

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

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



FILED
05/23/2013

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Kathleen M. Hopf	01-01-11 to 12-31-14
Treasurer	Chad A. Blessinger	01-01-09 to 12-31-16
Clerk	Bridgette N. Jarboe	01-01-11 to 12-31-14
Sheriff	Donald R. Lampert	01-01-11 to 12-31-14
Recorder	Rebecca S. Gates	01-01-11 to 12-31-14
President of the Board of County Commissioners	Lawrence M. Vollmer	01-01-12 to 12-31-13
President of the County Council	Gregory A. Kendall	01-01-12 to 12-31-13



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF DUBOIS COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Dubois County (County), which comprise 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. 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.

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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

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 29, 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.

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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

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 29, 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 DUBOIS 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 Dubois 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 29, 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. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be significant deficiencies. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as item 2012-1 to be significant deficiencies.

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 item 2012-1.

Dubois 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.



Bruce Hartman
State Examiner

April 29, 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.

DUBOIS 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	\$ 7,807,126	\$ 9,893,351	\$ 10,434,971	\$ 7,265,506
Dubois County Statewide 911	-	749,431	267,884	481,547
Highway	752,588	2,871,265	2,628,871	994,982
Local Road And Street	51,377	345,571	355,644	41,304
Sheriff Special (Accident Reports)	2,203	330	-	2,533
Fire Arms Training (Gun Permits)	42,953	10,695	11,930	41,718
Park Nonreverting Operating	199,799	772	15,582	184,989
Health	620,353	810,224	642,225	788,352
Alcohol And Drug Services	18,749	93,078	98,757	13,070
County Sheriff	7,910	1,352	1,859	7,403
Sheriff Equip (VIN)	1,552	465	-	2,017
Clerk's Records Perpetuation	109,948	16,164	766	125,346
Recorder Enhanced Access	7,075	-	-	7,075
Emergency Telephone System	287,871	191,754	479,625	-
Drug Free Community	45,866	35,622	43,421	38,067
Emergency Planning/Right To Know	81,599	8,799	9,504	80,894
Parks And Recreation	211,680	161,574	110,730	262,524
Prosecutor Title IV-D (New)	110,406	25,287	3,131	132,562
Juvenile Probation Service	54,625	4,650	2,413	56,862
Adult Probation Services	286,209	126,830	157,900	255,139
Recorder's Records Perpetuation	45,541	58,964	47,810	56,695
Health Maintenance	21,777	32,672	30,234	24,215
Pretrial Diversion	93,574	58,800	32,086	120,288
Court Appointed Special Advocate	13,253	26,012	27,557	11,708
Plat Book Fee	74,129	12,835	-	86,964
Misdemeanant	151,806	45,550	39,109	158,247
Clerk Title IV-D #1	89,662	16,810	10,693	95,779
Jail Commissary	117,270	96,350	113,147	100,473
Surveyor's Corner Perpetuation	63,386	7,655	8,802	62,239
Jury Pay	10,668	4,466	-	15,134
Rainy Day	4,052,579	-	2,904	4,049,675
Sales Disclosure	11,342	3,965	4,763	10,544
Community Corrections Grant	28,337	399,905	374,079	54,163
Local Health Dept Trust Account	159,303	23,437	27,618	155,122
Child Advocacy	250	-	-	250
Identification Security Protection	56,646	4,276	1,806	59,116
Drunk Driving/Drug Court Prog Fees	15,804	10,496	2,682	23,618
Prosecutor Title IV-D (Prior Oct 99)	1,007	-	651	356
Campaign Finance Enforcement	100	100	-	200
Property Reassessment 2015	301,343	306,389	-	607,732
Title IV-D Incentive ARRA Prosecutor	849	-	-	849
Elected Officials Training	1,513	4,276	-	5,789
Cumulative Capital Development	4,219,624	640,116	911,525	3,948,215
Cumulative Bridge	2,455,628	871,619	684,628	2,642,619
Co Economic Development Income Tax	8,712,645	3,146,986	2,254,540	9,605,091
Sheriff's Pension	-	55,245	55,245	-
Congressional School Principal	17,402	-	-	17,402
Congressional School Interest	38,340	171	1,044	37,467
Clerks Trust (SETS Included)	494,094	3,244,234	3,397,071	341,257
Surplus Tax Sale	50,149	60,606	56,479	54,276
Tax Sale Redemption	-	15,682	15,682	-
Surplus Tax (Treasurer)	2,223	59,053	59,461	1,815
State Fines And Forfeitures	4,367	23,119	24,722	2,764
State Sales Disclosure Fee	425	3,885	3,655	655
Delinquent Liens	-	14,209	14,209	-
Infraction Judgements	2,598	17,800	18,282	2,116
Inheritance Tax	538,250	1,061,135	1,247,417	351,968
Sheriff's Inmate Trust	13,883	95,225	97,270	11,838
Special Death Benefit	455	2,465	2,530	390
Education Plate Fees Agency	-	694	694	-
Financial Institution Tax	-	294,601	294,601	-
City/Town Ordinance Violations	2,661	10,947	12,819	789
COIT (Clearing Distribution)	-	6,916,354	6,916,354	-
Mortgage Fees-State Share	695	6,123	5,658	1,160
Child Restraint Violations Fines	25	550	400	175
Probation Interstate Compact	125	501	563	63
CVET Agency	-	414,599	414,599	-
HEA 1001 State Homestead Credit	(855)	13	-	(842)
Various Funds Combined - Settlement	-	37,227,652	37,227,652	-
General Title IV-D Incentive	24,393	16,810	29	41,174

