

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

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



**FILED**  
09/19/2014



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Roger A. Bainbridge	01-01-11 to 12-31-14
Treasurer	Sarah A. Melford	01-01-11 to 12-31-16
Clerk	J. Mark Florence	01-01-11 to 12-31-14
Sheriff	Darrell I. Himelick	01-01-11 to 12-31-14
Recorder	Dixi Fischer Conner Pamela K. Harris	01-01-10 to 12-31-12 01-01-13 to 12-31-16
Coroner	Stephen D. Dorsey	01-01-11 to 12-31-14
President of the County Council	James E. McWhirt	01-01-11 to 12-31-14
President of the Board of County Commissioners	Mark E. Bardsley Michael H. Burton	01-01-12 to 12-31-13 01-01-14 to 12-31-14



**STATE OF INDIANA**  
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF GRANT COUNTY, INDIANA

***Report on the Financial Statement***

We have audited the accompanying financial statement of Grant 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. 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 September 10, 2014, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

***Accompanying Information***

*Supplementary Information*

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

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

  
Paul D. Joyce, CPA  
State Examiner

September 10, 2014



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

TO: THE OFFICIALS OF GRANT 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 Grant 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 September 10, 2014, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

***Internal Control Over Financial Reporting***

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

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2012-001 and 2012-002 to be material weaknesses.

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

***Compliance and Other Matters***

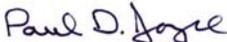
As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2012-001 and 2012-002.

***Grant County's Response to Findings***

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

***Purpose of This Report***

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

  
Paul D. Joyce, CPA  
State Examiner

September 10, 2014

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## FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

GRANT 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	\$ 3,193,472	\$ 19,985,652	\$ 19,889,665	\$ 3,289,459
Highway	829,770	2,749,643	3,113,207	466,206
Local Road and Street	143,304	373,571	203,250	313,625
Accident Report	480	5,498	3,435	2,543
Firearms Training	2,044	18,557	15,035	5,566
Health	50,522	527,583	439,533	138,572
Alcohol and Drug Services	152,219	36,851	34,009	155,061
Area Plan Special Non-Reverting	15	-	-	15
Local Planning Council	2,275	-	-	2,275
Clerk's Records Perpetuation	27,721	19,736	11,010	36,447
Defer Prosecution	155,879	162,339	162,927	155,291
Unsafe Building	12,993	33,417	3,194	43,216
Emergency Telephone System	192,970	74,389	267,359	-
County Drug Free Community	42,466	35,582	38,845	39,203
Drainage Maintenance	1,485,935	277,399	237,076	1,526,258
97.042 Local Emergency Planning	56,368	23,609	21,322	58,655
Extradition	10,065	-	-	10,065
Supplemental Juvenile Probation Services	99,125	14,026	31,359	81,792
Adult Community Corrections	41,850	834,338	806,138	70,050
Recorder's Records Perpetuation	58,330	63,032	40,549	80,813
Covered Bridge	5,025	1,850	-	6,875
Local Health Maintenance	143,929	82,626	74,515	152,040
Pretrial Diversion	12,485	15,867	-	28,352
Plat Book	21,024	20,020	14,329	26,715
Supplemental Public Defender Services	76,883	23,417	-	100,300
93.563 Clerk IV-D Incentive Pre '99	301	-	41	260
Surveyor's Corner Perpetuation	7,023	12,305	10,807	8,521
Rainy Day	513,772	-	-	513,772
Child Advocacy	929	50	-	979
E911 Wireless	467,170	106,199	573,369	-
93.563 Prosecutor IV-D Incentive Post '99	172,803	74,439	24,085	223,157
93.563 Clerk IV-D Incentive Post	141,463	58,958	56,363	144,058
JEAN Team	(6,299)	87,609	99,306	(17,996)
County CREDIT	-	1,241,250	1,008,667	232,583
Auditor's Ineligible Deductions	101,578	380,013	136,515	345,076
93.563 Clerk Stimulus	29,568	-	2,222	27,346
93.563 Prosecutor Stimulus	66,690	-	40,252	26,438
Cumulative Capital Development	65,892	398,836	418,882	45,846
Cumulative Bridge	1,421,704	841,107	1,289,953	972,858
General Drain Improvement	117,515	66,225	45,319	138,421
Health Insurance	1,337,431	4,332,786	4,618,664	1,051,553
3% City and Town Court Cost	5,869	10,764	11,481	5,152
Clerk's Trust	768,247	5,587,958	5,695,835	660,370
Tax Sale Surplus	155,442	1,144,410	645,477	654,375
Tax Sale Redemption	1,647	232,595	234,242	-
Surplus Tax	639,029	224,645	298,391	565,283
State Fines and Forfeitures	4,845	55,085	53,844	6,086
Sales Disclosure - State Share	700	6,235	6,330	605
Overweight Vehicle	560	5,353	5,913	-
Infraction Judgments	19,299	133,810	142,618	10,491
Inheritance Tax	818,739	1,580,143	2,211,188	187,694
Special Death Benefit	440	5,255	5,530	165
Innkeepers Tax Investment	211	-	-	211
Mortgage Recording Fees - State Share	733	5,325	5,583	475
Child Restraint Violation Fine	675	3,899	4,424	150
Elected Officials Continuing Education	2,374	4,974	315	7,033
Reassessment 2015	452,081	461,710	366,263	547,528
Adult Drug Court Discretionary	(7,969)	80,966	91,945	(18,948)
Auditors 1% Civil Penalty Due	72	11,059	11,000	131
Court Reform Grant	17,993	2,479	20,472	-
93.563 Title IV-D Incentive	77,895	49,481	-	127,376
Jury Pay	26,475	16,136	-	42,611

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

GRANT 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
Veteran's Affairs Donations	-	150	100	50
Veteran's Treatment Court	-	300	-	300
Community Corrections Level III	-	53,036	-	53,036
Problem Solving Court	-	7,500	825	6,675
Reassessment 2006	-	1,865	1,865	-
Tax Distributions	521,721	74,273,934	72,070,226	2,725,429
Payroll Withholdings	232,059	5,078,744	5,240,426	70,377
Coroner's Training and Continuing Education	-	6,424	5,882	542
16.588 STOP / Prosecutor	-	54,288	62,924	(8,636)
TB Reimbursable Grant	-	2,864	2,864	-
Statewide 911	-	873,987	542,409	331,578
BPV	-	3,365	3,365	-
JAG Grant	-	5,000	5,000	-
Jail Addictions Treatment	-	6,000	5,990	10
Interpreters Grant	-	3,650	-	3,650
JEAN Team Drug Buy Money	2,699	61,927	58,498	6,128
Grant County EMS	100	606,521	591,816	14,805
Sheriff Crime Control	2,210	54,352	43,347	13,215
Sheriff Cash Book	12,465	913,651	858,841	67,275
Sheriff Commissary	183,444	463,994	406,367	241,071
Sheriff's Inmate Trust	11,484	1,336,601	1,311,528	36,557
Common School Transient	19,840	-	-	19,840
Convention and Visitors Bureau	21,746	362,299	363,790	20,255
Welfare Family and Children	5,778	-	-	5,778
Adult Probation Administrative	205,039	90,648	106,999	188,688
Community Corrections - Home Detention	635,304	226,886	204,900	657,290
Sheriff Law Enforcement Continuing Education	8,930	3,178	-	12,108
ECISWD Recycling Grant	13,687	-	-	13,687
10 Commandments Movie Donation	100	-	-	100
Homeland Security / Part 2	181	-	-	181
Homeland Security / CBRNE Respirator	12	-	-	12
Recycling Grant / IDEM	1,442	-	-	1,442
Recycling	128,385	105,780	95,062	139,103
Recycled Furniture	5,490	-	-	5,490
RFD / Grant Housing Development	590	-	-	590
Sheriff Drug Interdiction	7,003	3,500	4,685	5,818
Sheriff Workcrew	79,133	132,774	161,133	50,774
Community Corrections Project Income	359,990	69,087	8,228	420,849
Sheriff Work Release	22,611	272,347	279,960	14,998
Build Indiana	2,701	-	-	2,701
Grant County DARE	375	-	-	375
93.069 H1N1 Pandemic	32	-	-	32
Recycle Grant	232	-	-	232
Law Enforcement Assistance	1	-	-	1
20.600 Operation Pullover	7,098	34,162	36,561	4,699
Homeland Security Reimbursable	-	33,332	33,332	-
20.601 DUI Task Force	8,939	13,817	15,245	7,511
Sales Disclosure - County Share	11,758	6,275	12,083	5,950
Tobacco Trust	(15)	15	-	-
Local Health Department Trust Account	88,957	33,651	15,769	106,839
Bioterrorism Grant	1,963	6,329	6,569	1,723
FRA-Sprint / Nextel	20,795	-	-	20,795
90.401 Voting / Election Services	37,776	-	4,332	33,444
Computer Access Fee	8	-	-	8
Community Transition Program	9,760	24,530	27,220	7,070
Criminal Thinking Training	1,641	-	-	1,641
Sex and Violent Offender Fee	16,967	11,490	992	27,465
93.563 PCA	10,221	24,304	21,643	12,882
Re-Entry Court	23,051	7,361	4,886	25,526
Truancy Intervention Program	23,229	12,533	12,533	23,229
Prosecutor Forfeiture Education and Training	22,044	34,904	30,684	26,264
Vehicle Inspection	3,853	1,420	-	5,273

