

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
RANDOLPH COUNTY, INDIANA
January 1, 2012 to December 31, 2012



FILED
05/09/2013

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Mary Ann Lenkensdofer	01-01-11 to 12-31-14
Treasurer	Jane A. Grove	01-01-11 to 12-31-14
Clerk	Claudia R. Thornburg Laura J. Martin	01-01-01 to 12-31-12 01-01-13 to 12-31-16
Sheriff	Ken Hendrickson	01-01-11 to 12-31-14
Recorder	Debbie L. Preston	01-01-11 to 12-31-14
President of the Board of County Commissioners	Troy Prescott William H. Terrell	01-01-12 to 12-31-12 01-01-13 to 12-31-13
President of the County Council	Max Holaday	01-01-12 to 12-31-13



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF RANDOLPH COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Randolph County (County), which comprises the financial position and results of operations for the year ended December 31, 2012, 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 in the circumstances. 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, 2012.

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, 2012, 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 April 10, 2013, 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 reports 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, Schedule of Leases, 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.

Other Information

Included in the financial statement are the receipts and disbursements activity from emergency telephone system fees (IC 36-8-16), enhanced wireless emergency telephone fees (IC 36-8-16.5), and statewide 911 services fees (IC 36-8-16.7). In accordance with Indiana Code 36-8-16-14, Indiana Code 36-8-16.5-41, and Indiana Code 36-8-16.7-38, these fees have been subject to an annual audit performed by the State Board of Accounts and, in our opinion, are fairly stated, in all material respects, in relation to the financial statement taken as a whole.



Bruce Hartman
State Examiner

April 10, 2013



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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 RANDOLPH 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 Randolph County (County), which comprises the financial position and results of operations for the year ended December 31, 2012, and the related notes to the financial statement, and have issued our report thereon dated April 10, 2013, 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.

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. A significant deficiency is a deficiency or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.



Bruce Hartman
State Examiner

April 10, 2013

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FINANCIAL STATEMENT

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.

RANDOLPH COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2012

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
General	\$ 2,053,058	\$ 7,706,927	\$ 7,885,326	\$ 1,874,659
Accident Report	6,010	8,888	10,857	4,041
CEDIT/ County Unit	1,933,123	794,940	1,156,879	1,571,184
Special CEDIT Legislation	757,057	1,042,110	425,000	1,374,167
City/Town Court Costs	19,618	4,040	-	23,658
Clerk's Records Perpetuation	10,843	5,770	3,636	12,977
Community Corrections Grant	23,057	158,032	163,826	17,263
Community Transition Program	12,158	10,230	8,005	14,383
Congressional School Interest	101,074	-	-	101,074
Congressional School Principal	32,845	-	-	32,845
Prisoner Reimbursement for Incarceration	334	2,110	5	2,439
County Sales Disclosure	15,393	2,995	4,154	14,234
Cumulative Bridge	690,424	351,901	272,943	769,382
Cumulative Capital Development	1,321,192	261,751	97,381	1,485,562
County Drug Free Community	17,819	14,477	17,819	14,477
Electronic Map Generation	7,300	-	-	7,300
Local Emergency Planning	2,120	4,236	1,657	4,699
E-911	84,505	212,246	296,751	-
Recorder's Enhanced Access	365	-	365	-
Handgun Permit	11,922	12,240	3,190	20,972
General Drain Improvement	156,084	101,551	62,161	195,474
Health Department	103,173	224,063	185,019	142,217
County Identity Security	16,177	2,952	14,735	4,394
Levy Excess	22,814	31,982	22,814	31,982
Health Maintenance	18,939	32,672	34,657	16,954
Local Road and Street	228,107	232,230	299,711	160,626
Major Moves	57,237	-	19,945	37,292
County Misdemeanant	41,984	19,364	497	60,851
County Highway	959,340	2,293,899	1,854,240	1,398,999
Auditor's Platbook	49,774	11,344	40,007	21,111
Rainy Day	1,477,114	134,553	233,741	1,377,926
Property Reassessment	90,110	33,177	122,374	913
Property Reassessment 2015	199,851	195,792	3,518	392,125
Recorder's Records Perpetuation	47,755	66,206	23,544	90,417
Public Defender Reimbursement	33,732	57,989	59,789	31,932
Surplus Tax	22,051	33,039	19,375	35,715
Surveyor's Corner Perpetuation	5,281	5,440	2,000	8,721
Tax Sale Redemption	24	67,712	67,712	24
Tax Sale Surplus	87,726	168,441	92,435	163,732
Health Department Trust	19,255	18,644	23,931	13,968
VIN Inspections	845	1,055	-	1,900
Emergency Telephone System	163,722	46,181	209,903	-
Children's Advocate Program	15,861	18,561	19,780	14,642
Elected Official Training	1,287	2,952	1,025	3,214
Statewide 911	-	428,875	250,338	178,537
Probation Administrative Fee	2,120	14,665	-	16,785
Supplemental Adult Probation Fee	48,766	49,729	85,392	13,103
Supplemental Juvenile Probation Fee	1,790	555	-	2,345
County User Fee	36,790	108,888	98,192	47,486
Sheriff Continuing Education	160	3,736	1,705	2,191
Ditch Maintenance	881,409	610,062	393,404	1,098,067
Criminal Justice Program Income	7,279	5,747	2,461	10,565
Donations	30,027	23,954	43,071	10,910
DARE	7,526	4,105	5,560	6,071
Jail Bond	207,704	610,857	639,172	179,389
Courthouse Bond	-	639,780	-	639,780
Health Insurance Non-Reverting	1,187,336	2,143,482	1,752,465	1,578,353
Clerk's Scanning	-	50,000	5,742	44,258
Sheriff's Office Supply	-	43	-	43
Payroll	-	4,772,199	4,772,199	-
PERF Withholdings	34,362	87,987	122,349	-
Sheriff's Retirement Withholdings	5,644	20,283	20,306	5,621
Tax Distributions	260,196	16,252,811	16,169,137	343,870