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

DUBOIS 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
County Offender Transportation	375	500	-	875
AFLAC Critical Illness	-	11,023	11,023	-
97.055 Interoperable Communication Grant	-	815	815	-
GIS Data Exchange	-	2,000	1,500	500
Community Corrections SAC Mini Grants	-	2,499	-	2,499
Probation SAC Mini Grant	-	800	-	800
Circuit Ct Adult Restitution Trust	11,375	40,185	43,584	7,976
Donations Sheriff	2,069	1,680	3,325	424
Health Bioterrorism Grant	7,664	9,756	12,208	5,212
Drug Enforcement Strike Fund	1,717	-	-	1,717
Innkeeper Tax	1	399,342	392,726	6,617
Property Reassessment (2009)	1,034,193	3,453	305,065	732,581
Solid Waste Planning (Sticker)	278,997	288,048	328,100	238,945
WebGIS Site Creation And Setup	11,500	-	-	11,500
Drug Ct Problem Solving Grant	-	3,500	-	3,500
Health Partnership	25,573	4,810	6,077	24,306
EMA Competitive Grant	-	3,623	3,623	-
Riverboat Revenue Sharing	-	809,463	809,463	-
Project Income	145,580	528,307	637,885	36,002
Crime Victim Assistance	(10,237)	33,367	29,486	(6,356)
Public Road Fund	250,000	-	63,513	186,487
WIC Local Grants/Donations	(813)	4,770	4,554	(597)
USDA WIC	(44,037)	200,775	172,091	(15,353)
Coroners Education	185	3,308	2,862	631
Community Transition Program	1,273	17,615	-	18,888
Automated Clearing House	9,420	1,210	550	10,080
Industrial Development Loan	59,604	263	-	59,867
Probation Drug Screens	587	27,533	22,894	5,226
Dubois Co Hazmat Task Force	4,230	-	-	4,230
Dubois Ruritan Park Grants	38	-	-	38
Indiana 15 Regional Planning Comm	7,863	20,357	18,850	9,370
Comm Corr Commissary	32,927	94,536	125,763	1,700
Comm Corr Indigent Fund	4,933	29,597	22,918	11,612
Sheriff Community Strike Fund	2,495	-	-	2,495
Emergency Phone Wireless Surcharge	187,859	68,246	256,105	-
RW Johnson Foundation Grant	6,982	-	-	6,982
Federal Equitable Sharing	13,318	-	4,538	8,780
Prosecutor IV-D PCA	143	1,213	676	680
Distressed Road Repayment	867,584	101,408	-	968,992
Dubois Co Employee Benefit Trust	11,765	2,215,513	2,200,514	26,764
Payroll	-	7,054,421	7,054,421	-
Nationwide Retirement Solutions	-	88,103	88,103	-
PERF	-	446,211	446,211	-
Payroll Withholding-Federal	-	745,658	745,658	-
Payroll Withholding-State	-	239,081	239,081	-
Payroll Withholding-OASI	-	914,428	914,428	-
Payroll Withholding-Local Tax	-	67,105	67,105	-
Employee Health Insurance PR Deducted	5,960	10,704	13,626	3,038
Boston Mutual	450	21,224	19,481	2,193
Health Insurance	-	2,017,917	2,017,917	-
AFLAC-Cancer/Int Care	41	32,711	32,709	43
Short Term Disability	-	26,712	26,712	-
Dental Insurance	127	52,137	52,137	127
AFLAC Accident Insurance	1	9,793	9,792	2
Forestry Sales	-	13,731	13,731	-
Vision Insurance	28	14,225	14,225	28
Payroll Withholding-Garnishment	-	16,580	16,580	-
EDIT (Clearing)	-	4,621,827	4,621,827	-
AIG/Vaic	-	34,950	34,950	-
Overpayment Of Property Tax (Auditor)	31	9,565	9,565	31
User Fee Continuing Ed	113,302	7,210	105,220	15,292
Co Sex/Violent Offender	12,288	3,230	1,055	14,463
State Sex/Violent Offender	46	359	322	83
Treasurer's Trust	1,049,894	957,836	1,049,894	957,836
Circuit Juvenile Restitution Trust	615	5,577	4,991	1,201
Superior Court Restitution	28,819	23,764	47,297	5,286
Totals	<u>\$ 36,723,920</u>	<u>\$ 93,025,140</u>	<u>\$ 92,834,029</u>	<u>\$ 36,915,031</u>

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

DUBOIS 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,

DUBOIS 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.

DUBOIS 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.

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.

DUBOIS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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.

DUBOIS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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 financial statements.

Note 8. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of the funds being set up for reimbursable grants. The reimbursements for expenditures made by the County were not received by December 31, 2012.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the County's Annual Reports for years prior to 2011 can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

For additional financial information, the County's Annual Report information for years 2011 and later 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.