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

GRANT 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
Drug Court	16,792	17,999	14,651	20,140
Andrew R. Benedict Training Center	95	-	-	95
HIV Education Grant	19	-	-	19
Criminal Records Application Fee	2,332	7,217	3,800	5,749
Community Corrections Division Addiction	6,561	-	-	6,561
Operation Pull / Dart	1,298	3,500	3,428	1,370
Court Appointed Special Advocate (CASA)	2,153	19,898	19,898	2,153
Big City / County Seatbelt Enforcement	26	-	-	26
Carseat Fitting Station	1,584	500	1,123	961
Recorder CISP	66,620	4,940	1,201	70,359
IEDC / Future Skills \$ Now	1,500	-	-	1,500
State Immunization Grant	4,154	-	-	4,154
Drug Court Grant 2008	3,269	-	-	3,269
JEAN Team Clean Lab	1,020	437	1,457	-
Re-Entry Participant Flex	5,353	7,500	7,097	5,756
Drug Court Client Services	71	-	-	71
16.588 Recovery Act / Prosecutor	18,694	-	17,535	1,159
Drug Free Community	358	-	-	358
Aggressive Driving Grant	(708)	9,310	8,602	-
JEAN Team Drug Interdiction	110	-	-	110
CJC Re-Entry Court	(10,782)	42,970	43,535	(11,347)
Debt Service	734,481	184,517	665,504	253,494
EMA Traffic Donations	6,290	13,721	13,352	6,659
Tobacco Prevention Donations	34	-	-	34
Recorder Trust	829	1	-	830
Treasurer	562,097	348,086	562,097	348,086
Federal Forfeiture and Seizure	31,930	-	6,926	25,004
County Police Pension	4,509	52,827	-	57,336
Narcotics Pending	52,448	18,292	36,878	33,862
County Law Enforcement Continuing Education	26,281	1,869	439	27,711
Children's Home Trust	66,139	820	-	66,959
Tax Certificate Sale	107,614	109,656	56,461	160,809
Totals	<u>\$ 18,726,046</u>	<u>\$ 128,763,896</u>	<u>\$ 127,664,916</u>	<u>\$ 19,825,026</u>

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

GRANT COUNTY  
NOTES TO FINANCIAL STATEMENT

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

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

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

*B. Basis of Accounting*

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

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

*C. Cash and Investments*

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

*D. Receipts*

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

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

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

GRANT COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

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

*E. Disbursements*

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

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

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

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

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.

GRANT 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.

GRANT 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 Capitol 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.

GRANT 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 financial statements.

**Note 8. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of reimbursable grant funds not reimbursed at December 31, 2012.

GRANT COUNTY  
 NOTES TO FINANCIAL STATEMENT  
 (Continued)

**Note 9. Restatements**

For the year ended December 31, 2012, certain changes have been made to one of the beginning balances of the financial statement to more appropriately reflect financial activity of the County. The following schedule presents a summary of restated beginning balance.

Fund Name	Balance as of December 31, 2011	Prior Period Adjustment	Balance as of January 1, 2012
Treasurer	\$ 976,290	\$ (414,193)	\$ 562,097

**Note 10. Subsequent Events**

During 2013, the County incurred the following lease and debt:

Type	Purpose	Principal
General obligation notes	County Complex Energy Savings Project	\$ 1,900,000
General obligation notes	Jail and Detention Home Energy Savings Project	2,000,000
Equipment lease-purchase agreement	E911 Equipment and Software	370,983.35

## 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.

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

	General	Highway	Local Road and Street	Accident Report	Firearms Training	Health	Alcohol and Drug Services
Cash and investments - beginning	\$ 3,193,472	\$ 829,770	\$ 143,304	\$ 480	\$ 2,044	\$ 50,522	\$ 152,219
Receipts:							
Taxes	9,970,559	36,680	-	-	-	329,299	-
Licenses and permits	49,041	-	-	-	-	-	-
Intergovernmental	6,569,742	2,402,735	370,485	-	-	32,425	-
Charges for services	2,020,345	-	-	-	-	165,236	-
Fines and forfeits	172,565	-	-	5,498	18,557	-	970
Other receipts	1,203,400	310,228	3,086	-	-	623	35,881
Total receipts	<u>19,985,652</u>	<u>2,749,643</u>	<u>373,571</u>	<u>5,498</u>	<u>18,557</u>	<u>527,583</u>	<u>36,851</u>
Disbursements:							
Personal services	13,871,006	1,511,835	-	-	-	398,075	-
Supplies	764,869	891,173	-	-	-	1,800	-
Other services and charges	4,158,863	639,677	-	3,435	15,035	39,101	26,940
Capital outlay	74,180	70,522	203,250	-	-	397	7,069
Other disbursements	1,020,747	-	-	-	-	160	-
Total disbursements	<u>19,889,665</u>	<u>3,113,207</u>	<u>203,250</u>	<u>3,435</u>	<u>15,035</u>	<u>439,533</u>	<u>34,009</u>
Excess (deficiency) of receipts over disbursements	<u>95,987</u>	<u>(363,564)</u>	<u>170,321</u>	<u>2,063</u>	<u>3,522</u>	<u>88,050</u>	<u>2,842</u>
Cash and investments - ending	<u>\$ 3,289,459</u>	<u>\$ 466,206</u>	<u>\$ 313,625</u>	<u>\$ 2,543</u>	<u>\$ 5,566</u>	<u>\$ 138,572</u>	<u>\$ 155,061</u>

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

	Area Plan Special Non-Reverting	Local Planning Council	Clerk's Records Perpetuation	Defer Prosecution	Unsafe Building	Emergency Telephone System	County Drug Free Community
Cash and investments - beginning	\$ 15	\$ 2,275	\$ 27,721	\$ 155,879	\$ 12,993	\$ 192,970	\$ 42,466
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	35,582
Charges for services	-	-	-	-	-	74,389	-
Fines and forfeits	-	-	19,736	162,339	33,417	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>-</u>	<u>19,736</u>	<u>162,339</u>	<u>33,417</u>	<u>74,389</u>	<u>35,582</u>
Disbursements:							
Personal services	-	-	2,222	162,927	-	-	-
Supplies	-	-	2,526	-	-	-	-
Other services and charges	-	-	2,216	-	3,194	-	38,845
Capital outlay	-	-	4,045	-	-	-	-
Other disbursements	-	-	1	-	-	267,359	-
Total disbursements	<u>-</u>	<u>-</u>	<u>11,010</u>	<u>162,927</u>	<u>3,194</u>	<u>267,359</u>	<u>38,845</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>8,726</u>	<u>(588)</u>	<u>30,223</u>	<u>(192,970)</u>	<u>(3,263)</u>
Cash and investments - ending	<u>\$ 15</u>	<u>\$ 2,275</u>	<u>\$ 36,447</u>	<u>\$ 155,291</u>	<u>\$ 43,216</u>	<u>\$ -</u>	<u>\$ 39,203</u>