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

RANDOLPH COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2012
(Continued)

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
Wheel Tax	-	440,907	440,287	620
Commercial Vehicle Excise Tax	-	161,884	161,884	-
Sewage Liens	-	148,558	148,558	-
Financial Institution Tax	-	62,783	62,783	-
HEA 1001-2008 Homestead Credit	1,424	10	-	1,434
Fines and Forfeitures	1,513	10,124	10,020	1,617
Infraction Judgements	2,347	39,245	36,718	4,874
Overweight Vehicle Fines	630	8,683	9,083	230
PERF Special Death Benefit	570	2,757	3,262	65
State Sales Disclosure	375	2,995	3,005	365
Coroner Continuing Education	217	2,261	2,331	147
Interstate Compact Fee	125	375	500	-
Mortgage Fee	358	2,217	2,170	405
State S.V.O. Administrator	2	304	293	13
Child Restraint System Fines	-	1,175	1,100	75
Inheritance Tax	231,238	975,714	812,999	393,953
Education Plate Fee	94	600	694	-
Riverboat Revenue Sharing	-	155,035	155,035	-
Innkeepers Tax	6,156	53,761	56,882	3,035
Local Option Cert	-	3,086,585	3,085,432	1,153
93.563 ARRA Title IV-D Prosecutor's Incentive	6,974	-	6,974	-
93.563 ARRA Title IV-D Clerk's Incentive	269	-	-	269
93.563 Title IV-D Incentive	23,679	14,495	11,379	26,795
93.563 Prosecutor's Title IV-D Incentive	49,862	21,802	10,260	61,404
93.563 Clerk's Title IV-D Incentive	71,541	14,495	14,591	71,445
Sheriff's Cashbook	-	232,580	232,580	-
Sheriff's Inmate Trust	6,015	175,488	177,643	3,860
Sheriff's Commissary	85,106	155,529	159,470	81,165
Clerk of the Courts' Trust	232,945	2,249,819	2,301,715	181,049
After Settlement Collections	398,868	389,714	398,368	390,214
Prosecuting Attorney's Trust	231	9,199	8,787	643
Jury Pay	47,072	2,977	6,534	43,515
Landfill Host Fee	397,941	220,985	252,574	366,352
Airport Fly-In Breakfast	3,280	2,609	1,514	4,375
Community Corrections Project Income	126,709	152,123	152,253	126,579
Clerk's Food	272	324	596	-
County S.V.O. Administrator	5,281	4,001	4,937	4,345
Election Non-Reverting	176,718	-	67,815	108,903
Sheriff's Department Training	2,381	2,520	1,410	3,491
County Wheel Tax	491,184	366,109	488,612	368,681
IDOC Loan Redemption	97,644	122	54,400	43,366
Dog Control	-	75	-	75
Operation Pullover	-	6,654	5,328	1,326
CEDIT/ Winchester	-	188,941	188,941	-
CEDIT/ Union	-	169,953	169,953	-
CEDIT/ Albany	-	983	983	-
CEDIT/ Farmland	-	20,931	20,931	-
CEDIT/ Losantville	-	6,205	6,205	-
CEDIT/ Lynn	-	19,791	19,791	-
CEDIT/ Modoc	-	1,752	1,752	-
CEDIT/ Parker City	-	16,102	16,102	-
CEDIT/ Ridgeville	-	12,729	12,729	-
CEDIT/ Saratoga	-	11,690	11,690	-
Local Option/ PTRC	-	1,028,709	1,028,478	231
20.106 Airport Runway Grant	-	1,004,354	1,004,354	-
16.738 Drug Task Force Grant	41,095	38,233	76,234	3,094
97.073 Sub-Grant (Grant County)	-	1,170	1,170	-
97.042 2012 EMA Competitive Grant	-	7,236	7,236	-
14.228 YMCA CDBG	-	495,834	495,834	-
Health Department H1N1 Grant	5,947	-	-	5,947
IDOC Escrow/UC Body Loan	69,499	45,029	3,453	111,075
Totals	<u>\$ 16,215,131</u>	<u>\$ 52,467,685</u>	<u>\$ 50,538,812</u>	<u>\$ 18,144,004</u>

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

RANDOLPH 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 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. Receipts are recorded when received and disbursements are recorded when paid.