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

	General	Dubois County Statewide 911	Highway	Local Road And Street	Sheriff Special (Accident Reports)	Fire Arms Training (Gun Permits)	Park Nonreverting Operating	Health
Cash and investments - beginning	\$ 7,807,126	\$ -	\$ 752,588	\$ 51,377	\$ 2,203	\$ 42,953	\$ 199,799	\$ 620,353
Receipts:								
Taxes	7,414,274	-	-	-	-	-	-	469,831
Licenses and permits	11,978	-	-	-	-	-	-	-
Intergovernmental	1,273,747	-	2,475,695	345,472	-	-	-	50,405
Charges for services	302,405	250,296	208,533	-	330	10,695	-	288,296
Fines and forfeits	170,514	-	-	-	-	-	-	-
Other receipts	720,433	499,135	187,037	99	-	-	772	1,692
Total receipts	9,893,351	749,431	2,871,265	345,571	330	10,695	772	810,224
Disbursements:								
Personal services	6,352,074	199,322	1,443,793	-	-	-	-	530,811
Supplies	134,379	68,562	922,281	309,644	-	-	-	87,933
Other services and charges	3,452,829	-	200,427	46,000	-	-	-	19,070
Capital outlay	36,043	-	62,084	-	-	-	15,582	3,323
Other disbursements	459,646	-	286	-	-	11,930	-	1,088
Total disbursements	10,434,971	267,884	2,628,871	355,644	-	11,930	15,582	642,225
Excess (deficiency) of receipts over disbursements	(541,620)	481,547	242,394	(10,073)	330	(1,235)	(14,810)	167,999
Cash and investments - ending	\$ 7,265,506	\$ 481,547	\$ 994,982	\$ 41,304	\$ 2,533	\$ 41,718	\$ 184,989	\$ 788,352

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

	Alcohol And Drug Services	County Sheriff	Sheriff Equip (VIN)	Clerk's Records Perpetuation	Recorder Enhanced Access	Emergency Telephone System	Drug Free Community	Emergency Planning/Right To Know
Cash and investments - beginning	\$ 18,749	\$ 7,910	\$ 1,552	\$ 109,948	\$ 7,075	\$ 287,871	\$ 45,866	\$ 81,599
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	465	-	-	191,754	-	-
Fines and forfeits	93,078	-	-	16,164	-	-	35,330	-
Other receipts	-	1,352	-	-	-	-	292	8,799
Total receipts	93,078	1,352	465	16,164	-	191,754	35,622	8,799
Disbursements:								
Personal services	80,183	-	-	-	-	165,840	-	-
Supplies	13,570	-	-	-	-	-	-	4,699
Other services and charges	4,804	-	-	-	-	866	43,421	4,805
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	200	1,859	-	766	-	312,919	-	-
Total disbursements	98,757	1,859	-	766	-	479,625	43,421	9,504
Excess (deficiency) of receipts over disbursements	(5,679)	(507)	465	15,398	-	(287,871)	(7,799)	(705)
Cash and investments - ending	\$ 13,070	\$ 7,403	\$ 2,017	\$ 125,346	\$ 7,075	\$ -	\$ 38,067	\$ 80,894

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

	Parks And Recreation	Prosecutor Title IV-D (New)	Juvenile Probation Service	Adult Probation Services	Recorder's Records Perpetuation	Health Maintenance	Pretrial Diversion	Court Appointed Special Advocate
Cash and investments - beginning	\$ 211,680	\$ 110,406	\$ 54,625	\$ 286,209	\$ 45,541	\$ 21,777	\$ 93,574	\$ 13,253
Receipts:								
Taxes	89,881	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	9,643	25,287	-	-	-	-	-	8,012
Charges for services	24,982	-	4,650	126,830	58,964	-	-	-
Fines and forfeits	-	-	-	-	-	-	57,230	-
Other receipts	37,068	-	-	-	-	32,672	1,570	18,000
Total receipts	161,574	25,287	4,650	126,830	58,964	32,672	58,800	26,012
Disbursements:								
Personal services	109,490	-	2,413	157,900	33,058	30,234	22,856	20,832
Supplies	-	-	-	-	-	-	634	157
Other services and charges	1,240	-	-	-	-	-	3,811	6,018
Capital outlay	-	-	-	-	-	-	4,785	-
Other disbursements	-	3,131	-	-	14,752	-	-	550
Total disbursements	110,730	3,131	2,413	157,900	47,810	30,234	32,086	27,557
Excess (deficiency) of receipts over disbursements	50,844	22,156	2,237	(31,070)	11,154	2,438	26,714	(1,545)
Cash and investments - ending	\$ 262,524	\$ 132,562	\$ 56,862	\$ 255,139	\$ 56,695	\$ 24,215	\$ 120,288	\$ 11,708

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

	Plat Book Fee	Misdemeanant	Clerk Title IV-D #1	Jail Commissary	Surveyor's Corner Perpetuation	Jury Pay	Rainy Day	Sales Disclosure
Cash and investments - beginning	\$ 74,129	\$ 151,806	\$ 89,662	\$ 117,270	\$ 63,386	\$ 10,668	\$ 4,052,579	\$ 11,342
Receipts:								
Taxes	-	45,550	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	16,810	-	-	-	-	-
Charges for services	12,835	-	-	-	7,655	-	-	3,965
Fines and forfeits	-	-	-	-	-	4,466	-	-
Other receipts	-	-	-	96,350	-	-	-	-
Total receipts	12,835	45,550	16,810	96,350	7,655	4,466	-	3,965
Disbursements:								
Personal services	-	18,019	-	-	-	-	-	-
Supplies	-	-	-	-	980	-	-	-
Other services and charges	-	21,090	-	-	7,822	-	2,904	4,763
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	-	-	10,693	113,147	-	-	-	-
Total disbursements	-	39,109	10,693	113,147	8,802	-	2,904	4,763
Excess (deficiency) of receipts over disbursements	12,835	6,441	6,117	(16,797)	(1,147)	4,466	(2,904)	(798)
Cash and investments - ending	\$ 86,964	\$ 158,247	\$ 95,779	\$ 100,473	\$ 62,239	\$ 15,134	\$ 4,049,675	\$ 10,544