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

	Drainage Maintenance	97.042 Local Emergency Planning	Extradition	Supplemental Juvenile Probation Services	Adult Community Corrections	Recorder's Records Perpetuation	Covered Bridge
Cash and investments - beginning	\$ 1,485,935	\$ 56,368	\$ 10,065	\$ 99,125	\$ 41,850	\$ 58,330	\$ 5,025
Receipts:							
Taxes	277,399	-	-	-	-	-	1,850
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	23,609	-	-	-	63,032	-
Fines and forfeits	-	-	-	14,026	-	-	-
Other receipts	-	-	-	-	834,338	-	-
<b>Total receipts</b>	<b>277,399</b>	<b>23,609</b>	<b>-</b>	<b>14,026</b>	<b>834,338</b>	<b>63,032</b>	<b>1,850</b>
Disbursements:							
Personal services	-	-	-	-	785,311	16,179	-
Supplies	-	-	-	3,169	1,503	7,487	-
Other services and charges	-	-	-	7,731	19,114	16,883	-
Capital outlay	-	-	-	20,459	-	-	-
Other disbursements	237,076	21,322	-	-	210	-	-
<b>Total disbursements</b>	<b>237,076</b>	<b>21,322</b>	<b>-</b>	<b>31,359</b>	<b>806,138</b>	<b>40,549</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	40,323	2,287	-	(17,333)	28,200	22,483	1,850
Cash and investments - ending	<u>\$ 1,526,258</u>	<u>\$ 58,655</u>	<u>\$ 10,065</u>	<u>\$ 81,792</u>	<u>\$ 70,050</u>	<u>\$ 80,813</u>	<u>\$ 6,875</u>

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

	Local Health Maintenance	Pretrial Diversion	Plat Book	Supplemental Public Defender Services	93.563 Clerk IV-D Incentive Pre '99	Surveyor's Corner Perpetuation	Rainy Day
Cash and investments - beginning	\$ 143,929	\$ 12,485	\$ 21,024	\$ 76,883	\$ 301	\$ 7,023	\$ 513,772
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	80,646	-	-	-	-	-	-
Charges for services	-	-	19,000	-	-	12,305	-
Fines and forfeits	-	15,867	-	-	-	-	-
Other receipts	1,980	-	1,020	23,417	-	-	-
Total receipts	<u>82,626</u>	<u>15,867</u>	<u>20,020</u>	<u>23,417</u>	<u>-</u>	<u>12,305</u>	<u>-</u>
Disbursements:							
Personal services	21,844	-	11,115	-	-	-	-
Supplies	4,607	-	688	-	-	-	-
Other services and charges	15,206	-	920	-	41	9,741	-
Capital outlay	-	-	1,606	-	-	1,066	-
Other disbursements	32,858	-	-	-	-	-	-
Total disbursements	<u>74,515</u>	<u>-</u>	<u>14,329</u>	<u>-</u>	<u>41</u>	<u>10,807</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>8,111</u>	<u>15,867</u>	<u>5,691</u>	<u>23,417</u>	<u>(41)</u>	<u>1,498</u>	<u>-</u>
Cash and investments - ending	<u>\$ 152,040</u>	<u>\$ 28,352</u>	<u>\$ 26,715</u>	<u>\$ 100,300</u>	<u>\$ 260</u>	<u>\$ 8,521</u>	<u>\$ 513,772</u>

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

	Child Advocacy	E911 Wireless	93.563 Prosecutor IV-D Incentive Post '99	93.563 Clerk IV-D Incentive Post	JEAN Team	County CEDIT	Auditor's Ineligible Deductions
Cash and investments - beginning	\$ 929	\$ 467,170	\$ 172,803	\$ 141,463	\$ (6,299)	\$ -	\$ 101,578
Receipts:							
Taxes	-	-	-	-	-	1,241,250	380,013
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	49,481	87,609	-	-
Charges for services	-	106,199	74,439	-	-	-	-
Fines and forfeits	50	-	-	-	-	-	-
Other receipts	-	-	-	9,477	-	-	-
Total receipts	<u>50</u>	<u>106,199</u>	<u>74,439</u>	<u>58,958</u>	<u>87,609</u>	<u>1,241,250</u>	<u>380,013</u>
Disbursements:							
Personal services	-	-	-	51,957	-	-	16,929
Supplies	-	-	-	4,406	-	-	717
Other services and charges	-	-	-	-	99,306	-	91,188
Capital outlay	-	-	-	-	-	-	27,282
Other disbursements	-	573,369	24,085	-	-	1,008,667	399
Total disbursements	<u>-</u>	<u>573,369</u>	<u>24,085</u>	<u>56,363</u>	<u>99,306</u>	<u>1,008,667</u>	<u>136,515</u>
Excess (deficiency) of receipts over disbursements	<u>50</u>	<u>(467,170)</u>	<u>50,354</u>	<u>2,595</u>	<u>(11,697)</u>	<u>232,583</u>	<u>243,498</u>
Cash and investments - ending	<u>\$ 979</u>	<u>\$ -</u>	<u>\$ 223,157</u>	<u>\$ 144,058</u>	<u>\$ (17,996)</u>	<u>\$ 232,583</u>	<u>\$ 345,076</u>

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

	93.563 Clerk Stimulus	93.563 Prosecutor Stimulus	Cumulative Capital Development	Cumulative Bridge	General Drain Improvement	Health Insurance	3% City and Town Court Cost
Cash and investments - beginning	\$ 29,568	\$ 66,690	\$ 65,892	\$ 1,421,704	\$ 117,515	\$ 1,337,431	\$ 5,869
Receipts:							
Taxes	-	-	362,424	644,959	66,225	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	36,412	62,913	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	10,764
Other receipts	-	-	-	133,235	-	4,332,786	-
Total receipts	-	-	398,836	841,107	66,225	4,332,786	10,764
Disbursements:							
Personal services	2,222	40,252	-	-	-	4,618,664	-
Supplies	-	-	-	157,677	-	-	-
Other services and charges	-	-	44,568	958,246	-	-	-
Capital outlay	-	-	374,314	174,030	-	-	-
Other disbursements	-	-	-	-	45,319	-	11,481
Total disbursements	2,222	40,252	418,882	1,289,953	45,319	4,618,664	11,481
Excess (deficiency) of receipts over disbursements	(2,222)	(40,252)	(20,046)	(448,846)	20,906	(285,878)	(717)
Cash and investments - ending	<u>\$ 27,346</u>	<u>\$ 26,438</u>	<u>\$ 45,846</u>	<u>\$ 972,858</u>	<u>\$ 138,421</u>	<u>\$ 1,051,553</u>	<u>\$ 5,152</u>

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

	Clerk's Trust	Tax Sale Surplus	Tax Sale Redemption	Surplus Tax	State Fines and Forfeitures	Sales Disclosure - State Share	Overweight Vehicle
Cash and investments - beginning	\$ 768,247	\$ 155,442	\$ 1,647	\$ 639,029	\$ 4,845	\$ 700	\$ 560
Receipts:							
Taxes	-	-	-	224,645	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	5,353
Charges for services	-	-	-	-	-	6,235	-
Fines and forfeits	5,587,958	-	-	-	55,085	-	-
Other receipts	-	1,144,410	232,595	-	-	-	-
Total receipts	<u>5,587,958</u>	<u>1,144,410</u>	<u>232,595</u>	<u>224,645</u>	<u>55,085</u>	<u>6,235</u>	<u>5,353</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	5,695,835	645,477	234,242	298,391	53,844	6,330	5,913
Total disbursements	<u>5,695,835</u>	<u>645,477</u>	<u>234,242</u>	<u>298,391</u>	<u>53,844</u>	<u>6,330</u>	<u>5,913</u>
Excess (deficiency) of receipts over disbursements	<u>(107,877)</u>	<u>498,933</u>	<u>(1,647)</u>	<u>(73,746)</u>	<u>1,241</u>	<u>(95)</u>	<u>(560)</u>
Cash and investments - ending	<u>\$ 660,370</u>	<u>\$ 654,375</u>	<u>\$ -</u>	<u>\$ 565,283</u>	<u>\$ 6,086</u>	<u>\$ 605</u>	<u>\$ -</u>