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 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.

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,

RANDOLPH COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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).

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 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.

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

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.

RANDOLPH COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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.

RANDOLPH COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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 Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

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

RANDOLPH COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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. Restatement of County Offices

Certain funds that were included on the prior year financial statement have been omitted from the current year financial statement to more accurately reflect the financial activity of the County. These funds account for receipts and disbursements of County offices that are also eventually accounted for in the County's general ledger and these financial statements.

RANDOLPH COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. *Holding Corporations*

The County has entered into capital leases with the Randolph County Building Corporation and the Randolph County Jail Building Corporation (the lessors). The lessors were organized as not for profit corporations pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessors have been determined to be related parties of the County. Lease payments during the year 2012 totaled \$425,000 and \$563,350, respectively.

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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.

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012

	General	Accident Report	CEDIT/ County Unit	Special CEDIT Legislation	City/Town Court Costs	Clerk's Records Perpetuation	Community Corrections Grant
Cash and investments - beginning	\$ 2,053,058	\$ 6,010	\$ 1,933,123	\$ 757,057	\$ 19,618	\$ 10,843	\$ 23,057
Receipts:							
Taxes	5,784,958	-	-	-	-	-	-
Licenses and permits	55,504	-	-	-	-	-	-
Intergovernmental	415,322	-	-	-	-	-	-
Charges for services	1,041,179	8,888	16,860	-	-	-	-
Fines and forfeits	102,140	-	-	-	4,040	5,770	-
Other receipts	307,824	-	778,080	1,042,110	-	-	158,032
Total receipts	<u>7,706,927</u>	<u>8,888</u>	<u>794,940</u>	<u>1,042,110</u>	<u>4,040</u>	<u>5,770</u>	<u>158,032</u>
Disbursements:							
Personal services	5,610,737	-	-	-	-	-	126,695
Supplies	420,721	3,998	-	-	-	1,973	6,248
Other services and charges	1,724,609	6,859	172,730	425,000	-	1,663	27,332
Capital outlay	97,204	-	-	-	-	-	-
Other disbursements	32,055	-	984,149	-	-	-	3,551
Total disbursements	<u>7,885,326</u>	<u>10,857</u>	<u>1,156,879</u>	<u>425,000</u>	<u>-</u>	<u>3,636</u>	<u>163,826</u>
Excess (deficiency) of receipts over disbursements	<u>(178,399)</u>	<u>(1,969)</u>	<u>(361,939)</u>	<u>617,110</u>	<u>4,040</u>	<u>2,134</u>	<u>(5,794)</u>
Cash and investments - ending	<u>\$ 1,874,659</u>	<u>\$ 4,041</u>	<u>\$ 1,571,184</u>	<u>\$ 1,374,167</u>	<u>\$ 23,658</u>	<u>\$ 12,977</u>	<u>\$ 17,263</u>

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Community Transition Program	Congressional School Interest	Congressional School Principal	Prisoner Reimbursement for Incarceration	County Sales Disclosure	Cumulative Bridge	Cumulative Capital Development
Cash and investments - beginning	\$ 12,158	\$ 101,074	\$ 32,845	\$ 334	\$ 15,393	\$ 690,424	\$ 1,321,192
Receipts:							
Taxes	-	-	-	-	-	315,336	169,380
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	25,490	13,692
Charges for services	-	-	-	-	2,995	9,875	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	10,230	-	-	2,110	-	1,200	78,679
Total receipts	<u>10,230</u>	<u>-</u>	<u>-</u>	<u>2,110</u>	<u>2,995</u>	<u>351,901</u>	<u>261,751</u>
Disbursements:							
Personal services	2,522	-	-	-	-	-	-
Supplies	124	-	-	-	-	-	-
Other services and charges	5,109	-	-	5	4,154	272,943	97,381
Capital outlay	250	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>8,005</u>	<u>-</u>	<u>-</u>	<u>5</u>	<u>4,154</u>	<u>272,943</u>	<u>97,381</u>
Excess (deficiency) of receipts over disbursements	<u>2,225</u>	<u>-</u>	<u>-</u>	<u>2,105</u>	<u>(1,159)</u>	<u>78,958</u>	<u>164,370</u>
Cash and investments - ending	<u>\$ 14,383</u>	<u>\$ 101,074</u>	<u>\$ 32,845</u>	<u>\$ 2,439</u>	<u>\$ 14,234</u>	<u>\$ 769,382</u>	<u>\$ 1,485,562</u>

