00 |
| | | | | | | 5660734009 | 02-24-14 | PY | 16 | 1542 | | 5,217.00 |
| | | | | | | 5660734010 | 02-24-14 | PY | 4 | 1543 | | 17.00 |
| | | | | | | 5660734011 | 02-24-14 | PY | 4 | 1544 | | 17.00 |
| | | | | | | 5660734012 | 02-24-14 | PY | 4 | 1545 | | 17.00 |
| | | | | | | 5660734013 | 02-24-14 | PY | 4 | 1546 | | 17.00 |
| | | | | | | 5660734014 | 02-24-14 | PY | 4 | 1547 | | 17.00 |
| | | | | | | 5660734015 | 02-24-14 | PY | 4 | 1548 | | 17.00 |
| | | | | | | 5660734016 | 02-24-14 | PY | 4 | 1549 | | 17.00 |
| | | | | | | 5660734018 | 02-24-14 | PY | 4 | 1553 | | 5,017.00 |
| | | | | | | 5660734019 | 02-24-14 | PY | 4 | 1554 | | 5,017.00 |
| | | | | | | 5660734020 | 02-24-14 | PY | 4 | 1555 | | 5,017.00 |
| | | | | | | 5660734021 | 02-24-14 | PY | 4 | 1556 | | 5,017.00 |
| | | | | | | 5660734023 | 02-24-14 | PY | 4 | 1557 | | 316.24 |
| | | | | | | | | | | | Receipts | 26,819.81 |
| | | | | | | | | | | | PI Draws | 26,819.81 |
| | | | | | | | | | | | PA Draws | 0.00 |
| | | | | | | | | | | | Balance | 0.00 |

REAU
MA

IDIS - PR09

U.S. Department of Housing and Urban Development
Office of Community Planning and Development
Integrated Disbursement and Information System
Program Income Details by Fiscal Year and Program
LAKE COUNTY,IN

Date: 05-28-14
Time: 10:30
Page: 1

Report for Program:CDBG, HOME
Voucher Dates:01-01-2014 to 03-31-2014

-150-

| Program Year | Program | Associated Grant Number | Fund Type | Estimated Income for Year | Transaction | Voucher # | Voucher Created | Voucher Type | IDIS Proj. ID | IDIS Actv. ID | Matrix Code | Receipted/Drawn Amount | |
|--------------|---------|-------------------------|-----------|---------------------------|-------------|------------|-----------------|--------------|---------------|---------------|-------------|------------------------|---------|
| 2012 | HOME | M12UC180207 | PI PI | 100,000.00 | DRAWS | | | | | | | | |
| | | | | | | 5660734017 | 02-24-14 | PY | 4 | 1550 | | 17.00 | |
| | | | | | | | | | | | | Receipts | |
| | | | | | | | | | | | | PI Draws | 17.00 |
| | | | | | | | | | | | | PA Draws | 0.00 |
| | | | | | | | | | | | | Balance | (17.00) |
| 2013 | CDBG | B13UC180016 | PI | 50,000.00 | RECEIPTS | | | | | | | | |
| | | | | | | 5125360001 | 01-27-14 | | 16 | 1538 | 14B | 123.19 | |
| | | | | | | 5125361001 | 01-27-14 | | 16 | 1538 | 14B | 123.23 | |
| | | | | | | 5125362001 | 01-27-14 | | 16 | 1538 | 14B | 123.26 | |
| | | | | | DRAWS | | | | | | | | |
| | | | | | | 5653080002 | 02-03-14 | PY | 4 | 1534 | 05Q | 334.60 | |
| | | | | | | | | | | | | Receipts | 369.68 |
| | | | | | | | | | | | | Draws | 334.60 |
| | | | | | | | | | | | | Balance | 35.08 |
| 2013 | HOME | M13UC180207 | PI | 50,000.00 | RECEIPTS | | | | | | | | |
| | | | | | | 5125363001 | 01-27-14 | | | | | 769.52 | |
| | | | | | | 5125364001 | 01-27-14 | | | | | 5,000.00 | |



**LAKE COUNTY
COMMUNITY ECONOMIC DEVELOPMENT DEPARTMENT**

2293 N. Main Street • Crown Point, IN 46307
Tel. (219) 755-3225 • Fax (219) 736-5925
econdev@lakecountyin.com

MILAN GROZDANICH
Executive Director



INTEROFFICE MEMO

TO: MILAN GROZDANICH, Executive Director
ALVERNA HOOKS, Deputy Director

FROM: ANNA NUNEZ, Fiscal Officer 
LORI BURKE, Bookkeeper

DATE: May 28, 2014

RE: PROGRAM INCOME REPORT

Attached is the IDIS PR09 Program Income Details by Fiscal Year and Program Report which reflect Program Income received and booked in both IDIS and our ledger books from 1/1/14 – 3/31/14.

Please initial in accordance with State Board of Accounts FINDING 2012-15 – COMPLINANCE RELATED TO HOME INVESTMENT PARTNERSHIPS PROGRAM – REPORTING and return to us.

4

Annual Performance Report HOME Program

U.S. Department of Housing
and Urban Development
Office of Community Planning
and Development

OMB Approval No. 2506-0171
(exp. 05/31/2007)

Public reporting burden for this collection of information is estimated to average 2.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

The HOME statute imposes a significant number of data collection and reporting requirements. This includes information on assisted properties, on the owners or tenants of the properties, and on other programmatic areas. The information will be used: 1) to assist HOME participants in managing their programs; 2) to track performance of participants in meeting fund commitment and expenditure deadlines; 3) to permit HUD to determine whether each participant meets the HOME statutory income targeting and affordability requirements; and 4) to permit HUD to determine compliance with other statutory and regulatory program requirements. This data collection is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act or related authorities. Access to Federal grant funds is contingent on the reporting of certain project-specific data elements. Records of information collected will be maintained by the recipients of the assistance. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when public disclosure is not required.

This form is intended to collect numeric data to be aggregated nationally as a complement to data collected through the Cash and Management Information (C/M) System. Participants should enter the reporting period in the first block. The reporting period is October 1 to September 30. Instructions are included for each section if further explanation is needed.

| | | | |
|--|--|-------------------|--|
| Submit this form on or before December 31. Send one copy to the appropriate HUD Field Office and one copy to: HOME Program, Rm 7176, 451 7th Street, S.W., Washington D.C. 20410 | This report is for period (mm/dd/yyyy) Starting 9-1-12 | Ending 8/31/13 | Date Submitted (mm/dd/yyyy) 11/1/13 |
|--|--|-------------------|--|

Part I Participant Identification

| | | | |
|--|--|----------------|----------------------|
| 1. Participant Number 884008756-DUNS# | 2. Participant Name LAKE COUNTY COMMUNITY ECONOMIC DEVELOPMENT DEPARTMENT | | |
| 3. Name of Person completing this report ALVERNA D. HOOKS | 4. Phone Number (Include Area Code) 219-755-3232 | | |
| 5. Address 2293 NORTH MAIN STREET | 6. City CROWN POINT | 7. State IN | 8. Zip Code 46307 |

Part II Program Income

Enter the following program income amounts for the reporting period: in block 1, enter the balance on hand at the beginning; in block 2, enter the amount generated; in block 3, enter the amount expended; and in block 4, enter the amount for Tenant-Based rental Assistance.