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

	Infraction Judgments	Inheritance Tax	Special Death Benefit	Innkeepers Tax Investment	Mortgage Recording Fees - State Share	Child Restraint Violation Fine	Elected Officials Continuing Education
Cash and investments - beginning	\$ 19,299	\$ 818,739	\$ 440	\$ 211	\$ 733	\$ 675	\$ 2,374
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	5,325	-	4,974
Fines and forfeits	133,810	-	-	-	-	3,899	-
Other receipts	-	1,580,143	5,255	-	-	-	-
Total receipts	<u>133,810</u>	<u>1,580,143</u>	<u>5,255</u>	<u>-</u>	<u>5,325</u>	<u>3,899</u>	<u>4,974</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	315
Other services and charges	-	-	-	-	5,583	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	142,618	2,211,188	5,530	-	-	4,424	-
Total disbursements	<u>142,618</u>	<u>2,211,188</u>	<u>5,530</u>	<u>-</u>	<u>5,583</u>	<u>4,424</u>	<u>315</u>
Excess (deficiency) of receipts over disbursements	<u>(8,808)</u>	<u>(631,045)</u>	<u>(275)</u>	<u>-</u>	<u>(258)</u>	<u>(525)</u>	<u>4,659</u>
Cash and investments - ending	<u>\$ 10,491</u>	<u>\$ 187,694</u>	<u>\$ 165</u>	<u>\$ 211</u>	<u>\$ 475</u>	<u>\$ 150</u>	<u>\$ 7,033</u>

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

	Reassessment 2015	Adult Drug Court Discretionary	Auditors 1% Civil Penalty Due	Court Reform Grant	93.563 Title IV-D Incentive	Jury Pay	Veteran's Affairs Donations
Cash and investments - beginning	\$ 452,081	\$ (7,969)	\$ 72	\$ 17,993	\$ 77,895	\$ 26,475	\$ -
Receipts:							
Taxes	461,710	-	11,059	-	49,481	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	80,966	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	16,136	-
Other receipts	-	-	-	2,479	-	-	150
Total receipts	<u>461,710</u>	<u>80,966</u>	<u>11,059</u>	<u>2,479</u>	<u>49,481</u>	<u>16,136</u>	<u>150</u>
Disbursements:							
Personal services	366,263	-	-	20,460	-	-	-
Supplies	-	-	-	12	-	-	-
Other services and charges	-	91,945	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	11,000	-	-	-	100
Total disbursements	<u>366,263</u>	<u>91,945</u>	<u>11,000</u>	<u>20,472</u>	<u>-</u>	<u>-</u>	<u>100</u>
Excess (deficiency) of receipts over disbursements	<u>95,447</u>	<u>(10,979)</u>	<u>59</u>	<u>(17,993)</u>	<u>49,481</u>	<u>16,136</u>	<u>50</u>
Cash and investments - ending	<u>\$ 547,528</u>	<u>\$ (18,948)</u>	<u>\$ 131</u>	<u>\$ -</u>	<u>\$ 127,376</u>	<u>\$ 42,611</u>	<u>\$ 50</u>

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

	Veteran's Treatment Court	Community Corrections Level III	Problem Solving Court	Reassessment 2006	Tax Distributions	Payroll Withholdings	Coroner's Training and Continuing Education
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 521,721	\$ 232,059	\$ -
Receipts:							
Taxes	-	-	-	-	70,082,833	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	53,036	-	1,865	4,191,101	-	-
Charges for services	-	-	-	-	-	-	6,424
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	300	-	7,500	-	-	5,078,744	-
<b>Total receipts</b>	<b>300</b>	<b>53,036</b>	<b>7,500</b>	<b>1,865</b>	<b>74,273,934</b>	<b>5,078,744</b>	<b>6,424</b>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	825	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	1,865	72,070,226	5,240,426	5,882
<b>Total disbursements</b>	<b>-</b>	<b>-</b>	<b>825</b>	<b>1,865</b>	<b>72,070,226</b>	<b>5,240,426</b>	<b>5,882</b>
Excess (deficiency) of receipts over disbursements	300	53,036	6,675	-	2,203,708	(161,682)	542
Cash and investments - ending	<u>\$ 300</u>	<u>\$ 53,036</u>	<u>\$ 6,675</u>	<u>\$ -</u>	<u>\$ 2,725,429</u>	<u>\$ 70,377</u>	<u>\$ 542</u>

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

	16.588 STOP / Prosecutor	TB Reimbursable Grant	Statewide 911	BPV	JAG Grant	Jail Addictions Treatment	Interpreters Grant
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	54,288	2,864	-	3,365	5,000	6,000	3,650
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	161,417	-	-	-	-
Other receipts	-	-	712,570	-	-	-	-
<b>Total receipts</b>	<b>54,288</b>	<b>2,864</b>	<b>873,987</b>	<b>3,365</b>	<b>5,000</b>	<b>6,000</b>	<b>3,650</b>
Disbursements:							
Personal services	5,950	1,928	-	-	-	-	-
Supplies	-	118	-	-	-	-	-
Other services and charges	-	818	166,750	-	-	-	-
Capital outlay	-	-	375,659	-	-	-	-
Other disbursements	56,974	-	-	3,365	5,000	5,990	-
<b>Total disbursements</b>	<b>62,924</b>	<b>2,864</b>	<b>542,409</b>	<b>3,365</b>	<b>5,000</b>	<b>5,990</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	(8,636)	-	331,578	-	-	10	3,650
Cash and investments - ending	<u>\$ (8,636)</u>	<u>\$ -</u>	<u>\$ 331,578</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 3,650</u>

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

	JEAN Team Drug Buy Money	Grant County EMS	Sheriff Crime Control	Sheriff Cash Book	Sheriff Commissary	Sheriff's Inmate Trust	Common School Transient
Cash and investments - beginning	\$ 2,699	\$ 100	\$ 2,210	\$ 12,465	\$ 183,444	\$ 11,484	\$ 19,840
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	913,651	463,994	1,336,601	-
Fines and forfeits	61,927	606,521	54,352	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	61,927	606,521	54,352	913,651	463,994	1,336,601	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	58,498	591,816	43,347	858,841	406,367	1,311,528	-
Total disbursements	58,498	591,816	43,347	858,841	406,367	1,311,528	-
Excess (deficiency) of receipts over disbursements	3,429	14,705	11,005	54,810	57,627	25,073	-
Cash and investments - ending	\$ 6,128	\$ 14,805	\$ 13,215	\$ 67,275	\$ 241,071	\$ 36,557	\$ 19,840

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

	Convention and Visitors Bureau	Welfare Family and Children	Adult Probation Administrative	Community Corrections - Home Detention	Sheriff Law Enforcement Continuing Education	ECISWD Recycling Grant	10 Commandments Movie Donation
Cash and investments - beginning	\$ 21,746	\$ 5,778	\$ 205,039	\$ 635,304	\$ 8,930	\$ 13,687	\$ 100
Receipts:							
Taxes	361,452	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	89,514	226,886	3,178	-	-
Other receipts	847	-	1,134	-	-	-	-
Total receipts	<u>362,299</u>	<u>-</u>	<u>90,648</u>	<u>226,886</u>	<u>3,178</u>	<u>-</u>	<u>-</u>
Disbursements:							
Personal services	-	-	72,658	70,546	-	-	-
Supplies	-	-	14,589	12,524	-	-	-
Other services and charges	-	-	14,748	43,562	-	-	-
Capital outlay	-	-	1,094	73,098	-	-	-
Other disbursements	363,790	-	3,910	5,170	-	-	-
Total disbursements	<u>363,790</u>	<u>-</u>	<u>106,999</u>	<u>204,900</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(1,491)</u>	<u>-</u>	<u>(16,351)</u>	<u>21,986</u>	<u>3,178</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 20,255</u>	<u>\$ 5,778</u>	<u>\$ 188,688</u>	<u>\$ 657,290</u>	<u>\$ 12,108</u>	<u>\$ 13,687</u>	<u>\$ 100</u>