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	County Drug Free Community	Electronic Map Generation	Local Emergency Planning	E-911	Recorder's Enhanced Access	Handgun Permit	General Drain Improvement
Cash and investments - beginning	\$ 17,819	\$ 7,300	\$ 2,120	\$ 84,505	\$ 365	\$ 11,922	\$ 156,084
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	4,236	120,246	-	12,240	-
Fines and forfeits	14,477	-	-	-	-	-	-
Other receipts	-	-	-	92,000	-	-	101,551
Total receipts	<u>14,477</u>	<u>-</u>	<u>4,236</u>	<u>212,246</u>	<u>-</u>	<u>12,240</u>	<u>101,551</u>
Disbursements:							
Personal services	-	-	-	120,183	-	-	-
Supplies	-	-	295	688	-	-	-
Other services and charges	17,819	-	1,362	41,660	365	3,190	-
Capital outlay	-	-	-	1,582	-	-	-
Other disbursements	-	-	-	132,638	-	-	62,161
Total disbursements	<u>17,819</u>	<u>-</u>	<u>1,657</u>	<u>296,751</u>	<u>365</u>	<u>3,190</u>	<u>62,161</u>
Excess (deficiency) of receipts over disbursements	<u>(3,342)</u>	<u>-</u>	<u>2,579</u>	<u>(84,505)</u>	<u>(365)</u>	<u>9,050</u>	<u>39,390</u>
Cash and investments - ending	<u>\$ 14,477</u>	<u>\$ 7,300</u>	<u>\$ 4,699</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,972</u>	<u>\$ 195,474</u>

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Health Department	County Identity Security	Levy Excess	Health Maintenance	Local Road and Street	Major Moves	County Misdemeanant
Cash and investments - beginning	\$ 103,173	\$ 16,177	\$ 22,814	\$ 18,939	\$ 228,107	\$ 57,237	\$ 41,984
Receipts:							
Taxes	171,183	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	13,837	-	-	-	232,230	-	-
Charges for services	30,158	2,952	-	32,672	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	8,885	-	31,982	-	-	-	19,364
Total receipts	<u>224,063</u>	<u>2,952</u>	<u>31,982</u>	<u>32,672</u>	<u>232,230</u>	<u>-</u>	<u>19,364</u>
Disbursements:							
Personal services	161,832	-	-	29,457	-	-	497
Supplies	2,496	-	-	5,098	-	-	-
Other services and charges	20,691	-	22,814	102	-	-	-
Capital outlay	-	14,735	-	-	-	19,945	-
Other disbursements	-	-	-	-	299,711	-	-
Total disbursements	<u>185,019</u>	<u>14,735</u>	<u>22,814</u>	<u>34,657</u>	<u>299,711</u>	<u>19,945</u>	<u>497</u>
Excess (deficiency) of receipts over disbursements	<u>39,044</u>	<u>(11,783)</u>	<u>9,168</u>	<u>(1,985)</u>	<u>(67,481)</u>	<u>(19,945)</u>	<u>18,867</u>
Cash and investments - ending	<u>\$ 142,217</u>	<u>\$ 4,394</u>	<u>\$ 31,982</u>	<u>\$ 16,954</u>	<u>\$ 160,626</u>	<u>\$ 37,292</u>	<u>\$ 60,851</u>

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	County Highway	Auditor's Platbook	Rainy Day	Property Reassessment	Property Reassessment 2015	Recorder's Records Perpetuation	Public Defender Reimbursement
Cash and investments - beginning	\$ 959,340	\$ 49,774	\$ 1,477,114	\$ 90,110	\$ 199,851	\$ 47,755	\$ 33,732
Receipts:							
Taxes	-	-	-	-	181,994	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	2,149,167	-	-	1,665	13,798	-	-
Charges for services	-	9,344	-	-	-	59,542	-
Fines and forfeits	-	-	-	-	-	-	57,989
Other receipts	144,732	2,000	134,553	31,512	-	6,664	-
Total receipts	2,293,899	11,344	134,553	33,177	195,792	66,206	57,989
Disbursements:							
Personal services	865,133	27,247	-	-	3,068	-	59,789
Supplies	716,024	854	-	-	-	23,544	-
Other services and charges	273,083	11,906	196,835	122,374	450	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	36,906	-	-	-	-
Total disbursements	1,854,240	40,007	233,741	122,374	3,518	23,544	59,789
Excess (deficiency) of receipts over disbursements	439,659	(28,663)	(99,188)	(89,197)	192,274	42,662	(1,800)
Cash and investments - ending	\$ 1,398,999	\$ 21,111	\$ 1,377,926	\$ 913	\$ 392,125	\$ 90,417	\$ 31,932

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Surplus Tax	Surveyor's Corner Perpetuation	Tax Sale Redemption	Tax Sale Surplus	Health Department Trust	VIN Inspections	Emergency Telephone System
Cash and investments - beginning	\$ 22,051	\$ 5,281	\$ 24	\$ 87,726	\$ 19,255	\$ 845	\$ 163,722
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	5,440	-	-	-	1,055	46,181
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	33,039	-	67,712	168,441	18,644	-	-
Total receipts	33,039	5,440	67,712	168,441	18,644	1,055	46,181
Disbursements:							
Personal services	-	-	-	-	1,738	-	27,914
Supplies	-	-	-	-	2,040	-	-
Other services and charges	2,075	2,000	-	18,984	3,138	-	8,874
Capital outlay	-	-	-	-	17,015	-	33,563
Other disbursements	17,300	-	67,712	73,451	-	-	139,552
Total disbursements	19,375	2,000	67,712	92,435	23,931	-	209,903
Excess (deficiency) of receipts over disbursements	13,664	3,440	-	76,006	(5,287)	1,055	(163,722)
Cash and investments - ending	\$ 35,715	\$ 8,721	\$ 24	\$ 163,732	\$ 13,968	\$ 1,900	\$ -