| 1. Balance on hand at Beginning of Reporting Period | 2. Amount received during Reporting Period | 3. Total amount expended during Reporting Period | 4. Amount expended for Tenant-Based Rental Assistance | 5. Balance on hand at end of Reporting Period (1 + 2 - 3) = 5 |
|---|--|--|---|---|
| 12,983.18 | 72,157.44 | 85,140.62 | 0.00 | 0.00 |

Part III Minority Business Enterprises (MBE) and Women Business Enterprises (WBE)

In the table below, indicate the number and dollar value of contracts for HOME projects completed during the reporting period.

| | a. Total | Minority Business Enterprises (MBE) | | | f. White Non-Hispanic |
|-------------------------|-----------|--------------------------------------|------------------------------|-----------------------|-----------------------|
| | | b. Alaskan Native or American Indian | c. Asian or Pacific Islander | d. Black Non-Hispanic | |
| A. Contracts | | | | | |
| 1. Number | 7 (HOME) | | | | 7 |
| 2. Dollar Amount | 85,933.00 | | | | 85,933.00 |
| B. Sub-Contracts | | | | | |
| 1. Number | | | | | |
| 2. Dollar Amount | | | | | |
| | a. Total | b. Women Business Enterprises (WBE) | c. Male | | |
| C. Contracts | | | | | |
| 1. Number | | | | | |
| 2. Dollar Amount | | | | | |
| D. Sub-Contracts | | | | | |
| 1. Number | | | | | |
| 2. Dollar Amounts | | | | | |

REVISED 5/12/14

Part IV Minority Owners of Rental Property

In the table below, indicate the number of HOME assisted rental property owners and the total dollar amount of HOME funds in these rental properties assisted during the reporting period.

| | a. Total | Minority Property Owners | | | | f. White Non-Hispanic |
|------------------|----------|--------------------------------------|------------------------------|-----------------------|-------------|-----------------------|
| | | b. Alaskan Native or American Indian | c. Asian or Pacific Islander | d. Black Non-Hispanic | e. Hispanic | |
| 1. Number | 0 | | | | | |
| 2. Dollar Amount | 0.00 | | | | | |

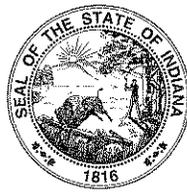
Part V Relocation and Real Property Acquisition

Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition. The data provided should reflect only displacements and acquisitions occurring during the reporting period.

| | a. Number | b. Cost |
|--|-----------|---------|
| 1. Parcels Acquired | N/A | |
| 2. Businesses Displaced | N/A | |
| 3. Nonprofit Organizations Displaced | N/A | |
| 4. Households Temporarily Relocated, not Displaced | N/A | |

| Households Displaced | a. Total | Minority Business Enterprises (MBE) | | | | f. White Non-Hispanic |
|----------------------------------|----------|--------------------------------------|------------------------------|-----------------------|-------------|-----------------------|
| | | b. Alaskan Native or American Indian | c. Asian or Pacific Islander | d. Black Non-Hispanic | e. Hispanic | |
| 5. Households Displaced - Number | 0 | | | | | |
| 6. Households Displaced - Cost | 0.00 | | | | | |

PEGGY HOLINGA KATONA
AUDITOR



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

© GCIU 1049-M

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING NO: 2012-16 COMPLIANCE RELATED TO HOME INVESTMENT
PARTNERSHIPS PROGRAM-REPORTING

Original Audit Report Number: B42923

Report period: Jan 1, 2012 Through Dec 31, 2012

Federal Agency: U.S. Department OF Housing and Urban Development

Federal Program: HOME Investment Partnerships Program

CFDA Number: 14.239

Award No.M-11-UC-18-0207

Auditee Contact Person: Milan Grozdanich, Executive Director (219) 755-3231

Status of Audit Finding:

Please refer to the attached response from the above named contact person.

Respectfully submitted on this 5th day of August, 2014

Peggy Holinga Katona
Lake County Auditor



COPY

LAKE COUNTY
COMMUNITY ECONOMIC DEVELOPMENT DEPARTMENT

2293 N. Main Street • Crown Point, IN 46307
Tel. (219) 755-3225 • Fax (219) 736-5925
econdev@lakecountyin.com

MILAN GROZDANICH
Executive Director



June 27, 2014

Mr. Aaron B. Bailey, CPD Representative
U.S. Department of Housing & Urban Development
151 North Delaware Street, 12th Floor
Indianapolis, Indiana 46204-2526

Re: Lake County Audit Report

Dear Mr. Bailey:

This letter is in response to your letter dated June 24, 2014 concerning the Corrective Action Plan recently submitted to your office for Finding 2012-16 – Compliance Related to HOME Investment Partnership Program –Reporting.

After further review in our Office by Anna Nuñez, Fiscal Officer and Lori Burke, Bookkeeper, we believe there is an error on the Program Income dollar figure stated under “Views of Responsible Official and Planned Corrective Action”. It states “We will revise the submitted HOME APR Report Form 40107 to reflect the correct Program Income amount (\$180,616.07) as shown on pages 8 and 26 of the narrative section”.

The correct amount of Program Income for FY2011 was \$280,616.07, and that was the dollar figure originally reported on page 8 and 26 of the narrative section of the FY2011 Performance Report and the HOME APR Report Form 40107 (See Attached), so no revision was necessary. We assume the SBOA auditor made an error somewhere, but we cannot determine where they got the numbers quoted in their Finding.

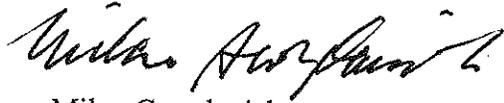
Enclosed are the following documents:

- 1) IDIS PR09 Program Income Detail Report showing the amount of total Program Income for FY2011 (\$280,616.07).
- 2) HOME APR Report Form 40107 reflecting the amount of Program Income as \$280616.07.

- 3) Copies of page 8 and 26 from the Performance Report for FY2011 dated November 2012 showing Program Income in the amount of \$280,616.07.

All other Findings addressed in HUD's letter dated June 22, 2014 concerning Lake County Audit will be addressed in on or before July 18, 2014.

Sincerely,



Milan Grozdanich
Executive Director

| | | | | | | |
|---------|---|----------|----|----|------|-----------|
| 5399146 | - | 03-12-12 | PY | 5 | 1377 | 30,204.00 |
| 5405490 | - | 03-27-12 | PY | 21 | 1352 | 40.00 |
| 5405490 | - | 03-27-12 | PY | 5 | 1390 | 200.00 |
| 5405490 | - | 03-27-12 | PY | 5 | 1377 | 15,034.00 |
| 5417390 | - | 04-24-12 | PY | 5 | 1388 | 13,150.00 |
| 5423032 | - | 05-07-12 | PY | 5 | 1377 | 185.26 |
| 5428869 | - | 05-21-12 | PY | 5 | 1382 | 19.00 |
| 5428869 | - | 05-21-12 | PY | 5 | 1388 | 19.00 |
| 5428869 | - | 05-21-12 | PY | 5 | 1377 | 12,583.71 |
| 5436015 | - | 06-07-12 | PY | 5 | 1377 | 5,000.00 |
| 5436015 | - | 06-07-12 | PY | 5 | 1388 | 10,950.00 |
| 5436015 | - | 06-07-12 | PY | 5 | 1390 | 6,865.00 |
| 5443382 | - | 06-25-12 | PY | 5 | 1377 | 13,938.34 |
| 5460459 | - | 08-06-12 | PY | 5 | 1377 | 9,641.56 |
| 5465816 | - | 08-20-12 | PY | 5 | 1377 | 20,000.00 |
| 5465816 | - | 08-20-12 | PY | 5 | 1382 | 23,292.00 |

000
 0.00 *
 34,639.71 +
 3,837.06 +
 242,139.30 +
 003
 280,616.07 0
 003
 280,616.07 *

Receipts 242,139.30*
 Draws [REDACTED]
 Balance 12,983.18
 Page: 1 of 1

Total P.I.