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

	Community Corrections Grant	Local Health Dept Trust Account	Child Advocacy	Identification Security Protection	Drunk Driving/Drug Court Prog Fees	Prosecutor Title IV-D (Prior Oct 99)	Campaign Finance Enforcement
Cash and investments - beginning	\$ 28,337	\$ 159,303	\$ 250	\$ 56,646	\$ 15,804	\$ 1,007	\$ 100
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	399,905	23,437	-	-	-	-	-
Charges for services	-	-	-	4,276	9,524	-	-
Fines and forfeits	-	-	-	-	-	-	100
Other receipts	-	-	-	-	972	-	-
Total receipts	<u>399,905</u>	<u>23,437</u>	<u>-</u>	<u>4,276</u>	<u>10,496</u>	<u>-</u>	<u>100</u>
Disbursements:							
Personal services	374,079	15,422	-	-	-	-	-
Supplies	-	11,804	-	-	1,310	-	-
Other services and charges	-	392	-	1,806	1,372	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	651	-
Total disbursements	<u>374,079</u>	<u>27,618</u>	<u>-</u>	<u>1,806</u>	<u>2,682</u>	<u>651</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>25,826</u>	<u>(4,181)</u>	<u>-</u>	<u>2,470</u>	<u>7,814</u>	<u>(651)</u>	<u>100</u>
Cash and investments - ending	<u>\$ 54,163</u>	<u>\$ 155,122</u>	<u>\$ 250</u>	<u>\$ 59,116</u>	<u>\$ 23,618</u>	<u>\$ 356</u>	<u>\$ 200</u>

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

	Property Reassessment 2015	Title IV-D Incentive ARRA Prosecutor	Elected Officials Training	Cumulative Capital Development	Cumulative Bridge	Co Economic Development Income Tax	Sheriff's Pension
Cash and investments - beginning	\$ 301,343	\$ 849	\$ 1,513	\$ 4,219,624	\$ 2,455,628	\$ 8,712,645	\$ -
Receipts:							
Taxes	275,770	-	-	578,096	712,918	2,234,469	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	29,585	-	-	62,020	128,668	863,851	-
Charges for services	-	-	4,276	-	-	240	13,094
Fines and forfeits	-	-	-	-	-	-	18,134
Other receipts	1,034	-	-	-	30,033	48,426	24,017
Total receipts	306,389	-	4,276	640,116	871,619	3,146,986	55,245
Disbursements:							
Personal services	-	-	-	-	231,584	-	-
Supplies	-	-	-	-	307,033	-	-
Other services and charges	-	-	-	-	41,346	-	-
Capital outlay	-	-	-	911,525	104,665	2,154,540	-
Other disbursements	-	-	-	-	-	100,000	55,245
Total disbursements	-	-	-	911,525	684,628	2,254,540	55,245
Excess (deficiency) of receipts over disbursements	306,389	-	4,276	(271,409)	186,991	892,446	-
Cash and investments - ending	<u>\$ 607,732</u>	<u>\$ 849</u>	<u>\$ 5,789</u>	<u>\$ 3,948,215</u>	<u>\$ 2,642,619</u>	<u>\$ 9,605,091</u>	<u>\$ -</u>

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

	Congressional School Principal	Congressional School Interest	Clerks Trust (ISETS Included)	Surplus Tax Sale	Tax Sale Redemption	Surplus Tax (Treasurer)	State Fines And Forfeitures
Cash and investments - beginning	\$ 17,402	\$ 38,340	\$ 494,094	\$ 50,149	\$ -	\$ 2,223	\$ 4,367
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	60,606	-	59,053	-
Fines and forfeits	-	-	-	-	-	-	23,119
Other receipts	-	171	3,244,234	-	15,682	-	-
Total receipts	-	171	3,244,234	60,606	15,682	59,053	23,119
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	1,044	3,397,071	56,479	15,682	59,461	24,722
Total disbursements	-	1,044	3,397,071	56,479	15,682	59,461	24,722
Excess (deficiency) of receipts over disbursements	-	(873)	(152,837)	4,127	-	(408)	(1,603)
Cash and investments - ending	\$ 17,402	\$ 37,467	\$ 341,257	\$ 54,276	\$ -	\$ 1,815	\$ 2,764

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

	State Sales Disclosure Fee	Delinquent Liens	Infraction Judgements	Inheritance Tax	Sheriff's Inmate Trust	Special Death Benefit	Education Plate Fees Agency
Cash and investments - beginning	\$ 425	\$ -	\$ 2,598	\$ 538,250	\$ 13,883	\$ 455	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	1,061,135	-	-	-
Charges for services	3,885	14,209	-	-	-	-	-
Fines and forfeits	-	-	17,800	-	-	2,465	-
Other receipts	-	-	-	-	95,225	-	694
Total receipts	<u>3,885</u>	<u>14,209</u>	<u>17,800</u>	<u>1,061,135</u>	<u>95,225</u>	<u>2,465</u>	<u>694</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	3,655	14,209	18,282	1,247,417	97,270	2,530	694
Total disbursements	<u>3,655</u>	<u>14,209</u>	<u>18,282</u>	<u>1,247,417</u>	<u>97,270</u>	<u>2,530</u>	<u>694</u>
Excess (deficiency) of receipts over disbursements	<u>230</u>	<u>-</u>	<u>(482)</u>	<u>(186,282)</u>	<u>(2,045)</u>	<u>(65)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 655</u>	<u>\$ -</u>	<u>\$ 2,116</u>	<u>\$ 351,968</u>	<u>\$ 11,838</u>	<u>\$ 390</u>	<u>\$ -</u>