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Children's Advocate Program	Elected Official Training	Statewide 911	Probation Administrative Fee	Supplemental Adult Probation Fee	Supplemental Juvenile Probation Fee	County User Fee
Cash and investments - beginning	\$ 15,861	\$ 1,287	\$ -	\$ 2,120	\$ 48,766	\$ 1,790	\$ 36,790
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	2,952	156,884	-	-	-	-
Fines and forfeits	105	-	-	14,665	47,501	555	31,329
Other receipts	18,456	-	271,991	-	2,228	-	77,559
Total receipts	<u>18,561</u>	<u>2,952</u>	<u>428,875</u>	<u>14,665</u>	<u>49,729</u>	<u>555</u>	<u>108,888</u>
Disbursements:							
Personal services	15,000	-	197,258	-	81,574	-	75,024
Supplies	580	-	618	-	245	-	5,409
Other services and charges	3,049	1,025	49,317	-	3,573	-	17,416
Capital outlay	1,151	-	3,145	-	-	-	108
Other disbursements	-	-	-	-	-	-	235
Total disbursements	<u>19,780</u>	<u>1,025</u>	<u>250,338</u>	<u>-</u>	<u>85,392</u>	<u>-</u>	<u>98,192</u>
Excess (deficiency) of receipts over disbursements	<u>(1,219)</u>	<u>1,927</u>	<u>178,537</u>	<u>14,665</u>	<u>(35,663)</u>	<u>555</u>	<u>10,696</u>
Cash and investments - ending	<u>\$ 14,642</u>	<u>\$ 3,214</u>	<u>\$ 178,537</u>	<u>\$ 16,785</u>	<u>\$ 13,103</u>	<u>\$ 2,345</u>	<u>\$ 47,486</u>

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Sheriff Continuing Education	Ditch Maintenance	Criminal Justice Program Income	Donations	DARE	Jail Bond	Courthouse Bond
Cash and investments - beginning	\$ 160	\$ 881,409	\$ 7,279	\$ 30,027	\$ 7,526	\$ 207,704	\$ -
Receipts:							
Taxes	-	-	-	-	-	495,529	591,931
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	40,056	47,849
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	2,031	-	4,691	-	-	-	-
Other receipts	1,705	610,062	1,056	23,954	4,105	75,272	-
Total receipts	<u>3,736</u>	<u>610,062</u>	<u>5,747</u>	<u>23,954</u>	<u>4,105</u>	<u>610,857</u>	<u>639,780</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	4,505	-	-
Other services and charges	-	-	2,461	27,032	1,055	639,172	-
Capital outlay	-	-	-	12,151	-	-	-
Other disbursements	1,705	393,404	-	3,888	-	-	-
Total disbursements	<u>1,705</u>	<u>393,404</u>	<u>2,461</u>	<u>43,071</u>	<u>5,560</u>	<u>639,172</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>2,031</u>	<u>216,658</u>	<u>3,286</u>	<u>(19,117)</u>	<u>(1,455)</u>	<u>(28,315)</u>	<u>639,780</u>
Cash and investments - ending	<u>\$ 2,191</u>	<u>\$ 1,098,067</u>	<u>\$ 10,565</u>	<u>\$ 10,910</u>	<u>\$ 6,071</u>	<u>\$ 179,389</u>	<u>\$ 639,780</u>

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Health Insurance Non-Reverting	Clerk's Scanning	Sheriff's Office Supply	Payroll	PERF Withholdings	Sheriff's Retirement Withholdings	Tax Distributions
Cash and investments - beginning	\$ 1,187,336	\$ -	\$ -	\$ -	\$ 34,362	\$ 5,644	\$ 260,196
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>2,143,482</u>	<u>50,000</u>	<u>43</u>	<u>4,772,199</u>	<u>87,987</u>	<u>20,283</u>	<u>16,252,811</u>
Total receipts	<u>2,143,482</u>	<u>50,000</u>	<u>43</u>	<u>4,772,199</u>	<u>87,987</u>	<u>20,283</u>	<u>16,252,811</u>
Disbursements:							
Personal services	-	5,737	-	3,319,410	122,349	20,306	-
Supplies	-	5	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>1,752,465</u>	<u>-</u>	<u>-</u>	<u>1,452,789</u>	<u>-</u>	<u>-</u>	<u>16,169,137</u>
Total disbursements	<u>1,752,465</u>	<u>5,742</u>	<u>-</u>	<u>4,772,199</u>	<u>122,349</u>	<u>20,306</u>	<u>16,169,137</u>
Excess (deficiency) of receipts over disbursements	<u>391,017</u>	<u>44,258</u>	<u>43</u>	<u>-</u>	<u>(34,362)</u>	<u>(23)</u>	<u>83,674</u>
Cash and investments - ending	<u>\$ 1,578,353</u>	<u>\$ 44,258</u>	<u>\$ 43</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,621</u>	<u>\$ 343,870</u>