Received in
 [REDACTED]

| | | | | | | |
|---------|---|----------|--|--|--|-----------|
| 5061496 | - | 12-20-11 | | | | 2,248.28 |
| 5061497 | - | 12-20-11 | | | | 3,880.31 |
| 5067753 | - | 02-24-12 | | | | 3,421.05 |
| 5067754 | - | 02-24-12 | | | | 4,300.25 |
| 5067755 | - | 02-24-12 | | | | 5,000.00 |
| 5068542 | - | 03-06-12 | | | | 22,327.20 |
| 5068543 | - | 03-06-12 | | | | 50.00 |
| 5069074 | - | 03-12-12 | | | | 12,109.50 |
| 5073159 | - | 04-23-12 | | | | 2,000.00 |
| 5073161 | - | 04-23-12 | | | | 238.82 |
| 5073165 | - | 04-23-12 | | | | 3,357.85 |
| 5074401 | - | 05-08-12 | | | | 3,625.09 |
| 5074402 | - | 05-08-12 | | | | 17,341.20 |
| 5074403 | - | 05-08-12 | | | | 22,464.90 |
| 5077086 | - | 06-07-12 | | | | 2,250.00 |
| 5077090 | - | 06-07-12 | | | | 3,693.86 |
| 5078950 | - | 06-28-12 | | | | 21,379.50 |
| 5081754 | - | 08-03-12 | | | | 3,612.01 |
| 5081755 | - | 08-03-12 | | | | 4,195.12 |
| 5081756 | - | 08-03-12 | | | | 1,517.88 |
| 5083221 | - | 08-20-12 | | | | 4,155.66 |
| 5083222 | - | 08-20-12 | | | | 8,849.70 |
| 5083223 | - | 08-20-12 | | | | 22,206.87 |

DRAWS

| | | | | | | |
|---------|---|----------|----|----|------|-----------|
| 5348892 | - | 11-09-11 | PY | 24 | 1338 | 10,000.00 |
| 5354849 | - | 11-22-11 | PY | 24 | 1338 | 78.44 |
| 5354849 | - | 11-22-11 | PY | 21 | 1350 | 15.00 |
| 5354849 | - | 11-22-11 | PY | 21 | 1352 | 3,720.00 |
| 5354849 | - | 11-22-11 | PY | 5 | 1382 | 205.00 |
| 5354849 | - | 11-22-11 | PY | 5 | 1383 | 205.00 |
| 5361445 | - | 12-09-11 | PY | 24 | 1338 | 4,830.95 |
| 5367465 | - | 12-22-11 | PY | 36 | 1187 | 20,000.00 |
| 5367465 | - | 12-22-11 | PY | 5 | 1377 | 20,000.00 |
| 5367465 | - | 12-22-11 | PY | 21 | 1380 | 3,809.86 |
| 5367777 | - | 12-22-11 | PY | 5 | 1377 | 5,000.00 |
| 5399146 | - | 03-12-12 | PY | 24 | 1338 | 170.00 |

IDIS - PR09

U.S. Department of Housing and Urban Development
 Office of Community Planning and Development
 Integrated Disbursement and Information System
 Program Income Details by Fiscal Year and Program
 LAKE COUNTY, IN

Date: 07-11-13
 Time: 15:27
 Page: 1

Report for Program:9/1/2011
 Voucher Dates:08-31-2012 to

-159-

| Fiscal Year | Program | Associated Grant Number | Fund Type | Estimated Income for Year | Transaction | Voucher # | Voucher Created | Voucher Type | IDIS Proj. ID | IDIS Actv. ID | Matrix Code | Receipted/Drawn Amount |
|-------------|---------|-------------------------|-----------|---------------------------|-------------|-----------|-----------------|--------------|---------------|---------------|-------------|------------------------|
| 2009 | HOME | M09UC180207 | PI | 60,000.00 | DRAWS | | | | | | | |
| | | | | | | 5024410 - | 05-08-12 | PY | 35 | 1165 | | 34,639.71 ✖ |
| | | | | | | | | | | | | Receipts |
| | | | | | | | | | | | | Draws |
| | | | | | | | | | | | | Balance |
| | | | | | | | | | | | | 34,639.71 |
| | | | | | | | | | | | | (34,639.71) |
| 2010 | HOME | M10UC180207 | PI | 175,000.00 | DRAWS | | | | | | | |
| | | | | | | 5314993 - | 11-09-11 | PY | 24 | 1338 | | 85.00 |
| | | | | | | 5314993 - | 11-09-11 | PY | 21 | 1349 | | 19.00 |
| | | | | | | 5332367 - | 09-30-11 | PY | 21 | 1351 | | 3,837.06 ✖ |
| | | | | | | | | | | | | Receipts |
| | | | | | | | | | | | | Draws |
| | | | | | | | | | | | | Balance |
| | | | | | | | | | | | | 3,941.06 |
| | | | | | | | | | | | | (3,941.06) |
| 2011 | HOME | M11UC180207 | PI | 150,000.00 | RECEIPTS | | | | | | | |
| | | | | | | 5056056 - | 10-19-11 | | | | | 22.62 |
| | | | | | | 5056057 - | 10-19-11 | | | | | 4,058.03 |
| | | | | | | 5057429 - | 11-08-11 | | | | | 4,280.74 |
| | | | | | | 5057430 - | 11-08-11 | | | | | 13,526.10 |
| | | | | | | 5060387 - | 12-12-11 | | | | | 3,900.86 |
| | | | | | | 5060388 - | 12-12-11 | | | | | 19,760.40 |
| | | | | | | 5060628 - | 12-14-11 | | | | | 22,315.50 |
| | | | | | | 5061495 - | 12-20-11 | | | | | 50.00 |

Annual Performance Report HOME Program

U.S. Department of Housing
and Urban Development
Office of Community Planning
and Development

OMB Approval No 2506-0171
(exp. 05/31/2007)

Public reporting burden for this collection of information is estimated to average 2.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

The HOME statute imposes a significant number of data collection and reporting requirements. This includes information on assisted properties, on the owners or tenants of the properties, and on other programmatic areas. The information will be used: 1) to assist HOME participants in managing their programs; 2) to track performance of participants in meeting fund commitment and expenditure deadlines; 3) to permit HUD to determine whether each participant meets the HOME statutory income targeting and affordability requirements; and 4) to permit HUD to determine compliance with other statutory and regulatory program requirements. This data collection is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act or related authorities. Access to Federal grant funds is contingent on the reporting of certain project-specific data elements. Records of information collected will be maintained by the recipients of the assistance. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when public disclosure is not required.