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

	Financial Institution Tax	City/Town Ordinance Violations	COIT (Clearing Distribution)	Mortgage Fees-State Share	Child Restraint Violations Fines	Probation Interstate Compact	CVET Agency
Cash and investments - beginning	\$ -	\$ 2,661	\$ -	\$ 695	\$ 25	\$ 125	\$ -
Receipts:							
Taxes	-	-	6,916,354	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	294,601	-	-	-	-	-	414,599
Charges for services	-	-	-	6,123	-	-	-
Fines and forfeits	-	10,947	-	-	550	501	-
Other receipts	-	-	-	-	-	-	-
Total receipts	294,601	10,947	6,916,354	6,123	550	501	414,599
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	294,601	12,819	6,916,354	5,658	400	563	414,599
Total disbursements	294,601	12,819	6,916,354	5,658	400	563	414,599
Excess (deficiency) of receipts over disbursements	-	(1,872)	-	465	150	(62)	-
Cash and investments - ending	\$ -	\$ 789	\$ -	\$ 1,160	\$ 175	\$ 63	\$ -

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

	HEA 1001 State Homestead Credit	Various Funds Combined - Settlement	General Title IV-D Incentive	County Offender Transportation	AFLAC Critical Illness	97.055 Interoperable Communication Grant	GIS Data Exchange
Cash and investments - beginning	\$ (855)	\$ -	\$ 24,393	\$ 375	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	16,810	-	-	815	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	500	-	-	-
Other receipts	13	37,227,652	-	-	11,023	-	2,000
Total receipts	13	37,227,652	16,810	500	11,023	815	2,000
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	37,227,652	29	-	11,023	815	1,500
Total disbursements	-	37,227,652	29	-	11,023	815	1,500
Excess (deficiency) of receipts over disbursements	13	-	16,781	500	-	-	500
Cash and investments - ending	\$ (842)	\$ -	\$ 41,174	\$ 875	\$ -	\$ -	\$ 500

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

	Community Corrections SAC Mini Grants	Probation SAC Mini Grant	Circuit Ct Adult Restitution Trust	Donations Sheriff	Health Bioterrorism Grant	Drug Enforcement Strike Fund	Innkeeper Tax
Cash and investments - beginning	\$ -	\$ -	\$ 11,375	\$ 2,069	\$ 7,664	\$ 1,717	\$ 1
Receipts:							
Taxes	-	-	-	-	-	-	399,342
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	9,456	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	2,499	800	40,185	1,680	300	-	-
Total receipts	<u>2,499</u>	<u>800</u>	<u>40,185</u>	<u>1,680</u>	<u>9,756</u>	<u>-</u>	<u>399,342</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	43,584	3,325	12,208	-	392,726
Total disbursements	<u>-</u>	<u>-</u>	<u>43,584</u>	<u>3,325</u>	<u>12,208</u>	<u>-</u>	<u>392,726</u>
Excess (deficiency) of receipts over disbursements	<u>2,499</u>	<u>800</u>	<u>(3,399)</u>	<u>(1,645)</u>	<u>(2,452)</u>	<u>-</u>	<u>6,616</u>
Cash and investments - ending	<u>\$ 2,499</u>	<u>\$ 800</u>	<u>\$ 7,976</u>	<u>\$ 424</u>	<u>\$ 5,212</u>	<u>\$ 1,717</u>	<u>\$ 6,617</u>

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

	Property Reassessment (2009)	Solid Waste Planning (Sticker)	WebGIS Site Creation And Setup	Drug Ct Problem Solving Grant	Health Partnership	EMA Competitive Grant	Riverboat Revenue Sharing
Cash and investments - beginning	\$ 1,034,193	\$ 278,997	\$ 11,500	\$ -	\$ 25,573	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	561,316
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	3,500	-	3,623	248,147
Charges for services	-	286,319	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	3,453	1,729	-	-	4,810	-	-
Total receipts	<u>3,453</u>	<u>288,048</u>	<u>-</u>	<u>3,500</u>	<u>4,810</u>	<u>3,623</u>	<u>809,463</u>
Disbursements:							
Personal services	3,000	172,399	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	302,065	94,019	-	-	6,077	-	-
Capital outlay	-	61,682	-	-	-	-	-
Other disbursements	-	-	-	-	-	3,623	809,463
Total disbursements	<u>305,065</u>	<u>328,100</u>	<u>-</u>	<u>-</u>	<u>6,077</u>	<u>3,623</u>	<u>809,463</u>
Excess (deficiency) of receipts over disbursements	<u>(301,612)</u>	<u>(40,052)</u>	<u>-</u>	<u>3,500</u>	<u>(1,267)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 732,581</u>	<u>\$ 238,945</u>	<u>\$ 11,500</u>	<u>\$ 3,500</u>	<u>\$ 24,306</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Project Income	Crime Victim Assistance	Public Road Fund	WIC Local Grants/Donations	USDA WIC	Coroners Education	Community Transition Program
Cash and investments - beginning	\$ 145,580	\$ (10,237)	\$ 250,000	\$ (813)	\$ (44,037)	\$ 185	\$ 1,273
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	33,367	-	494	200,775	-	17,615
Charges for services	-	-	-	-	-	3,308	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	528,307	-	-	4,276	-	-	-
Total receipts	<u>528,307</u>	<u>33,367</u>	<u>-</u>	<u>4,770</u>	<u>200,775</u>	<u>3,308</u>	<u>17,615</u>
Disbursements:							
Personal services	495,360	29,486	-	614	157,551	-	-
Supplies	23,709	-	-	3,550	10,450	-	-
Other services and charges	114,801	-	-	390	4,090	-	-
Capital outlay	4,015	-	63,513	-	-	-	-
Other disbursements	-	-	-	-	-	2,862	-
Total disbursements	<u>637,885</u>	<u>29,486</u>	<u>63,513</u>	<u>4,554</u>	<u>172,091</u>	<u>2,862</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(109,578)</u>	<u>3,881</u>	<u>(63,513)</u>	<u>216</u>	<u>28,684</u>	<u>446</u>	<u>17,615</u>
Cash and investments - ending	<u>\$ 36,002</u>	<u>\$ (6,356)</u>	<u>\$ 186,487</u>	<u>\$ (597)</u>	<u>\$ (15,353)</u>	<u>\$ 631</u>	<u>\$ 18,888</u>