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Wheel Tax	Commercial Vehicle Excise Tax	Sewage Liens	Financial Institution Tax	HEA 1001-2008 Homestead Credit	Fines and Forfeitures	Infraction Judgements
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 1,424	\$ 1,513	\$ 2,347
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	148,558	-	-	-	-
Fines and forfeits	-	-	-	-	-	10,124	39,245
Other receipts	440,907	161,884	-	62,783	10	-	-
Total receipts	440,907	161,884	148,558	62,783	10	10,124	39,245
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	440,287	161,884	148,558	62,783	-	10,020	36,718
Total disbursements	440,287	161,884	148,558	62,783	-	10,020	36,718
Excess (deficiency) of receipts over disbursements	620	-	-	-	10	104	2,527
Cash and investments - ending	\$ 620	\$ -	\$ -	\$ -	\$ 1,434	\$ 1,617	\$ 4,874

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Overweight Vehicle Fines	PERF Special Death Benefit	State Sales Disclosure	Coroner Continuing Education	Interstate Compact Fee	Mortgage Fee	State S.V.O. Administrator
Cash and investments - beginning	\$ 630	\$ 570	\$ 375	\$ 217	\$ 125	\$ 358	\$ 2
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	2,405	2,995	2,261	-	2,217	304
Fines and forfeits	8,683	352	-	-	375	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>8,683</u>	<u>2,757</u>	<u>2,995</u>	<u>2,261</u>	<u>375</u>	<u>2,217</u>	<u>304</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	9,083	3,262	3,005	2,331	500	2,170	293
Total disbursements	<u>9,083</u>	<u>3,262</u>	<u>3,005</u>	<u>2,331</u>	<u>500</u>	<u>2,170</u>	<u>293</u>
Excess (deficiency) of receipts over disbursements	<u>(400)</u>	<u>(505)</u>	<u>(10)</u>	<u>(70)</u>	<u>(125)</u>	<u>47</u>	<u>11</u>
Cash and investments - ending	<u>\$ 230</u>	<u>\$ 65</u>	<u>\$ 365</u>	<u>\$ 147</u>	<u>\$ -</u>	<u>\$ 405</u>	<u>\$ 13</u>

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Child Restraint System Fines	Inheritance Tax	Education Plate Fee	Riverboat Revenue Sharing	Innkeepers Tax	Local Option Cert	93.563 ARRA Title IV-D Prosecutor's Incentive
Cash and investments - beginning	\$ -	\$ 231,238	\$ 94	\$ -	\$ 6,156	\$ -	\$ 6,974
Receipts:							
Taxes	-	975,714	-	-	53,761	3,085,432	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	1,175	-	-	-	-	-	-
Other receipts	-	-	600	155,035	-	1,153	-
Total receipts	1,175	975,714	600	155,035	53,761	3,086,585	-
Disbursements:							
Personal services	-	-	-	-	-	-	6,974
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	694	-	56,882	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	1,100	812,999	-	155,035	-	3,085,432	-
Total disbursements	1,100	812,999	694	155,035	56,882	3,085,432	6,974
Excess (deficiency) of receipts over disbursements	75	162,715	(94)	-	(3,121)	1,153	(6,974)
Cash and investments - ending	\$ 75	\$ 393,953	\$ -	\$ -	\$ 3,035	\$ 1,153	\$ -

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	93.563 ARRA Title IV-D Clerk's Incentive	93.563 Title IV-D Incentive	93.563 Prosecutor's Title IV-D Incentive	93.563 Clerk's Title IV-D Incentive	Sheriff's Cashbook	Sheriff's Inmate Trust	Sheriff's Commissary
Cash and investments - beginning	\$ 269	\$ 23,679	\$ 49,862	\$ 71,541	\$ -	\$ 6,015	\$ 85,106
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	14,495	21,802	14,495	-	-	-
Charges for services	-	-	-	-	232,580	175,488	155,529
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	14,495	21,802	14,495	232,580	175,488	155,529
Disbursements:							
Personal services	-	11,379	5,045	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	5,215	14,591	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	232,580	177,643	159,470
Total disbursements	-	11,379	10,260	14,591	232,580	177,643	159,470
Excess (deficiency) of receipts over disbursements	-	3,116	11,542	(96)	-	(2,155)	(3,941)
Cash and investments - ending	\$ 269	\$ 26,795	\$ 61,404	\$ 71,445	\$ -	\$ 3,860	\$ 81,165