This form is intended to collect numeric data to be aggregated nationally as a complement to data collected through the Cash and Management Information (C/M) System. Participants should enter the reporting period in the first block. The reporting period is October 1 to September 30. Instructions are included for each section if further explanation is needed.

| | | | |
|--|--|---------|-----------------------------|
| Submit this form on or before December 31. | This report is for period (mm/dd/yyyy) | | Date Submitted (mm/dd/yyyy) |
| Send one copy to the appropriate HUD Field Office and one copy to: HOME Program, Rm 7176, 451 7th Street, S.W., Washington D.C. 20410 | Starting | Ending | |
| | 9-1-11 | 8/31/12 | 11/1/12 |

Part I Participant Identification

| | | | |
|--|--|---|----------------------|
| 1. Participant Number 884008756-DUNS# | 2. Participant Name LAKE COUNTY COMMUNITY ECONOMIC DEVELOPMENT DEPARTMENT | | |
| 3. Name of Person completing this report ALVERNA D. HOOKS | | 4. Phone Number (Include Area Code) 219-755-3232 | |
| 5. Address 2293 NORTH MAIN STREET | 6. City CROWN POINT | 7. State IN | 8. Zip Code 46307 |

Part II Program Income

Enter the following program income amounts for the reporting period: in block 1, enter the balance on hand at the beginning; in block 2, enter the amount generated; in block 3, enter the amount expended; and in block 4, enter the amount for Tenant-Based rental Assistance.

| | | | | |
|---|--|--|---|--|
| 1. Balance on hand at Beginning of Reporting Period 0.00 | 2. Amount received during Reporting Period 280,616.07 | 3. Total amount expended during Reporting Period 267,632.89 | 4. Amount expended for Tenant-Based Rental Assistance 0.00 | 5. Balance on hand at end of Reporting Period (1 + 2 - 3) = 5 12,983.18 |
|---|--|--|---|--|

Part III Minority Business Enterprises (MBE) and Women Business Enterprises (WBE)

In the table below, indicate the number and dollar value of contracts for HOME projects completed during the reporting period.

| | a. Total | Minority Business Enterprises (MBE) | | | f. White Non-Hispanic |
|-------------------------|-----------|--------------------------------------|------------------------------|-----------------------|-----------------------|
| | | b. Alaskan Native or American Indian | c. Asian or Pacific Islander | d. Black Non-Hispanic | |
| A. Contracts | | | | | |
| 1. Number | 7 (HOME) | | | | 7 |
| 2. Dollar Amount | 85,933.00 | | | | 85,933.00 |
| B. Sub-Contracts | | | | | |
| 1. Number | | | | | |
| 2. Dollar Amount | | | | | |
| | a. Total | b. Women Business Enterprises (WBE) | c. Male | | |
| C. Contracts | | | | | |
| 1. Number | | | | | |
| 2. Dollar Amount | | | | | |
| D. Sub-Contracts | | | | | |
| 1. Number | | | | | |
| 2. Dollar Amounts | | | | | |



Performance Report FY 2011

NOVEMBER 2012

**PREPARED BY THE LAKE COUNTY COMMUNITY
ECONOMIC DEVELOPMENT DEPARTMENT**



Lake County has carried out its CDBG Program since the early 1980's. During that period it has, generally, met program goals and requirements. It continued this process in FY11. All program activities were in accord with both the FY11 Action Plan and the five-year FY08 Consolidated Plan. All public improvement construction projects are managed by the Construction Manager. This person reports to the Deputy Director. All housing rehabilitation projects, homebuyers programs and housing counseling programs are managed by the Deputy Director. The Executive Director manages economic development projects or new housing construction projects. The Fiscal Officer manages the flow of funds and financial matters, and reports to the Executive Director.

Citizen Participation

1. Provide a summary of citizen comments.
2. In addition, the performance report provided to citizens must identify the Federal funds made available for furthering the objectives of the Consolidated Plan. For each formula grant program, the grantee shall identify the total amount of funds available (including estimated program income), the total amount of funds committed during the reporting period, the total amount expended during the reporting period, and the geographic distribution and location of expenditures. Jurisdictions are encouraged to include maps in describing the geographic distribution and location of investment (including areas of minority concentration). The geographic distribution and expenditure requirement may also be satisfied by specifying the census tracts where expenditures were concentrated.

*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

Program Year 4 CAPER Citizen Participation response:

1. No responses were received during Citizens comment period.
2. The FY11 CDBG funding was \$1,204,148.00 plus \$563,361.38 of prior years funds carried forward. In addition, there was \$1283.72 in CDBG program income that was received. Thus, the total CDBG funds were \$1,768,793.10. The County expended \$1,219,025.40 in CDBG funds. The remainder was carried forward to the next program year.

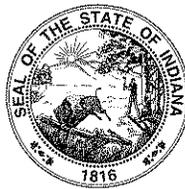
The HOME grant for FY11 was \$600,204.00. There was \$492,671.04 in program rollover funds, and program income of \$280,616.07 for a total of \$1,373,491.11. The County expended \$401,479.16. The remainder was allotted to programs and activities in future years.

The County provided CDBG funding to all cities and towns in the Urban Lake County area. The exact location of the funds expenditure's is set forth in the attached IDIS forms CO4PR26, CO4PR06 and CO4PRO3. All of the funds were expended on projects which primarily benefit lower income households.

-
- b. The County did undertake one job creation activity in FY08. It loaned a firm \$257,689.00 in CDBG funds to create 55 new jobs. The company created the jobs, and has paid off the loan. No projects were undertaken in FY09, FY10 or FY11.
 - c. Not Applicable, see 6a
7. a. Low/Mod Limited Clientele Activities
Not Applicable. All activities benefiting limited clientele are in categories of those presumed to be lower income.
8. Program Income Received from CDBG funds.
- a. The County Economic Development RLF received Program Income of \$1,477,573.89 in FY11.
 - b. There were no float loans made by the County.
 - c. The County received \$1,283.72 in CDBG housing loans, and \$280,616.07 HOME repayment loans in FY11.
 - d. Not Applicable
9. Not Applicable. No such action was taken by the County.
10. a. Not Applicable. The County has no outstanding float loans.
- b. The County has 262 outstanding housing rehabilitation loans with a principal balance of \$6,208,980.16.
 - c. Housing rehabilitation loans with a principal balance of \$5,590,843.19 are deferred for life of the owner. Payable upon transfer of property.
- The County has 265 outstanding ADDI, Home and CDBG loans. These have a principal balance of \$1,321,297.53. Homebuyers are forgiven after 5 years at residence.

| <u>Source</u> | <u>Number</u> | <u>Amount</u> |
|---------------|---------------|---------------|
| CDBG | 9 | \$40,973.05 |
| ADDI | 7 | 35,000.00 |
| HOME | 249 | 1,245,324.48 |

- d. None, there were no loan defaults.
- e. The County has one parcel held by a sub-recipient. This is a 100 acre parcel in Lake Station which is in the hands of the Lake County Economic Development Corporation. It was purchased in 1994 for the development of 180 single family homes. The development Riverwalk (TimberCreek), has been slowed by lawsuits, sewer problems, etc. The Corporation



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

© ESCU 1049-M

CORRECTIVE ACTION PLAN

Section II **FINDING NO. 2013-001**

Auditee Contact Person: Michael T. Wieser
Title of Contact Person: Director of Finance, Lake County Auditor's Office
Phone Number: (219) 755-3129

Corrective Action and Plan submitted:

As noted in the findings, all adjustments that were proposed were corrected and inserted into the financial statement.