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

	Automated Clearing House	Industrial Development Loan	Probation Drug Screens	Dubois Co Hazmat Task Force	Dubois Ruritan Park Grants	Indiana 15 Regional Planning Comm	Comm Corr Commissary
Cash and investments - beginning	\$ 9,420	\$ 59,604	\$ 587	\$ 4,230	\$ 38	\$ 7,863	\$ 32,927
Receipts:							
Taxes	-	-	-	-	-	18,385	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	1,972	-
Charges for services	-	-	27,533	-	-	-	-
Fines and forfeits	1,210	-	-	-	-	-	-
Other receipts	-	263	-	-	-	-	94,536
Total receipts	1,210	263	27,533	-	-	20,357	94,536
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	18,850	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	550	-	22,894	-	-	-	125,763
Total disbursements	550	-	22,894	-	-	18,850	125,763
Excess (deficiency) of receipts over disbursements	660	263	4,639	-	-	1,507	(31,227)
Cash and investments - ending	\$ 10,080	\$ 59,867	\$ 5,226	\$ 4,230	\$ 38	\$ 9,370	\$ 1,700

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

	Comm Corr Indigent Fund	Sheriff Community Strike Fund	Emergency Phone Wireless Surcharge	RW Johnson Foundation Grant	Federal Equitable Sharing	Prosecutor IV-D PCA	Distressed Road Repayment
Cash and investments - beginning	\$ 4,933	\$ 2,495	\$ 187,859	\$ 6,982	\$ 13,318	\$ 143	\$ 867,584
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	1,213	-
Charges for services	-	-	68,246	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	29,597	-	-	-	-	-	101,408
Total receipts	29,597	-	68,246	-	-	1,213	101,408
Disbursements:							
Personal services	-	-	25,309	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	44,580	-	4,538	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	22,918	-	186,216	-	-	676	-
Total disbursements	22,918	-	256,105	-	4,538	676	-
Excess (deficiency) of receipts over disbursements	6,679	-	(187,859)	-	(4,538)	537	101,408
Cash and investments - ending	\$ 11,612	\$ 2,495	\$ -	\$ 6,982	\$ 8,780	\$ 680	\$ 968,992

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

	Dubois Co Employee Benefit Trust	Payroll	Nationwide Retirement Solutions	PERF	Payroll Withholding-Federal	Payroll Withholding-State	Payroll Withholding-OASI
Cash and investments - beginning	\$ 11,765	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	2,215,513	7,054,421	88,103	446,211	745,658	239,081	914,428
Total receipts	2,215,513	7,054,421	88,103	446,211	745,658	239,081	914,428
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	2,200,514	7,054,421	88,103	446,211	745,658	239,081	914,428
Total disbursements	2,200,514	7,054,421	88,103	446,211	745,658	239,081	914,428
Excess (deficiency) of receipts over disbursements	14,999	-	-	-	-	-	-
Cash and investments - ending	\$ 26,764	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	Payroll Withholding-Local Tax	Employee Health Insurance PR Deducted	Boston Mutual	Health Insurance	AFLAC-Cancer/Int Care	Short Term Disability	Dental Insurance
Cash and investments - beginning	\$ -	\$ 5,960	\$ 450	\$ -	\$ 41	\$ -	\$ 127
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	67,105	10,704	21,224	2,017,917	32,711	26,712	52,137
Total receipts	67,105	10,704	21,224	2,017,917	32,711	26,712	52,137
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	67,105	13,626	19,481	2,017,917	32,709	26,712	52,137
Total disbursements	67,105	13,626	19,481	2,017,917	32,709	26,712	52,137
Excess (deficiency) of receipts over disbursements	-	(2,922)	1,743	-	2	-	-
Cash and investments - ending	\$ -	\$ 3,038	\$ 2,193	\$ -	\$ 43	\$ -	\$ 127

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

	AFLAC Accident Insurance	Forestry Sales	Vision Insurance	Payroll Withholding-Garnishment	EDIT (Clearing)	AIG/Valic	Overpayment Of Property Tax (Auditor)
Cash and investments - beginning	\$ 1	\$ -	\$ 28	\$ -	\$ -	\$ -	\$ 31
Receipts:							
Taxes	-	-	-	-	4,621,827	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	9,565
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	9,793	13,731	14,225	16,580	-	34,950	-
Total receipts	9,793	13,731	14,225	16,580	4,621,827	34,950	9,565
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	9,792	13,731	14,225	16,580	4,621,827	34,950	9,565
Total disbursements	9,792	13,731	14,225	16,580	4,621,827	34,950	9,565
Excess (deficiency) of receipts over disbursements	1	-	-	-	-	-	-
Cash and investments - ending	\$ 2	\$ -	\$ 28	\$ -	\$ -	\$ -	\$ 31