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Clerk of the Courts' Trust	After Settlement Collections	Prosecuting Attorney's Trust	Jury Pay	Landfill Host Fee	Airport Fly-In Breakfast	Community Corrections Project Income
Cash and investments - beginning	\$ 232,945	\$ 398,868	\$ 231	\$ 47,072	\$ 397,941	\$ 3,280	\$ 126,709
Receipts:							
Taxes	-	389,714	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	2,249,819	-	-	2,977	-	-	133,423
Other receipts	-	-	9,199	-	220,985	2,609	18,700
Total receipts	<u>2,249,819</u>	<u>389,714</u>	<u>9,199</u>	<u>2,977</u>	<u>220,985</u>	<u>2,609</u>	<u>152,123</u>
Disbursements:							
Personal services	-	-	-	6,534	-	-	77,238
Supplies	-	-	-	-	-	-	4,538
Other services and charges	-	-	-	-	252,574	1,514	57,793
Capital outlay	-	-	-	-	-	-	12,684
Other disbursements	2,301,715	398,368	8,787	-	-	-	-
Total disbursements	<u>2,301,715</u>	<u>398,368</u>	<u>8,787</u>	<u>6,534</u>	<u>252,574</u>	<u>1,514</u>	<u>152,253</u>
Excess (deficiency) of receipts over disbursements	<u>(51,896)</u>	<u>(8,654)</u>	<u>412</u>	<u>(3,557)</u>	<u>(31,589)</u>	<u>1,095</u>	<u>(130)</u>
Cash and investments - ending	<u>\$ 181,049</u>	<u>\$ 390,214</u>	<u>\$ 643</u>	<u>\$ 43,515</u>	<u>\$ 366,352</u>	<u>\$ 4,375</u>	<u>\$ 126,579</u>

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Clerk's Food	County S.V.O. Administrator	Election Non-Reverting	Sheriff's Department Training	County Wheel Tax	IDOC Loan Redemption	Dog Control
Cash and investments - beginning	\$ 272	\$ 5,281	\$ 176,718	\$ 2,381	\$ 491,184	\$ 97,644	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	2,732	-	2,520	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	324	1,269	-	-	366,109	122	75
Total receipts	324	4,001	-	2,520	366,109	122	75
Disbursements:							
Personal services	-	-	15,525	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	596	4,937	52,290	1,410	488,612	50,000	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	4,400	-
Total disbursements	596	4,937	67,815	1,410	488,612	54,400	-
Excess (deficiency) of receipts over disbursements	(272)	(936)	(67,815)	1,110	(122,503)	(54,278)	75
Cash and investments - ending	\$ -	\$ 4,345	\$ 108,903	\$ 3,491	\$ 368,681	\$ 43,366	\$ 75

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Operation Pullover	CEDIT/ Winchester	CEDIT/ Union	CEDIT/ Albany	CEDIT/ Farmland	CEDIT/ Losantville	CEDIT/ Lynn
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	6,654	188,941	169,953	983	20,931	6,205	19,791
Total receipts	<u>6,654</u>	<u>188,941</u>	<u>169,953</u>	<u>983</u>	<u>20,931</u>	<u>6,205</u>	<u>19,791</u>
Disbursements:							
Personal services	5,328	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	188,941	169,953	983	20,931	6,205	19,791
Total disbursements	<u>5,328</u>	<u>188,941</u>	<u>169,953</u>	<u>983</u>	<u>20,931</u>	<u>6,205</u>	<u>19,791</u>
Excess (deficiency) of receipts over disbursements	<u>1,326</u>	-	-	-	-	-	-
Cash and investments - ending	<u>\$ 1,326</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	CEDIT/ Modoc	CEDIT/ Parker City	CEDIT/ Ridgeville	CEDIT/ Saratoga	Local Option/ PTRC	20.106 Airport Runway Grant	16.738 Drug Task Force Grant
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,095
Receipts:							
Taxes	-	-	-	-	1,028,479	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	<u>1,752</u>	<u>16,102</u>	<u>12,729</u>	<u>11,690</u>	<u>230</u>	<u>1,004,354</u>	<u>38,233</u>
Total receipts	<u>1,752</u>	<u>16,102</u>	<u>12,729</u>	<u>11,690</u>	<u>1,028,709</u>	<u>1,004,354</u>	<u>38,233</u>
Disbursements:							
Personal services	-	-	-	-	-	-	5,107
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	1,004,354	71,127
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>1,752</u>	<u>16,102</u>	<u>12,729</u>	<u>11,690</u>	<u>1,028,478</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>1,752</u>	<u>16,102</u>	<u>12,729</u>	<u>11,690</u>	<u>1,028,478</u>	<u>1,004,354</u>	<u>76,234</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231</u>	<u>-</u>	<u>(38,001)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 231</u>	<u>\$ -</u>	<u>\$ 3,094</u>

RANDOLPH COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	97.073 Sub-Grant (Grant County)	97.042 2012 EMA Competitive Grant	14.228 YMCA CDBG	Health Department H1N1 Grant	IDOC Escrow/ UC Body Loan	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 5,947	\$ 69,499	\$ 16,215,131
Receipts:						
Taxes	-	-	-	-	-	13,243,411
Licenses and permits	-	-	-	-	-	55,504
Intergovernmental	-	-	-	-	-	3,003,898
Charges for services	-	-	-	-	-	2,291,288
Fines and forfeits	-	-	-	-	-	2,731,466
Other receipts	1,170	7,236	495,834	-	45,029	31,142,118
Total receipts	1,170	7,236	495,834	-	45,029	52,467,685
Disbursements:						
Personal services	-	-	-	-	-	11,006,600
Supplies	-	-	-	-	-	1,200,003
Other services and charges	1,170	7,236	-	-	-	6,300,602
Capital outlay	-	-	-	-	-	213,533
Other disbursements	-	-	495,834	-	3,453	31,818,074
Total disbursements	1,170	7,236	495,834	-	3,453	50,538,812
Excess (deficiency) of receipts over disbursements	-	-	-	-	41,576	1,928,873
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 5,947	\$ 111,075	\$ 18,144,004