The Auditor's office will implement a program that will provide reasonable assurance that the information is materially correct. When preparing the information needed for the financial statements, the employee designated with the task of preparing the information will present all documentation to either the Chief Deputy, or the Director of Finance for their review.

When filing the financial information electronically to the state examiner, both the employee and the supervisor will be present.

This program will be in effect for the submission of the 2014 financial statement information.


Lake County Auditor
December 2, 2014



MICHAEL A. BROWN

CLERK LAKE CIRCUIT/SUPERIOR COURT
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

PHONE: (219) 755-3460

FAX: (219) 755-3520



December 3, 2014

Corrective Action Plan

FINDING 2013-002

Contact Person Responsible for Corrective Action: Marilyn Hrnjak

Contact Phone Number: 755-3049

Description of Corrective Action Plan:

1. Lack of Segregation of Duties: This concern has been addressed and corrected. Newly assigned duties have been given to existing personnel to segregate financial responsibilities. In addition, sign-off sheets have been created to verify segregation of duties.
2. Our chief financial officer now makes routine visits to all financial departments in Crown Point and in each satellite office to observe, correct, and train financial personnel on proper procedure. Training of financial officers is ongoing, including holding periodic training sessions in the Crown Point office for all financial employees.
3. In the future the correct balances from the Courtview report or from the manual ledgers will be used by all departments.
4. Training and supervision by the chief financial officer will continue.

Anticipation of Completion Date:

The Lack of Segregation of Duties concern has been resolved. The remaining plan will be implemented by January 31, 2015 with regard to the CAR report. Again, training will be ongoing.

Signature:

Title:



JOHN BUNCICH
LAKE COUNTY SHERIFF
LAKE COUNTY, INDIANA

CORRECTIVE ACTION PLAN

FINDING NO. 2013 – 003

CONTACT PERSON: *Sheriff John Buncich*
TITLE OF CONTACT PERSON: *Sheriff John Buncich*
PHONE NUMBER: *(219) 755-3400*

Corrective Action and Plan submitted:

As noted in the findings, all adjustments that were proposed will be corrected.

The Sheriff's Office will implement a program that will provide reasonable assurance that the information is materially correct. When preparing the information needed for the financial statements, the employee designated with the task of preparing the information will present all documentation to either the Sheriff or Chief for their review.

This program will be in effect for the submission of the 2014 financial statement information.



Lake County Sheriff John Buncich

December 17, 2014

Date



Office of The Auditor

LAKE COUNTY, INDIANA

Heggy Holinga Katona
AUDITOR

CORRECTIVE ACTION PLAN

FINDING 2013-004 Internal Control and Compliance Over the Schedule of Expenditures of Federal Awards

Contact Person Responsible for Corrective Action: Lisa Beck/Ajaz Mohammed

Contact Phone Number: 219-755-3134

Description of Action Plan:

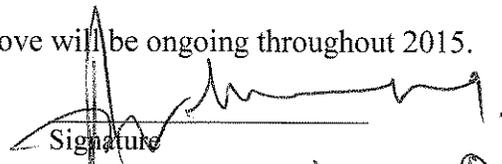
Previous Action

The Grant Supervisor position was created in October 2013. The Grant Supervisor's scope of duties were 1) to assist in accurately reporting financial information on the Schedule of Expenditures of Federal Awards ("SEFA"), and 2) to assist the departments in reducing and/or eliminating findings from the 2012 State Board of Accounts ("SBOA") audit that occurred in 2013. The Grant Supervisor met with each department to obtain the required information for the SEFA and to reconcile the County's detailed financial records with the financial records maintained by the departments. The departments directed the finance department to make any adjustments to the County's detailed financial records. The finance department entered the adjusted totals on the SEFA.

In 2014, the County enacted the Lake County Policies and Procedures for Internal Review ("policies"). A copy of said policies is attached hereto. The policies provide that all new and renewed federal grants meet with the Grant Committee before they appear in front of the Lake County Council for approval. The Grant Supervisor is provided a Council Agenda each month to prevent and detect errors on the SEFA. The Grant Supervisor and Budget Liaison Director perform periodic internal reviews of the financial records maintained by the departments and assist the departments whenever requested.

In preparing the SEFA for the 2014 calendar year, the Grant Supervisor and Budget Liaison Director plan to communicate with the departments, especially HUD, to obtain accurate and comprehensive financial information. The Grant Supervisor and Budget Liaison will review the County's detailed financial records and other information supplied by the departments. The County's Financial Director will verify the amounts along with supporting documentation before they are entered into the SEFA.

Anticipated Completion Date: The corrective action named above will be ongoing throughout 2015.



 Signature
 Budget Liaison Director

 Title
 12/05/14

 Date



ORDINANCE NO. 1376A

**ORDINANCE ESTABLISHING THE
LAKE COUNTY INTERNAL REVIEW
POLICIES AND PROCEDURES FOR
FEDERAL AND STATE GRANT REPORTING**

WHEREAS, various State and Federal Grants available to Lake County are on occasion presented to the Lake County Board of Commissioners and the Lake County Council for approval; and

WHEREAS, various State and Federal Grants available to Lake County on occasion require an appropriation of funds by the Lake County Council; and

WHEREAS, I.C. 36-2-3.5-5(6) provides that the Lake County Council, as the fiscal and legislative body of Lake County, may by ordinance establish new County departments, divisions, or agencies whenever necessary to promote efficient County Government; and

WHEREAS, it is in the best interest of Lake County Government to establish the Internal Review Division within the office of the Auditor to review the activities of Federal and State Grant programs, including but not limited to Government compliance with Federal and State laws, policies, established procedures, and accountability for the use of Federal and State funds; and

WHEREAS, the Internal Review Division shall issue reports on their findings to the Lake County Board of Commissioners, Lake County Council, and the Lake County Auditor, and all Government entities as required by the Lake County Grant Oversight Committee, established by Ordinance No. 1176A.

NOW, THEREFORE, LET IT BE ORDAINED AS FOLLOWS:

That the Lake County Council adopts the following internal review policies and procedures for federal grant reporting as follows:

SECTION 1: ORGANIZATION AND POLICY

1.1 PURPOSE:

This document establishes the official policies and procedures for the Internal Review Division within the Office of the Auditor. It explains the purpose, authority and responsibility of the internal review function and the duties of the Internal Review Division, which consists of the

Grant Committee, Grant Supervisor, and the Budget Liaison Director.