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

	Homeland Security / Part 2	Homeland Security / CBRNE Respirator	Recycling Grant / IDEM	Recycling	Recycled Furniture	RFD / Grant Housing Development	Sheriff Drug Interdiction
Cash and investments - beginning	\$ 181	\$ 12	\$ 1,442	\$ 128,385	\$ 5,490	\$ 590	\$ 7,003
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	105,780	-	-	-
Fines and forfeits	-	-	-	-	-	-	3,500
Other receipts	-	-	-	-	-	-	-
Total receipts	-	-	-	105,780	-	-	3,500
Disbursements:							
Personal services	-	-	-	61,539	-	-	-
Supplies	-	-	-	2,870	-	-	-
Other services and charges	-	-	-	12,658	-	-	4,685
Capital outlay	-	-	-	17,995	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	-	-	95,062	-	-	4,685
Excess (deficiency) of receipts over disbursements	-	-	-	10,718	-	-	(1,185)
Cash and investments - ending	<u>\$ 181</u>	<u>\$ 12</u>	<u>\$ 1,442</u>	<u>\$ 139,103</u>	<u>\$ 5,490</u>	<u>\$ 590</u>	<u>\$ 5,818</u>

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

	Sheriff Workcrew	Community Corrections Project Income	Sheriff Work Release	Build Indiana	Grant County DARE	93.069 H1N1 Pandemic	Recycle Grant
Cash and investments - beginning	\$ 79,133	\$ 359,990	\$ 22,611	\$ 2,701	\$ 375	\$ 32	\$ 232
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	38,044	-	-	-	-	-
Other receipts	132,774	31,043	272,347	-	-	-	-
Total receipts	132,774	69,087	272,347	-	-	-	-
Disbursements:							
Personal services	161,133	-	-	-	-	-	-
Supplies	-	165	-	-	-	-	-
Other services and charges	-	3,500	-	-	-	-	-
Capital outlay	-	975	-	-	-	-	-
Other disbursements	-	3,588	279,960	-	-	-	-
Total disbursements	161,133	8,228	279,960	-	-	-	-
Excess (deficiency) of receipts over disbursements	(28,359)	60,859	(7,613)	-	-	-	-
Cash and investments - ending	\$ 50,774	\$ 420,849	\$ 14,998	\$ 2,701	\$ 375	\$ 32	\$ 232

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

	Law Enforcement Assistance	20.600 Operation Pullover	Homeland Security Reimbursable	20.601 DUI Task Force	Sales Disclosure - County Share	Tobacco Trust	Local Health Department Trust Account
Cash and investments - beginning	\$ 1	\$ 7,098	\$ -	\$ 8,939	\$ 11,758	\$ (15)	\$ 88,957
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	34,162	33,332	13,817	-	-	32,476
Charges for services	-	-	-	-	6,275	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	15	1,175
Total receipts	<u>-</u>	<u>34,162</u>	<u>33,332</u>	<u>13,817</u>	<u>6,275</u>	<u>15</u>	<u>33,651</u>
Disbursements:							
Personal services	-	-	-	-	11,387	-	14,940
Supplies	-	-	-	-	696	-	-
Other services and charges	-	36,561	33,332	15,245	-	-	242
Capital outlay	-	-	-	-	-	-	587
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>36,561</u>	<u>33,332</u>	<u>15,245</u>	<u>12,083</u>	<u>-</u>	<u>15,769</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(2,399)</u>	<u>-</u>	<u>(1,428)</u>	<u>(5,808)</u>	<u>15</u>	<u>17,882</u>
Cash and investments - ending	<u>\$ 1</u>	<u>\$ 4,699</u>	<u>\$ -</u>	<u>\$ 7,511</u>	<u>\$ 5,950</u>	<u>\$ -</u>	<u>\$ 106,839</u>

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

	Bioterrorism Grant	FRA-Sprint / Nextel	90.401 Voting / Election Services	Computer Access Fee	Community Transition Program	Criminal Thinking Training	Sex and Violent Offender Fee
Cash and investments - beginning	\$ 1,963	\$ 20,795	\$ 37,776	\$ 8	\$ 9,760	\$ 1,641	\$ 16,967
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	6,329	-	-	-	24,530	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	11,490
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>6,329</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,530</u>	<u>-</u>	<u>11,490</u>
Disbursements:							
Personal services	-	-	3,894	-	-	-	-
Supplies	1,213	-	-	-	-	-	-
Other services and charges	1,876	-	-	-	-	-	-
Capital outlay	3,480	-	-	-	-	-	-
Other disbursements	-	-	438	-	27,220	-	992
Total disbursements	<u>6,569</u>	<u>-</u>	<u>4,332</u>	<u>-</u>	<u>27,220</u>	<u>-</u>	<u>992</u>
Excess (deficiency) of receipts over disbursements	<u>(240)</u>	<u>-</u>	<u>(4,332)</u>	<u>-</u>	<u>(2,690)</u>	<u>-</u>	<u>10,498</u>
Cash and investments - ending	<u>\$ 1,723</u>	<u>\$ 20,795</u>	<u>\$ 33,444</u>	<u>\$ 8</u>	<u>\$ 7,070</u>	<u>\$ 1,641</u>	<u>\$ 27,465</u>

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

	93.563 PCA	Re-Entry Court	Truancy Intervention Program	Prosecutor Forfeiture Education and Training	Vehicle Inspection	Drug Court	Andrew R. Benedict Training Center
Cash and investments - beginning	\$ 10,221	\$ 23,051	\$ 23,229	\$ 22,044	\$ 3,853	\$ 16,792	\$ 95
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	12,533	-	-	-	-
Charges for services	-	-	-	-	1,420	-	-
Fines and forfeits	24,304	7,361	-	32,204	-	14,511	-
Other receipts	-	-	-	2,700	-	3,488	-
Total receipts	<u>24,304</u>	<u>7,361</u>	<u>12,533</u>	<u>34,904</u>	<u>1,420</u>	<u>17,999</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	12,533	-	-	14,651	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	21,643	4,886	-	30,684	-	-	-
Total disbursements	<u>21,643</u>	<u>4,886</u>	<u>12,533</u>	<u>30,684</u>	<u>-</u>	<u>14,651</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>2,661</u>	<u>2,475</u>	<u>-</u>	<u>4,220</u>	<u>1,420</u>	<u>3,348</u>	<u>-</u>
Cash and investments - ending	<u>\$ 12,882</u>	<u>\$ 25,526</u>	<u>\$ 23,229</u>	<u>\$ 26,264</u>	<u>\$ 5,273</u>	<u>\$ 20,140</u>	<u>\$ 95</u>

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

	HIV Education Grant	Criminal Records Application Fee	Community Corrections Division Addiction	Operation Pull / Dart	Court Appointed Special Advocate (CASA)	Big City / County Seatbelt Enforcement	Carseat Fitting Station
Cash and investments - beginning	\$ 19	\$ 2,332	\$ 6,561	\$ 1,298	\$ 2,153	\$ 26	\$ 1,584
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	3,500	-	-	500
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	7,217	-	-	19,898	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	7,217	-	3,500	19,898	-	500
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	3,428	19,898	-	1,123
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	3,800	-	-	-	-	-
Total disbursements	-	3,800	-	3,428	19,898	-	1,123
Excess (deficiency) of receipts over disbursements	-	3,417	-	72	-	-	(623)
Cash and investments - ending	\$ 19	\$ 5,749	\$ 6,561	\$ 1,370	\$ 2,153	\$ 26	\$ 961