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

	User Fee Continuing Ed	Co Sex/Violent Offender	State Sex/Violent Offender	Treasurer's Trust	Circuit Juvenile Restitution Trust	Superior Court Restitution	Totals
Cash and investments - beginning	\$ 113,302	\$ 12,288	\$ 46	\$ 1,049,894	\$ 615	\$ 28,819	\$ 36,723,920
Receipts:							
Taxes	-	-	-	-	-	-	24,338,013
Licenses and permits	-	-	-	-	-	-	11,978
Intergovernmental	-	-	-	-	-	-	8,020,659
Charges for services	-	3,230	359	-	-	-	2,066,501
Fines and forfeits	7,210	-	-	-	-	-	459,318
Other receipts	-	-	-	957,836	5,577	23,764	58,128,671
Total receipts	7,210	3,230	359	957,836	5,577	23,764	93,025,140
Disbursements:							
Personal services	-	-	-	-	-	-	10,671,629
Supplies	-	-	-	-	-	-	1,900,695
Other services and charges	-	1,055	-	-	-	-	4,455,251
Capital outlay	-	-	-	-	-	-	3,421,757
Other disbursements	105,220	-	322	1,049,894	4,991	47,297	72,384,697
Total disbursements	105,220	1,055	322	1,049,894	4,991	47,297	92,834,029
Excess (deficiency) of receipts over disbursements	(98,010)	2,175	37	(92,058)	586	(23,533)	191,111
Cash and investments - ending	\$ 15,292	\$ 14,463	\$ 83	\$ 957,836	\$ 1,201	\$ 5,286	\$ 36,915,031

DUBOIS COUNTY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2012

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 244,472</u>	<u>\$ 417,697</u>

DUBOIS COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2012

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
Notes and loans payable	Distressed Road	\$ 1,000,000	\$ 1,000,000
Notes and loans payable	Home Detention Monitoring Equipment	<u>6,661</u>	<u>6,891</u>
Total governmental activities		<u>1,006,661</u>	<u>1,006,891</u>
Totals		<u>\$ 1,006,661</u>	<u>\$ 1,006,891</u>

DUBOIS 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.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 1,701,820
Infrastructure	152,323,310
Buildings	6,409,364
Improvements other than buildings	836,710
Machinery, equipment and vehicles	<u>7,955,861</u>
Total capital assets	<u>\$ 169,227,065</u>

DUBOIS COUNTY
OTHER REPORTS

The annual report presented herein was prepared in addition to the other official reports prepared for the individual County offices listed below:

County Auditor
Community Corrections

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 DUBOIS COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Dubois 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 its major federal program for the year ended December 31, 2012. The County's major federal program is 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 the major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each 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 its major federal program 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 29, 2013

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

DUBOIS 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
Department of Agriculture				
Special Supplemental Nutrition Program for Women, Infants, and Children	Indiana Dept of Health			
FY 2012 WIC		10.557	FY 2012	\$ 176,366
FY 2013 WIC		10.557	FY 2013	24,409
FY 2013 WIC Breastfeeding		10.557	FY 2013	494
Total - Department of Agriculture				<u>201,269</u>
Department of Housing and Urban Development				
CDBG - State-Administered CDBG Cluster				
Community Development Block Grant/State's Program and Non-entitlement Grants in Hawaii	Indiana Office of Community and Rural Affairs			
Dubois Stormwater Project		14.228	PL-08-025	828,209
Total - Department of Housing and Urban Development				<u>828,209</u>
Department of Justice				
Crime Victim Assistance	Indiana Criminal Justice Institute			
Victim Assistance October 2011 - Sept 2012		16.575	2011-VA-GX-0039	33,367
Court Appointed Special Advocates	National CASA Association			
CASA		16.756	-	550
Total - Department of Justice				<u>33,917</u>
Department of Transportation				
Highway Planning and Construction Cluster				
Highway Planning and Construction	Indiana Dept of Transportation			
Bridge Inspections Phase 1		20.205	DES# 0901721	52,184
Kentucky Street		20.205	DES# 0901873	35,643
Total - Highway Planning and Construction Cluster				<u>87,827</u>
Highway Safety Cluster				
Safety Belt Performance Grants	Indiana Criminal Justice Institute			
Operation Pull Over		20.609	OP-12-04-02-68	1,925
Total - Highway Safety Cluster				<u>1,925</u>
Total - Department of Transportation				<u>89,752</u>
Department of Health and Human Services				
Public Health Emergency Preparedness	Indiana Dept of Health			
Health Bioterrorism Preparedness		93.069	BPRS 118-70	2,347
Health Bioterrorism Preparedness		93.069	BPRS 118-70	9,456
Total - Public Health Emergency Preparedness				<u>11,803</u>
Child Support Enforcement	Indiana Dept of Child Services			
County Prosecutor Expense (f)		93.563	-	60,190
Child Support Indirect Costs		93.563	-	15,856
County Prosecutor Expense (c)		93.563	-	14,053
County Clerk Expense		93.563	-	70,566
County General Child Support Incentives		93.563	-	29
Clerk Child Support Incentives		93.563	-	10,693
Pros Atty Child Support Incentives		93.563	-	3,131
Total - Child Support Enforcement				<u>174,518</u>
Total - Department of Health and Human Services				<u>186,321</u>
Department of Homeland Security				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Indiana Dept of Homeland Security			
Disaster Relief		97.036	FEMA-1997-DR-IN 037-	10,994
Emergency Management Performance Grants	Indiana Dept of Homeland Security			
EMA Competitive Grant		97.042	C44P-1-107A	3,623
EMA Salary Reimbursement		97.042	-	32,300
Total - Emergency Management Performance Grants				<u>35,923</u>
Interoperable Emergency Communications	Indiana Dept of Homeland Security			
Narrow Band Radio		97.055	2010-IP-T0-0037	815
Total - Department of Homeland Security				<u>47,732</u>
Total federal awards expended				<u>\$ 1,387,200</u>