1.2 AUTHORITY:

The powers and duties of the Office of the Lake County Auditor (Auditor) are authorized under Indiana Code 32-2-9.5. The Auditor serves as the Fiscal Officer of the County with oversight responsibility of all financial books and records of County offices. The Auditor is an elected official and is organizationally independent of the operating activities of the Board of County Commissioners ("Commissioners"), the Lake County Council ("Council"), and the County Departments.

Recognizing the importance of government compliance with federal laws, policies, established procedures and accountability for the use of federal funds while performing its duties, the Auditor, Commissioners and Council have established the Internal Review Division.

The Internal Review Division is responsible for reviewing the activities of the federal grant programs under the direction of the Commissioners. The Internal Review Division is organizationally independent and has no direct responsibility for, or authority over, any Commissioner function, activity, or program subject to review.

The Internal Review Division has the authority and responsibility to review all departments receiving federal financial assistance and federal cost-reimbursement contracts and to issue reports thereon.

1.3 MISSION STATEMENT:

The mission of the Internal Review Division is to assure compliance by the County Departments that are receiving Federal financial assistance and Federal cost-reimbursement contracts received directly from Federal awarding agencies or indirectly from pass-through entities through the performance of independent, objective reviews and evaluations of relevant activities under the Commissioners. In performing these duties, the Internal Review Division will endeavor to assist Commissioner Administrators and County Department Managers in achieving compliance with financial reporting. These efforts are intended to ensure County compliance in order to fulfil the County's fiduciary responsibilities to the federal government.

1.4 MISSION STRATEGY:

The Internal Review Division will accomplish its mission to provide Lake County with an efficient, proactive and comprehensive internal review program through the conduct of:

(A) Performance review to test that required internal controls are in place and to evaluate cost effectiveness and efficiency with which federal resources are employed. Recommendations will be reported as appropriate.

(B) Assistance to the Auditor's Finance and Accounting Division and/or the external auditors in the performance of the annual audit of the County's financial statements.

(C) Compliance reviews to ensure conformance with the requirements of Federal and Indiana laws and/or Federal and Indiana grants.

1.5 REQUIRED ACCESS TO RECORDS:

The Auditor must have full access to all County records, properties and personnel related to federal grants in order to properly conduct required review activities. Accordingly, County officials and employees shall furnish any requested information and records within their custody and respond to any questions regarding powers, duties, activities, organization, property, financial transactions and methods of business related to federal grants.

SECTION 2: METHOD OF OPERATION

2.1 INTERNAL REVIEW FUNCTIONS:

The following describes the functional operation of the Internal Review Division and the requirements for accomplishing its mission:

(A) Definition and Objective of Internal Review

Internal review is an independent objective assurance activity designed to add value and improve operations of the County as a service to management and elected officials. The fundamental objective of internal review is to assist all members of management to discharge their responsibilities. This objective is met by furnishing management with periodic reviews and recommendations concerning the federal grant related activities.

(B) Scope of Operations

The Internal Review Division's scope of operations encompasses revenues and expenditures of federal grant awards. This requires going beyond the accounting and financial records to obtain a full understanding of the operations under review and involves such activities as, but is not limited to:

- Perform a periodic review of the financial statement(s) for the Federal program in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States ("GAGAS");
- Obtain an understanding of internal control and perform tests of internal control over the Federal program consistent with the requirements of § __.500(c) for a major program;
- Perform procedures to determine whether the county department has complied with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on the Federal program consistent with the requirements of § __.500(d) for a major program; and
- Follow up on prior SBOA audit findings, perform procedures to assess the reasonableness of the summary schedule of prior audit SBOA findings prepared by the County Department § __.500(e).

(C) Responsibility and Authority

- (1) The Internal Review Division has no direct responsibility for, or authority over, any activity under review.

(2) Any review performed by the Internal Review Division does not relieve the County department or Auditor employees of their assigned responsibilities.

(3) The Internal Review Division is comprised of the Grant Committee, the Grant Supervisor and the Budget Liaison Director.

(a) The Grant Committee is comprised of three members of the Lake County Council. Pursuant to Lake County Ordinance, all county departments prior to submission and/or award of the grant application shall schedule a meeting with the Grant Committee in order to review previous and ongoing compliance.

(b) Where internal control and contractual compliance is involved with federal grants, the Grant Supervisor and Budget Liaison Director will:

(i) Review and evaluate policies, plans and procedures, but have no responsibility for establishing same; and

(ii) Review the existing and proposed procedures and make recommendations and/or comments regarding acceptable standards.

(D) Responsibility of County Department

The County Department shall:

(1) Identify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received. Federal program and award identification shall include, as applicable, the CFDA title and number, award number and year, name of the Federal agency, and name of the pass-through entity.

(2) Maintain internal control over Federal programs that provides reasonable assurance that the County Department is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

(3) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

(4) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with § ___.310.

(5) Ensure that the audits required by this part are properly performed and submitted when due. When extensions to the report submission due date required by § ___.320(a) are granted by the cognizant or oversight agency for audit, promptly notify the Federal clearinghouse designated by Office of Management and Budget and each pass-through entity providing Federal awards of the extension.

(6) Follow up and take corrective action on review recommendations, including preparation of a summary schedule of prior review recommendations and a corrective action plan in accordance with § ___.315(b) and § ___.315(c), respectively.

2.2 INDEPENDENCE, OBJECTIVITY AND ETHICS:

The Internal Review Division is responsible directly to the Auditor for the performance of internal review activities and for the reporting of recommendations. The Internal Review Division is therefore considered to be independent of the county departments operations being reviewed.

Objectivity is essential to the review function. Therefore, the Internal Review Division should not devise or install procedures that will be later reviewed. In the installation of new systems, the Internal Review Division can offer suggestions for minimum controls and program implementation without impairing objectivity.

The Internal Audit Division shall maintain high standards of conduct, honor and character so that credibility and integrity are not open to question. The Internal Review Division will subscribe to the Codes of Professional Ethics and Standards as promulgated by the county's personnel and ethics policies.

2.3 REVIEW PLANNING, CONDUCT AND COMMUNICATION:

The Internal Review Division shall, on a periodic basis, develop a plan of review with respect to internal control and compliance requirements. The annual review plan shall include identification of each review to be conducted in terms of the financial records and activities to be reviewed.

Reviews shall be conducted in compliance with generally accepted government auditing standards issued by the Comptroller General of the United States ("GAGAS"). These standards are contained and detailed in the Circular A-133, issued pursuant to the Single Audit Act of 1984, P.L. 98-502, and the Single Audit Act Amendments of 1996, P.L. 104-156. It sets forth standards for obtaining consistency and uniformity among Federal agencies for the audit of States, local governments, and non-profit organizations expending Federal awards.

The Internal Review Division shall notify the appropriate county department management of the nature and purpose of the review. During the course of the review, the Internal Review Division will inform the Auditor and department management, to the fullest extent practicable, of any significant recommendations.

SECTION 3: INTERNAL REVIEW SERVICES

3.1 TYPES OF SERVICES:

The following are general descriptions of the types of services provided by the Internal Review Division. The annual review plan can include any combination of these types.

(A) Revenue Review.

Review includes review of County departments responsible for the billing, collection and administration of federal grant revenues.

(B) Compliance Review.