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

	Recorder CISP	IEDC / Future Skills \$ Now	State Immunization Grant	Drug Court Grant 2008	JEAN Team Clean Lab	Re-Entry Participant Flex
Cash and investments - beginning	\$ 66,620	\$ 1,500	\$ 4,154	\$ 3,269	\$ 1,020	\$ 5,353
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	437	7,500
Charges for services	4,940	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>4,940</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>437</u>	<u>7,500</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	1,201	-	-	-	1,457	-
Other services and charges	-	-	-	-	-	7,097
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>1,201</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,457</u>	<u>7,097</u>
Excess (deficiency) of receipts over disbursements	<u>3,739</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,020)</u>	<u>403</u>
Cash and investments - ending	<u>\$ 70,359</u>	<u>\$ 1,500</u>	<u>\$ 4,154</u>	<u>\$ 3,269</u>	<u>\$ -</u>	<u>\$ 5,756</u>

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

	Drug Court Client Services	16.588 Recovery Act / Prosecutor	Drug Free Community	Aggressive Driving Grant	JEAN Team Drug Interdiction	CJC Re-Entry Court
Cash and investments - beginning	\$ 71	\$ 18,694	\$ 358	\$ (708)	\$ 110	\$ (10,782)
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	9,310	-	42,970
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	-	-	9,310	-	42,970
Disbursements:						
Personal services	-	-	-	-	-	38,476
Supplies	-	-	-	-	-	422
Other services and charges	-	17,535	-	8,602	-	4,637
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	17,535	-	8,602	-	43,535
Excess (deficiency) of receipts over disbursements	-	(17,535)	-	708	-	(565)
Cash and investments - ending	<u>\$ 71</u>	<u>\$ 1,159</u>	<u>\$ 358</u>	<u>\$ -</u>	<u>\$ 110</u>	<u>\$ (11,347)</u>

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

	Debt Service	EMA Traffic Donations	Tobacco Prevention Donations	Recorder Trust	Treasurer	Federal Forfeiture and Seizure
Cash and investments - beginning	\$ 734,481	\$ 6,290	\$ 34	\$ 829	\$ 562,097	\$ 31,930
Receipts:						
Taxes	167,572	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	16,927	-	-	-	-	-
Charges for services	-	-	-	1	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	18	13,721	-	-	348,086	-
Total receipts	<u>184,517</u>	<u>13,721</u>	<u>-</u>	<u>1</u>	<u>348,086</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	6,926
Other services and charges	665,504	13,352	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	562,097	-
Total disbursements	<u>665,504</u>	<u>13,352</u>	<u>-</u>	<u>-</u>	<u>562,097</u>	<u>6,926</u>
Excess (deficiency) of receipts over disbursements	<u>(480,987)</u>	<u>369</u>	<u>-</u>	<u>1</u>	<u>(214,011)</u>	<u>(6,926)</u>
Cash and investments - ending	<u>\$ 253,494</u>	<u>\$ 6,659</u>	<u>\$ 34</u>	<u>\$ 830</u>	<u>\$ 348,086</u>	<u>\$ 25,004</u>

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

	County Police Pension	Narcotics Pending	County Law Enforcement Continuing Education	Children's Home Trust	Tax Certificate Sale	Totals
Cash and investments - beginning	\$ 4,509	\$ 52,448	\$ 26,281	\$ 66,139	\$ 107,614	\$ 18,726,046
Receipts:						
Taxes	-	-	-	-	-	84,669,410
Licenses and permits	-	-	-	-	-	49,041
Intergovernmental	-	-	-	-	-	14,373,841
Charges for services	52,827	-	-	-	-	5,467,001
Fines and forfeits	-	17,682	1,869	-	-	7,632,552
Other receipts	-	610	-	820	109,656	16,572,051
Total receipts	<u>52,827</u>	<u>18,292</u>	<u>1,869</u>	<u>820</u>	<u>109,656</u>	<u>128,763,896</u>
Disbursements:						
Personal services	-	-	-	-	-	22,339,712
Supplies	-	-	-	-	-	1,883,130
Other services and charges	-	-	439	-	-	7,391,379
Capital outlay	-	-	-	-	-	1,431,108
Other disbursements	-	36,878	-	-	56,461	94,619,587
Total disbursements	<u>-</u>	<u>36,878</u>	<u>439</u>	<u>-</u>	<u>56,461</u>	<u>127,664,916</u>
Excess (deficiency) of receipts over disbursements	<u>52,827</u>	<u>(18,586)</u>	<u>1,430</u>	<u>820</u>	<u>53,195</u>	<u>1,098,980</u>
Cash and investments - ending	<u>\$ 57,336</u>	<u>\$ 33,862</u>	<u>\$ 27,711</u>	<u>\$ 66,959</u>	<u>\$ 160,809</u>	<u>\$ 19,825,026</u>

GRANT COUNTY  
SCHEDULE OF LEASES AND DEBT  
December 31, 2012

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Juvenile Debt Bond	\$ 490,000	\$ 180,140
Notes and loans payable	Courthouse Heating and Cooling	239,697	244,132
Notes and loans payable	Ditch Reconstruction Loan	91,290	19,598
Notes and loans payable	E911 Equipment	732,253	171,276
Notes and loans payable	Ambulance	<u>360,344</u>	<u>82,594</u>
Totals		<u>\$ 1,913,584</u>	<u>\$ 697,740</u>

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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](http://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 GRANT COUNTY, INDIANA

***Report on Compliance for Each Major Federal Program***

We have audited Grant 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***

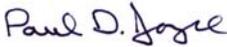
Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types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

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2012-003 and 2012-004 to be material weaknesses.

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

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

  
Paul D. Joyce, CPA  
State Examiner

September 10, 2014

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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.

GRANT 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>Department of Agriculture</u>				
Child Nutrition Cluster				
School Breakfast Program	Indiana Department Of Education	10.553	FY2012	\$ 11,267
National School Lunch Program	Indiana Department Of Education	10.555	FY2012	<u>17,283</u>
Total - Department of Agriculture				<u>28,550</u>
<u>Department of Justice</u>				
JAG Program Cluster				
Edward Byrne Memorial Justice Assistance Grant Program	Indiana Criminal Justice Institute	16.738		
Jean Team			10-DJ-023	6,300
Jean Team			10-DJ-059	29,488
JAG Grant			11-DJ-036	32,189
CJC Re-Entry Court			10-DJ-070	<u>5,000</u>
Total - Edward Byrne Memorial Justice Assistance Grant Program				<u>72,977</u>
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program / Grants to States and Territories - Recovery Act Drug Task Force	Indiana Criminal Justice Institute	16.803		
			10-DJ-043	<u>10,781</u>
Total - JAG Program Cluster				<u>83,758</u>
Drug Court Discretionary Grant Program	Direct Grant	16.585	2011-DC-BX-0104	<u>79,818</u>
Bulletproof Vest Partnership Program	Direct Grant	16.607	FY2011	<u>3,365</u>
Juvenile Justice and Delinquency Prevention - Allocation to States Truancy Intervention Program	Indiana Criminal Justice Institute	16.540		
			11-JF-005	<u>12,000</u>
Crime Victim Assistance	Indiana Criminal Justice Institute	16.575		
Victims Advocate			11VALE004	20,139
Victims Advocate			11VAPR138	<u>28,921</u>
Total - Crime Victim Assistance				<u>49,060</u>
Violence Against Women Formula Grants	Indiana Criminal Justice Institute	16.588		
			11STPR054	34,500
			12STPR013	<u>8,021</u>
Total - Violence Against Women Formula Grants				<u>42,521</u>
ARRA - Violence Against Women Formula Grants, Recovery Act			12STPR013	<u>714</u>
Total - All Violence Against Women Formula Grants				<u>43,235</u>
Total - Department of Justice				<u>271,236</u>
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster				
Highway Planning and Construction	Indiana Department Of Transportation	20.205		
Bridge Inspections			DES 0900989	55,500
Bridge Construction Inspection			DES 0800726	59,538
Preliminary Engineering			DES 0600284	<u>84,392</u>
Total - Highway Planning and Construction Cluster				<u>199,430</u>

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

GRANT COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended December 31, 2012  
(Continued)

