

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

MIAMI COUNTY, INDIANA

January 1, 2013 to December 31, 2013



**FILED**  
07/18/2014



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Jane E. Lilley	01-01-13 to 12-31-16
Treasurer	Becky Morris	01-01-13 to 12-31-16
Clerk	Tawna Leffel-Sands	01-01-11 to 12-31-14
Sheriff	Timothy Miller	01-01-11 to 12-31-14
Recorder	Brenda Weaver	01-01-13 to 12-31-16
President of the Board of County Commissioners	Joshua D. Francis	01-01-13 to 12-31-14
President of the County Council	Ralph Duckwall	01-01-13 to 12-31-14



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF MIAMI COUNTY, INDIANA

This report is supplemental to our audit report of Miami County (County), for the period from January 1, 2013 to December 31, 2013. It has been provided as a separate report so that the reader may easily identify any Federal Findings and Audit Results and Comments that pertain to the County. It should be read in conjunction with our Financial Statement and Federal Single Audit Report of the County, which provides our opinions on the County's financial statement and federal program compliance. This report may be found at [www.in.gov/sboa/](http://www.in.gov/sboa/).

The Federal Finding, identified in the above referenced audit report, is included in this report and should be viewed in conjunction with the Audit Results and Comments as described below.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit Results and Comments contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Corrective Action Plan for the Federal Finding, incorporated within this report, was not verified for accuracy.

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

June 4, 2014

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COUNTY AUDITOR  
MIAMI COUNTY

COUNTY AUDITOR  
MIAMI COUNTY  
FEDERAL FINDING

***FINDING 2013-001 - CONTROLS OVER PREPARING THE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS***

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

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)



JANE LILLEY  
MIAMI COUNTY AUDITOR  
25 N BROADWAY  
PERU, IN 46970

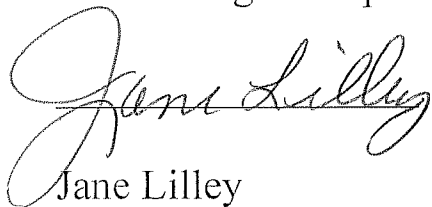
Corrective Action Plan

Finding No. 2013-001, Internal Control

Contact Person Responsible for Corrective Action: Jane Lilley  
Contact Phone Number: 765-472-3901 ex 243

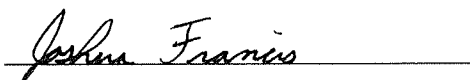
Corrective Action Planned:

The Miami County Auditor will compile the SEFA reporting and has created a spreadsheet identifying each grant, award number, total grant dollars and expenditures related to each grant. This document can then be used when preparing the annual report and will serve as a source in which the grant reporting can be double checked



Jane Lilley  
Miami County Auditor

6-4-14



Joshua Francis, Chairman  
Miami County Board of Commissioners

6-4-14

Anticipated Completion Date - 6-4-14

COUNTY AUDITOR  
MIAMI COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on June 4, 2014, with Jane E. Lilley, Auditor.

COUNTY CLERK  
MIAMI COUNTY

COUNTY CLERK  
MIAMI COUNTY  
AUDIT RESULT AND COMMENT

***BANK ACCOUNT RECONCILIATIONS***

Clerk's Office depository reconciliations of the fund balances to the bank account balances for the last three months of the audit period were not prepared timely. The reconcilements were completed in February of 2014.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

COUNTY CLERK  
MIAMI COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on June 4, 2014, with Tawna Leffel-Sands, Clerk.

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BOARD OF COUNTY COMMISSIONERS  
MIAMI COUNTY

BOARD OF COUNTY COMMISSIONERS  
MIAMI COUNTY  
AUDIT RESULT AND COMMENT

***OVERDRAWN CASH BALANCE***

The Miami County Employee Benefit Trust fund had an overdrawn cash balance of \$164,819 at December 31, 2013.

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)



BOARD OF COUNTY COMMISSIONERS  
MIAMI COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on June 4, 2014, with Joshua D. Francis , President of the Board of County Commissioners.