These reviews generally are performed to ensure compliance with Federal or State laws and/or

requirements of Federal grants. These can include reviews of management practices and financial data to determine the extent to which a unit complies with applicable Indiana Statutes, County Code and policies and procedures.

(C) Fraud Investigations

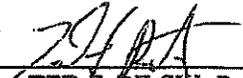
Any suspected criminal act (e.g., theft, robbery, etc.) should be promptly reported to the appropriate County officials and proper law enforcement agency.

Suspicious of fraud, misappropriation of County assets, unethical behavior of County employees or other irregularities may be reported to the Auditor through the Internal Review Division. Callers may remain anonymous if they wish. As directed by the Auditor, an independent investigation may be performed by the proper law enforcement agency, or other appropriate agency.

3.2 REVIEW REPORTS:

Upon completion of the review, the Grant Supervisor and/or Budget Liaison Director will prepare an original draft of the review report. The report will communicate to County management, in a clear and concise manner, the results of the review. The format of the report will depend upon the type of review performed.

SO ORDAINED THIS 24th DAY OF September, 2014.



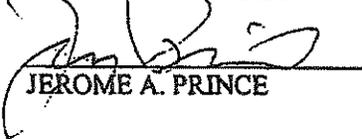
TED F. BILSKI, President



CHRISTINE CID



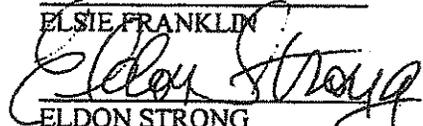
DANIEL E. DERNULC



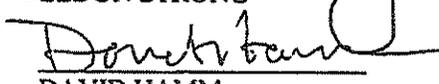
JEROME A. PRINCE

Absent

ELSIE FRANKLIN



ELDON STRONG

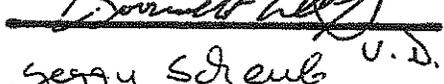


DAVID HAMM

Members of the Lake County Council

BOARD OF COMMISSIONERS OF THE COUNTY OF LAKE





GERRY SCHAUB, J.D.
APPROVED THIS 22nd DAY OF Sept, 2014

AUDITOR'S CERTIFICATE

State of Indiana)

)
SS:

County of Lake)

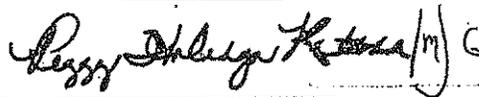
I, Peggy H. Katona, Lake County Auditor, in and for said County and State,

do hereby certify: the following to be a true and correct copy of

Ordinance No. 1376A - Ordinance Establishing the Lake County Internal
Review Policies and Procedures for Federal and State Grant Reporting

And same is filed in my office.

IN WITNESS WHEREOF, I
Hereunto set my hand and affix
The official seal of The Board
Of Commissioners of the County
Of Lake, IN on this
30th Day of September, 2014



Peggy H. Katona
Lake County Auditor

PEGGY HOLINGA KATONA
AUDITOR

JOHN PETALAS
TREASURER



Auditor Lake County
Treasurer Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307



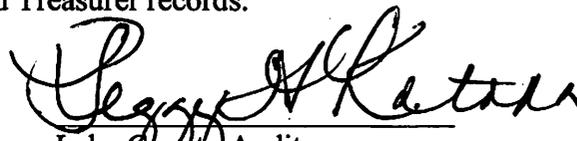
CORRECTIVE ACTION PLAN

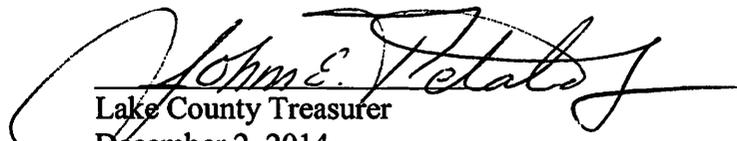
Section II
FINDING NO. 2013-005

Auditee Contact Person: Michael T. Wieser
Title of Contact Person: Director of Finance, Lake County Auditor's Office
Phone Number: (219) 755-3129

Corrective Action and Plan submitted:

The issue, as presented, noted a reconciling difference of 481,694.42. A correction to reduce the amount by 240,847.30 was made at the time of the June 2014 settlement by recapturing a previous over distribution to various funds in tax district 042. The remaining difference has been identified. A conference scheduled for December 4, 2014 should produce the proper procedure to reconcile the difference between the Auditor and Treasurer records.


Lake County Auditor
December 2, 2014


Lake County Treasurer
December 2, 2014



LAKE COUNTY
COMMUNITY ECONOMIC DEVELOPMENT DEPARTMENT

2293 N. Main Street • Crown Point, IN 46307
Tel. (219) 755-3225 • Fax (219) 736-5925
econdev@lakecountyin.com

MILAN GROZDANICH
Executive Director



CORRECTIVE ACTION PLAN

FINDING 2013-006

Auditee Contact Person: Milan Grozdanich
Title of Contact Person: Executive Director
Phone Number: (219) 755-3231

Action to Correct Finding:

Beginning immediately, either Milan Grozdanich, Executive Director, or Alverna Hooks, Deputy Director, will initial all reports created and mailed by Anna Nunez, Fiscal Officer or Lori Burke, Bookkeeper, to verify agreement with the expenditures and other supporting documents, demonstrating management review.

A handwritten signature in cursive script, appearing to read "Milan Grozdanich".

Milan Grozdanich
Executive Director
December 8, 2014



LAKE COUNTY
COMMUNITY ECONOMIC DEVELOPMENT DEPARTMENT

2293 N. Main Street • Crown Point, IN 46307

Tel. (219) 755-3225 • Fax (219) 736-5925

econdev@lakecountyin.com

MILAN GROZDANICH
Executive Director



CORRECTIVE ACTION PLAN

FINDING 2013-007

Auditee Contact Person: Milan Grozdanich

Title of Contact Person: Executive Director

Phone Number: (219) 755-3231

Action to Correct Finding:

The Office will immediately implement a monitoring schedule showing the dates when monitoring is due for multi-unit facilities in accordance with the new HOME Housing guidelines. The schedule will be reviewed and approved by either Milan Grozdanich, Executive Director, or Alverna Hooks, Deputy Director, demonstrating management review.

A handwritten signature in black ink, appearing to read "Milan Grozdanich".

Milan Grozdanich
Executive Director
December 8, 2014

LAKE COUNTY COMMUNITY CORRECTIONS

2600 West 93rd Avenue
Crown Point, Indiana 46307
(219) 755-3850 – Fax (219) 755-3871

KELLIE J. BITTORF
Executive Director

December 5, 2014

MARK R. MURPHY
Director of Operations

LONI N. BRITTINGHAM
Quality Assurance Manager

To: Michael Wieser
Director of Finance
Lake County Auditor's Office

JEFFERY A. BATCHELOR
Residential Manager

RICHARD F. SERVI
Budget and Personnel Manager

Cc: Kellie J. Bittorf
Executive Director

BOARD OF COMMISSIONERS

Re: 2013 SBA Audit, Corrective Action Plan

ROOSEVELT ALLEN JR.
First District

GERRY J. SCHEUB
Second District

MICHAEL REPAY
Third District

CORRECTIVE ACTION PLAN

FINDING NO. 2013-008. INTERNAL CONTROLS

Lake County Community Corrections

ADVISORY BOARD

PAUL E. PANTHER
Chairman

HON. THOMAS P. STEFANIAK JR.
Vice-Chairman

LONI N. BRITTINGHAM
Secretary (Non-member)

SHERIFF JOHN BUNCICH

HON. SAMUEL L. CAPPAS

PROS. ATTY. BERNARD CARTER

JAMES CLEMENT JR.