RANDOLPH COUNTY
SCHEDULE OF PAYABLES
December 31, 2012

<u>Government or Enterprise</u>	<u>Accounts Payable</u>
Governmental activities	<u>\$ 138,609</u>

RANDOLPH COUNTY
SCHEDULE OF LEASES
December 31, 2012

Type	Description of Debt Purpose	Ending Principal Balance	Lease Payment Within One Year
Governmental activities:			
Capital Lease	Finance and Construction of Jail	\$ 465,000	\$ 478,300
Capital Lease	Finance and Construction of Randolph Center for Family Opportunity	<u>4,035,000</u>	<u>424,000</u>
Total governmental activities		<u>4,500,000</u>	<u>902,300</u>
Totals		<u>\$ 4,500,000</u>	<u>\$ 902,300</u>

RANDOLPH COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2012

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	\$ 558,028
Buildings	16,284,921
Improvements other than buildings	5,104,405
Machinery, equipment and vehicles	6,059,725
Total governmental activities	28,007,079
Total capital assets	\$ 28,007,079

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 RANDOLPH COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Randolph 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, 2012. 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.

Opinion on Each Major Federal Program

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 major federal programs for the year ended December 31, 2012.

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

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with 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 type 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.

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. 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.



Bruce Hartman
State Examiner

April 10, 2013

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

RANDOLPH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2012

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>U. S. Department of Commerce</u>				
ARRA - State Broadband Data and Development Grant Program	Indiana Office of Technology	11.558	ARRA - 067BROADBAND000	\$ <u>2,000</u>
<u>U. S. Department of Housing and Urban Development</u>				
CDBG - State-Administered CDBG Cluster Community Development Block Grants/State's Programs and Non-Entitlement Grants in Hawaii	Office of Community and Rural Affairs (OCRA)	14.228	CF - 11- 112	<u>495,834</u>
<u>U. S. Department of Justice</u>				
JAG Program Cluster Edward Byrne Memorial Justice Assistance Grant	Indiana Criminal Justice Institute	16.738	2010-DJ-BX-0254	10,457
Crime Victim Assistance	Indiana Criminal Justice Institute	16.575	11VA-GX-0039	24,751
Violence Against Women Formula Grant	Indiana Criminal Justice Institute	16.588	11VSPRO-63	<u>27,578</u>
Total - Department of Justice				<u>62,786</u>
<u>U. S. Department of Transportation</u>				
Highway Planning and Construction Cluster Highway Planning and Construction	Indiana Department of Transportation	20.205	RTA-000-1661	<u>9,326</u>
Airport Improvement Program	Direct Grant	20.106	3-18-0088-011 3-18-0088-013	93,203 <u>860,933</u>
Total - Airport Improvement Program				<u>954,136</u>
Total - Department of Transportation				<u>963,462</u>
<u>U. S. Department of Health and Human Services</u>				
Public Health Emergency Preparedness	Indiana State Department of Health	93.069	BPRS- HLM 167-70	<u>6,831</u>
Environmental Public Health and Emergency Response	Indiana State Department of Health	93.070	400361032BA20013	<u>2,250</u>
Centers for Disease Control and Prevention_ Investigations and Technical Assistance	Indiana State Department of Health	93.283	400361032BA20012	<u>1,853</u>
Child Support Enforcement	Indiana Family and Social Services Administration	93.563	Prosecutor Incentive Clerk Incentive County General Incentive Direct Cost Reimbursement Indirect Cost Reimbursement	10,260 14,590 11,379 96,697 <u>24,117</u>
Total - Child Support Enforcement				<u>157,043</u>
Total - Department of Health and Human Services				<u>167,977</u>
<u>Federal Emergency Management Agency</u>				
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042	18511EMPLOCLSAL	19,437
State Homeland Security Program (SHSP)	Grant County, Indiana	97.073	2009-55-T9-0032	<u>1,170</u>
Total - Department of Homeland Security				<u>20,607</u>
Total federal awards expended				<u>\$ 1,712,666</u>

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

RANDOLPH 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 Randolph County (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, 2012:

Program Title	Federal CFDA Number	Amount
Community Development Block Grants/State's Program and Non-entitlement Grants in Hawaii	14.228	<u>\$ 495,834</u>

RANDOLPH 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; Unqualified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	no

Identification of Major Programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
20.106	CDBG – State-Administered CDBG Cluster Airport Improvement Program

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

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

RANDOLPH COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 10, 2013, with Mary Ann Lenkensdofer, Auditor, Jessica Olson, Deputy Auditor; William H. Terrell, President of the Board of County Commissioners; and Max Holaday, President of the County Council. Our audit disclosed no material items that warrant comment at this time.