The accompanying note is an integral part of the Schedule of Expenditures of Federal Awards.

DUBOIS COUNTY
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Dubois 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.

DUBOIS 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?	yes
Noncompliance material to financial statement noted?	yes

Federal Awards:

Internal control over major program:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major program:	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 Program:

_____ Name of Federal Program or Cluster _____
CDBG – State-Administered CDBG Cluster

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 2012-1, INTERNAL CONTROLS OVER DISBURSEMENTS

We noted a deficiency in the internal control system of the County related to disbursements. We believe the following deficiencies regarding disbursements constitute a significant deficiency.

Control activities should be selected and developed at the various levels of the County to reduce the risk of disbursements not being accurate. While the claims are approved by the County Auditor and the Board of Commissioners, as evidenced by their signatures on the Voucher Register, no evidence is provided to indicate that all the actual claims with the supporting documentation attached are being reviewed. This could result in claims not being mathematically correct, not adequately itemized, and/or charged to the incorrect fund/account.

DUBOIS COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Control activities should be developed for payroll disbursements by County the Auditor. There were several control issues for payroll processing: payroll software was not customized for hours actually worked which resulted in incorrect per hour wage calculation; personnel records were not updated with classification payroll codes; and approved salary ordinance did not include salary/wages for departments funded by grants.

The issues with payroll processing could lead to incorrect payment of salaries and wages and incorrect decision making. The failure to establish these controls could enable material misstatements or irregularities to go undetected.

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 objections, and compliance with laws and regulations. Among other things, 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 transaction, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

We recommended that internal controls be implemented to ensure proper accounting of disbursements (including payroll) and to ensure proper financial reporting.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

DUBOIS COUNTY AUDITOR

1 Courthouse Square

Jasper, IN 47546

812-481-7000

Finding Number: 2011-1

Original SBA Audit Report Number: B40461

Fiscal Year: 2011

Auditee Contact Person: Kathy Hopf

Title of Contact Person: County Auditor

Phone Number: 812-481-7001

Status of Finding: Corrected

As a result of the prior audit finding 2011-1, the Auditor has worked closely with Highway Engineer Jason Heile to insure that requests for reimbursement for the U.S. Department of Housing & Urban Development and U.S. Department of Transportation grants are dated for submission after the County has paid the expenses. Reimbursement requests are now dated with the date that the actual claim has been paid. It was discovered after the audit finding that the County was actually in compliance with the terms of the grants, and Indiana 15 did bring this to the attention of the State Board of Accounts. However, the County has continued to submit and date requests for reimbursement after the actual claim has been paid.

**Kathy Hopf
Dubois County Auditor**

Deputies

Sheryl Sendelweck
Sandy Morton
Kelly Friedman

**Kathleen M. Hopf
Auditor of Dubois County**

One Courthouse Square
Jasper, Indiana 47546
Phone: 812-481-7000
Fax: 812-481-7044

Deputies

Chris Hopf
Mary Lucken
Brooke Greenwell

CORRECTIVE ACTION PLAN

Finding No. 2012-1
Kathleen M. Hopf
Dubois County Auditor
812-481-7001

Expected Completion Date: Immediate

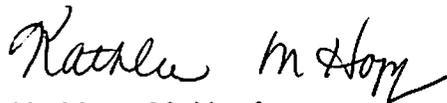
Dubois County strives to be efficient, accurate and in compliance in all areas of our responsibilities. It is imperative that every effort be made to insure that any weakness or deficiency in our procedures be corrected immediately.

I will be meeting this week with the person in the Auditor's office that processes all claims to discuss the importance of eliminating careless errors and oversights, as well as the necessity of making sure all documentation is complete and submitted with the claim. It is the responsibility of the claims processor to see that hotel receipts are received and attached to the claim when a check has been processed to accompany the individual to a conference/training. In addition, a deputy clerk will also continue to cross-check all claims.

The payroll clerk will be advised that the correct number of hours for each employee must be entered into the payroll system. This will become effective with the payroll that will be paid on "April 26, 2013 (the current pay period). We will speak with our vendor to see if there is any way other than manual entry; however, if there are no other options, hours will be manually entered for each employee.

Departments that receive grants will be advised that they must submit all salary/wages to the County Council for review and approval. I will be speaking directly with these departments within the next week.

Sincerely,



Kathleen M. Hopf
Dubois County Auditor
April 17, 2013

DUBOIS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 29, 2013, with Kathleen M. Hopf, Auditor; Gregory A. Kendall, President of the County Council; and Lawrence M. Vollmer, President of the Board of County Commissioners. The officials concurred with our audit findings.