HON. KAREN FREEMAN-WILSON

CARLEAN GADLING

LEE GILLIAM

KEVIN HUSEMAN

ROBERT KRUMWEID

RICHARD MAROC

HON. SHEILA M. MOSS

JAN PARSONS

JOSEPH M. PELLICCIOTTI

COUNCILMAN JEROME PRINCE

HERBERT I. SHAPS

ALMA V. WHITE

Federal Agency: U.S. Department of Justice
Federal Program: Edward Byrne Memorial Justice Assistance Grant Program
CFDA Number: 16.738, 16.803
Pass-Through: Indiana Criminal Justice Institute
Award Number: 2011-DJ-BX-2622
Auditee Contact: Richard Servi
Title of Contact: Budget & Personnel Manager
Phone Number: 219-755-3850 x308

Corrective Action and Plan Submitted:

1) Reporting: In order to insure proper compliance of Reporting, Lake County Community Corrections will immediately take measures to ensure all required reports are accurately prepared and submitted. As reports are now submitted online, all report preparation documents will be reviewed and signed off on for approval, as evidence of oversight, by the Executive Director, prior to submission by the Budget & Personnel Manager. Report acceptance by the Indiana Criminal Justice Institute is received electronically.

2) Matching: In order to insure proper compliance of Matching, Lake County Community Corrections will immediately take measures to ensure all required reports, detailing where the matching funds are spent, are accurately prepared and submitted. To date detailed listings from our LC500 reports have been provided. As reports are now submitted online, all report preparation documents will be reviewed and signed off on, to ensure matching requirements are being met, by the Executive Director, prior to submission by the Budget & Personnel Manager. Report acceptance by the Indiana Criminal Justice Institute is received electronically.

Anticipated Completion Date: December 5, 2014



Richard F. Servi
Budget and Personnel Manager
December 5, 2014



JOHN BUNCICH
LAKE COUNTY SHERIFF
LAKE COUNTY, INDIANA

CORRECTIVE ACTION PLAN

FINDING NO. 2013 – 008

CONTACT PERSON: *Sheriff John Buncich*
TITLE OF CONTACT PERSON: *Sheriff John Buncich*
PHONE NUMBER: *(219) 755-3400*

Corrective Action and Plan submitted:

As noted in the findings, all adjustments that were proposed will be corrected.

I have reviewed your Audit Report and am formulating a plan of action to correct any and all discrepancies in our day-to-day protocol.



Lake County Sheriff John Buncich

December 17, 2014

Date

LAKE COUNTY COMMUNITY CORRECTIONS

2600 West 93rd Avenue
Crown Point, Indiana 46307
(219) 755-3850 – Fax (219) 755-3871

KELLIE J. BITTORF
Executive Director

MARK R. MURPHY
Director of Operations

LONI N. BRITTINGHAM
Quality Assurance Manager

JEFFERY A. BATCHELOR
Residential Manager

RICHARD F. SERVI
Budget and Personnel Manager

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December 5, 2014

To: Michael Wieser
Director of Finance
Lake County Auditor's Office

Cc: Kellie J. Bittorf
Executive Director

Re: 2013 SBA Audit, Corrective Action Plan

CORRECTIVE ACTION PLAN

FINDING NO. 2013-009, MATCHING AND REPORTING

Lake County Community Corrections

Federal Agency: U.S. Department of Justice
Federal Program: Edward Byrne Memorial Justice Assistance Grant Program
CFDA Number: 16.738
Pass-Through: Indiana Criminal Justice Institute
Award Number: 2011-DJ-BX-2622, 2012-DJ-BX-0765
Auditee Contact: Richard Servi
Title of Contact: Budget & Personnel Manager
Phone Number: 219-755-3850 x308

Corrective Action and Plan Submitted:

Matching and Reporting: In order to insure proper compliance of Matching and Reporting, Lake County Community Corrections will immediately take measures to ensure all required report records are accurately detailed to represent the matching funds expended. Historically, as the total incurred by LCCC was always higher than the amount required by the grant, each quarters' submission represented only 1/4 of the annual amount. As reports are now submitted online, all report preparation documents will be specific to the amounts incurred, as documented by our LC500 reports, and uploaded electronically. Per our auditor, the total, in any quarter, may be greater than the 25% factor we have been using. These will be reviewed and signed off on for approval, as evidence of oversight, by the Executive Director, prior to submission by the Budget & Personnel Manager. Report acceptance by the Indiana Criminal Justice Institute is received electronically.

Anticipated Completion Date: December 5, 2014


Richard F. Servi
Budget and Personnel Manager
December 5, 2014

"A Sensible Approach to Corrections"



JOHN BUNCICH
LAKE COUNTY SHERIFF
LAKE COUNTY, INDIANA

CORRECTIVE ACTION PLAN

FINDING NO. 2013 – 009

CONTACT PERSON: *Sheriff John Buncich*
TITLE OF CONTACT PERSON: *Sheriff John Buncich*
PHONE NUMBER: *(219) 755-3400*

Corrective Action and Plan submitted:

As noted in the findings, all adjustments that were proposed will be corrected.

I have reviewed your Audit Report and am formulating a plan of action to correct any and all discrepancies in our day-to-day protocol.



Lake County Sheriff John Buncich

December 17, 2014
Date



JOHN BUNCICH
LAKE COUNTY SHERIFF
LAKE COUNTY, INDIANA

CORRECTIVE ACTION PLAN

FINDING NO. 2013 – 010

CONTACT PERSON: *Sheriff John Buncich*
TITLE OF CONTACT PERSON: *Sheriff John Buncich*
PHONE NUMBER: *(219) 755-3400*

Corrective Action and Plan submitted:

As noted in the findings, all adjustments that were proposed will be corrected.

I have reviewed your Audit Report and am formulating a plan of action to correct any and all discrepancies in our day-to-day protocol.



Lake County Sheriff John Buncich

December 17, 2014

Date



Auditor Lake County

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
CROWN POINT, INDIANA 46307

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CORRECTIVE ACTION PLAN

Section III FINDING NO. 2013-011

Auditee Contact Person: Michael T. Wieser
Title of Contact Person: Director of Finance, Lake County Auditor's Office
Phone Number: (219) 755-3129

Corrective Action and Plan submitted:

In a previous response to the Original Audit Report Number B42923, the Lake County Auditor's office contacted the vendor that was hired to prepare the cost allocation program and has subsequently met with the vendor on October 20, 2014. The vendor provided a page by page narrative to 2 members of the Lake County Auditor's finance department. In the discussion the vendor indicated to the Auditor's staff what pertinent information was used in the compilation of the data. Lake County Auditor's staff verified those numbers using Lake County financial reports.


Lake County Auditor
December 2, 2014

OTHER REPORT

In addition to this report, a Supplemental Compliance Report has been issued for the County. That report can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.