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>Department of Transportation (continued)</u>				
Highway Safety Cluster State and Community Highway Safety Operation Pullover	Indiana Criminal Justice Institute	20.600	PT 12-11-04-16	<u>23,582</u>
Alcohol Impaired Driving Countermeasures Incentive Grants I Aggressive Driving DUI Task Force	Indiana Criminal Justice Institute	20.601	2012-402-13 1112 K8-2012-03-03-09	<u>6,337</u> <u>5,360</u>
Total - Alcohol Impaired Driving Countermeasures Incentive Grants I				<u>11,697</u>
Total - Highway Safety Cluster				<u>35,279</u>
Interagency Hazardous Materials Public Sector Training and Planning Grants Local Emergency Plan	Indiana Department Of Homeland Security	20.703	C44P-2-175A	<u>16,678</u>
Total - Department of Transportation				<u>251,387</u>
<u>Election Assistance Commission</u>				
Help America Vote Act Requirements Payments	Indiana Secretary of State	90.401	CY 2012	<u>4,332</u>
Total - Election Assistance Commission				<u>4,332</u>
<u>Department of Health and Human Services</u>				
Public Health Emergency Preparedness Bioterrorism	Indiana State Department of Health	93.069	BPRS 126-70	<u>6,329</u>
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	Indiana State Department of Health	93.116	SCD 126-1	<u>2,864</u>
Child Support Enforcement Child Support Enforcement	Indiana Department of Child Services Indiana Supreme Court	93.563 93.563	FY 2012 11CR002	<u>535,926</u> <u>17,994</u>
Total - Child Support Enforcement				<u>553,920</u>
Total - Department of Health and Human Services				<u>563,113</u>
<u>Department of Homeland Security</u>				
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042	C44P-2-334A C44P-2-093A	<u>27,143</u> <u>3,615</u>
Total - Emergency Management Performance Grants				<u>30,758</u>
State Homeland Security Program (SHSP)	Indiana Department of Homeland Security	97.073	C-44P-0-202A	<u>33,332</u>
Total - Department of Homeland Security				<u>64,090</u>
Total federal awards expended				<u>\$ 1,182,708</u>

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

GRANT COUNTY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

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

**Note 2. Subrecipients**

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows for the year ended December 31, 2012:

Program Title	Federal CFDA Number	2012
State and Community Highway Safety	20.600	\$ 19,950
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	9,972

GRANT COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I - Summary of Auditor's Results**

Financial Statement:

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

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
93.563	Highway Planning and Construction Cluster Child Support Enforcement

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

Auditee qualified as low-risk auditee?	no
--	----

**Section II - Financial Statement Findings**

**FINDING 2012-001 - INTERNAL CONTROLS OVER THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

The County did not have a proper system of internal controls 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 controls in place that operates effectively, material misstatements of the SEFA could remain undetected.

GRANT COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

During the audit of the SEFA, we noted that the SEFA was missing programs and contained incorrect expenditure amounts. Audit adjustments were proposed, accepted by the County, and made to the SEFA presented in this report. These adjustments resulted in a presentation of the SEFA that is materially correct in relation to the financial statement.

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

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

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

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

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

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.
- (4) Include notes that describe the significant accounting policies used in preparing the schedule.
- (5) To the extent practical, pass-through entities should identify in the schedule the total amount provided to subrecipients from each Federal program.
- (6) Include, in either the schedule or a note to the schedule, the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the schedule."

GRANT COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

***FINDING 2012-002 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING***

We noted several deficiencies in the internal control system of the County Treasurer's and County Auditor's offices related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. **Preparing Financial Statements:** Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the County's audited financial statement and then determining how those identified risks should be managed. The County has not identified risk to the preparation of a reliable financial statement and as a result has failed to design effective controls over the preparation of the financial statement to prevent, or detect and correct, material misstatements, including notes to the financial statement.
2. **Monitoring of Financial Information:** Effective internal controls over financial reporting requires the Board of County Commissioners, their designee, to monitor and assess the monthly financial information. The Board of County Commissioners, their designee, have not reviewed or requested monthly financial information (i.e., such as fund and financial appropriation reports, and depository bank reconcilements). The failure to adequately review financial information places the County at risk that material misstatements will not be prevented, or detected and corrected, in a timely manner.
3. **Reconcilements:** Proper controls were not established between the County Treasurer's and County Auditor's offices to accurately prepare reconcilements for any of the months during the audit period. The balance per the bank accounts did not agree with the bank balances reported in the Treasurer's Cash Book. Neither the balance per the bank accounts nor the balance per the Treasurer's Cash Book reconciled to the fund balances on the Annual Financial Statement (Auditor's Fund Ledger). A number of adjustments were made by the Auditor to the Auditor's Fund Ledger that were not communicated and reflected on the Treasurer's Cash Book. As of December 31, 2012, the difference between the adjusted bank balance and Auditor's Fund Ledger indicated cash long of \$5,912.50, which was determined to be immaterial.

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; Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14; Accounting and Uniform Compliance Guidelines Manual for County Treasurers of Indiana, Chapter 10)

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balances should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1; Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14; Accounting and Uniform Compliance Guidelines Manual for County Treasurers of Indiana, Chapter 10)

GRANT COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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."

**Section III - Federal Award Findings and Questioned Costs**

**FINDING 2012-003 - INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO HIGHWAY PLANNING AND CONSTRUCTION**

Federal Agency: Department of Transportation

Federal Program: Highway Planning and Construction

CFDA Number: 20.205

Federal Award Number and Year (or Other Identifying Number): DES 0900989, DES 0800726,  
DES 0600284

Pass-Through Entity: Indiana Department of Transportation

The Harris Financial System, the County Auditor's computer system, failed on January 18, 2013, and resulted in a loss of financial data from November 10, 2011 to January 18, 2013. No computer backups were available or were sufficient to recreate the financial reports in a timely manner. Due to the loss of the County Auditor's financial data, no evidence was provided that reimbursement requests were reviewed by someone other than the person preparing the request for Cash Management and Reporting compliance requirements of the program. The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

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

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

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

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

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

GRANT COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

***FINDING 2012-004 - INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO CHILD SUPPORT ENFORCEMENT***

Federal Agency: Department of Health and Human Services

Federal Program: Child Support Enforcement

CFDA Number: 93.563

Federal Award Number and Year (or Other Identifying Number): FY 2012, 11CR002

Pass-Through Entity: Indiana Department of Child Services and Indiana Supreme Court

The Harris Financial System, the County Auditor's computer system, failed on January 18, 2013, and resulted in a loss of financial data from November 10, 2011 to January 18, 2013. No computer backups were available or were sufficient to recreate the financial reports in a timely manner. Due to the loss of the County Auditor's financial data, no evidence was provided that reimbursement requests were reviewed by someone other than the person preparing the request for Cash Management and Reporting compliance requirements of the program. The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

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

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

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

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

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

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AUDITEE PREPARED DOCUMENT

The subsequent document was provided by management of the County. The document is presented as intended by the County.

**Roger A. Bainbridge**  
Grant County Auditor  
Grant County Complex  
401 S. Adams St., Room 222  
Marion, IN 46953-2099

Phone: 765-668-6552

E-mail: grantcountyauditor@gmail.com

FAX: 765-668-6582

**Tammy Miller**  
Chief Deputy

**Chris Hancock**  
Assistant Chief Deputy

**CORRECTIVE ACTION PLAN**  
**January 1, 2012 through December 31, 2012**

Finding 2012-001

Internal Controls over the Schedule of Expenditures of Federal Awards

Contact Person Responsible for Corrective Action: Tammy Miller, Grant County Chief Deputy Auditor

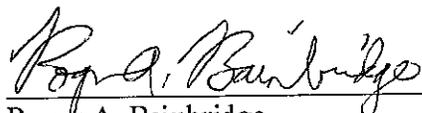
Contact Phone Number: 765-668-6552

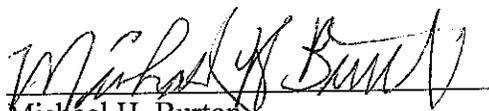
Description of Corrective Action Plan:

This Schedule is created annually in Gateway, so each year the Chief Deputy Auditor, Tammy Miller, will prepare the schedule and then, within five days, will review it with the Claims/Grants Deputy, Jessica Floyd. Each entry on the Schedule will then be confirmed that it contains the correct items and expenditure amounts. There will be a report generated with the results of this review, and that report will be available to the Indiana State Board of Accounts for the next annual audit.

Anticipated Completion Date: March 1, 2015

  
Sarah A. Melford  
County Treasurer

  
Roger A. Bainbridge  
County Auditor

  
Michael H. Burton  
President, County Commissioners

  
James E. McWhirt  
President, County Council

Dated: September 10, 2014

**Roger A. Bainbridge**  
Grant County Auditor  
Grant County Complex  
401 S. Adams St., Room 222  
Marion, IN 46953-2099

Phone: 765-668-6552

E-mail: grantcountyauditor@gmail.com

FAX: 765-668-6582

**Tammy Miller**  
Chief Deputy

**Chris Hancock**  
Assistant Chief Deputy

**CORRECTIVE ACTION PLAN**  
**January 1, 2012 through December 31, 2012**

Finding 2012-002

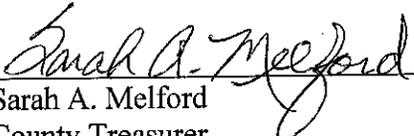
Internal Controls over Financial Transactions and Reporting

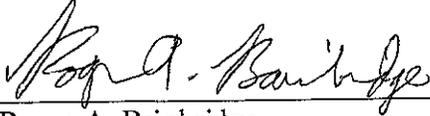
Contact Person Responsible for Corrective Action: Sarah Melford, Grant County Treasurer  
Contact Phone Number: 765-668-6556

Description of Corrective Action Plan:

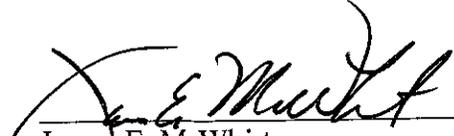
The County has again retained the services of an outside consultant to assist applicable officials in the bank reconciliation process. The County Treasurer is currently in the process of bringing the bank reconciliations up to date after the loss of all financial data from November 10, 2011 to January 18, 2013, due to a computer system crash. Following completion of that task, future bank reconciliations will be completed within a reasonable time with acknowledgement by the County Auditor and the County Treasurer. Evidence of such reconciliations will be distributed each month for review to the County Council, in time for their monthly meeting on the third Wednesday of each month, and to the County Commissioners no later than the Tuesday before the County Council meeting.

Anticipated Completion Date: March 1, 2015

  
\_\_\_\_\_  
Sarah A. Melford  
County Treasurer

  
\_\_\_\_\_  
Roger A. Bainbridge  
County Auditor

  
\_\_\_\_\_  
Michael H. Burton  
President, County Commissioners

  
\_\_\_\_\_  
James E. McWhirt  
President, County Council

Dated: September 10, 2014

**Roger A. Bainbridge**  
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Grant County Complex  
401 S. Adams St., Room 222  
Marion, IN 46953-2099

Phone: 765-668-6552

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**Tammy Miller**  
Chief Deputy

**Chris Hancock**  
Assistant Chief Deputy

**CORRECTIVE ACTION PLAN**  
**January 1, 2012 through December 31, 2012**

Finding 2012-003

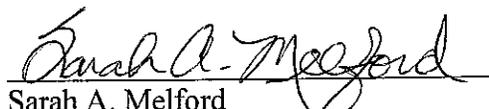
Internal Controls over Compliance Requirements that have a Direct and Material Effect to Highway Planning and Construction

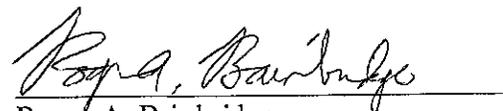
Contact Person Responsible for Corrective Action: Nicole Yeager, Grant County IT Director  
Contact Phone Number: 765-573-0001

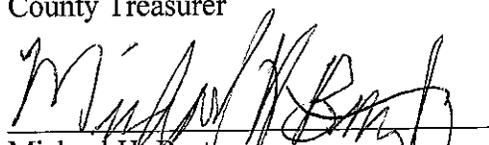
Description of Corrective Action Plan:

The Grant County Information Technology Department has made changes in their procedures to address the issue of loss of financial data, without sufficient backup, on the server which stores the data for the Harris Open Windows Financial System. Those changes include daily monitoring of the status of the hard drives on the server, as it was inattention to the visual alert, when the first RAID drive failed, which permitted the failure of the second RAID drive on January 18, 2013. That dual failure, followed by an improper attempt to rebuild the failed drives, is what caused the loss of data. The procedure, in the event of the failure of a RAID drive, will be to determine that, if only one drive has failed to that point, the drive will be hot-swapped and allowed to rebuild as usual. If, however, it is determined that more than one drive has failed, the server is to be immediately powered down and the drives are to be sent to a facility which can remove the platters from the drives and read the data from them. There have also been improvements to the procedures of both on-site and off-site storage of the data on the affected server, so that lost data will be available to be restored.

Anticipated Completion Date: Done

  
Sarah A. Melford  
County Treasurer

  
Roger A. Bainbridge  
County Auditor

  
Michael H. Burton  
President, County Commissioners

  
James E. McWhirt  
President, County Council

Dated: September 10, 2014

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E-mail: grantcountyauditor@gmail.com

FAX: 765-668-6582

**Tammy Miller**  
Chief Deputy

**Chris Hancock**  
Assistant Chief Deputy

**CORRECTIVE ACTION PLAN**  
**January 1, 2012 through December 31, 2012**

Finding 2012-004

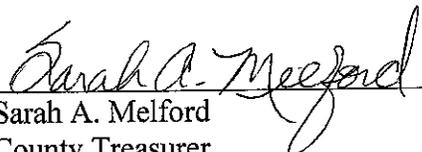
Internal Controls over Compliance Requirements that have a Direct and Material Effect to Child Support Enforcement

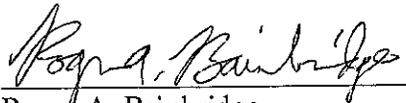
Contact Person Responsible for Corrective Action: Nicole Yeager, Grant County IT Director  
Contact Phone Number: 765-573-0001

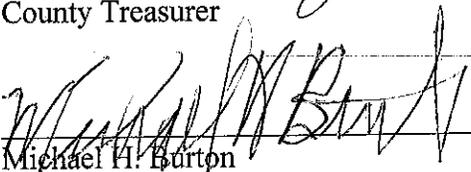
Description of Corrective Action Plan:

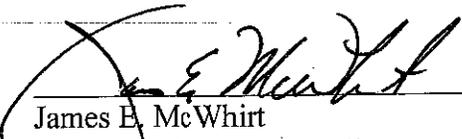
The Grant County Information Technology Department has made changes in their procedures to address the issue of loss of financial data, without sufficient backup, on the server which stores the data for the Harris Open Windows Financial System. Those changes include daily monitoring of the status of the hard drives on the server, as it was inattention to the visual alert, when the first RAID drive failed, which permitted the failure of the second RAID drive on January 18, 2013. That dual failure, followed by an improper attempt to rebuild the failed drives, is what caused the loss of data. The procedure, in the event of the failure of a RAID drive, will be to determine that, if only one drive has failed to that point, the drive will be hot-swapped and allowed to rebuild as usual. If, however, it is determined that more than one drive has failed, the server is to be immediately powered down and the drives are to be sent to a facility which can remove the platters from the drives and read the data from them. There have also been improvements to the procedures of both on-site and off-site storage of the data on the affected server, so that lost data will be available to be restored.

Anticipated Completion Date: Done

  
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County Treasurer

  
\_\_\_\_\_  
Roger A. Bainbridge  
County Auditor

  
\_\_\_\_\_  
Michael H. Burton  
President, County Commissioners

  
\_\_\_\_\_  
James E. McWhirt  
President, County Council

Dated: September 10, 2014

#### OTHER REPORT

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