

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
CASS COUNTY, INDIANA
January 1, 2015 to December 31, 2015



FILED
09/29/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Vaneen M. Ide	01-01-13 to 12-31-16
County Treasurer	Kathleen Adair	01-01-13 to 12-31-16
Clerk of the Circuit Court	Beth Liming	01-01-13 to 12-31-16
County Sheriff	Randy Prior	01-01-15 to 12-31-18
County Recorder	Cindy Howard	01-01-15 to 12-31-18
President of the Board of County Commissioners	James L. Sailors	01-01-15 to 12-31-16
President of the County Council	George L. Stebbins	01-01-15 to 12-31-16



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF CASS COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Cass County (County), which comprises the financial position and results of operations for the year ended December 31, 2015, and the related notes to the financial statement as listed in the Table of Contents.

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 (Indiana Code 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, 2015.

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, 2015, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

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 Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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.

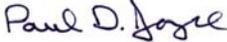
Other Information

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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated August 29, 2016, 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.


Paul D. Joyce, CPA
State Examiner

August 29, 2016



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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 CASS 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 Cass County (County), which comprises the financial position and results of operations for the year ended December 31, 2015, and the related notes to the financial statement, and have issued our report thereon dated August 29, 2016, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2015-001 that we consider to be a material weakness.

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

Compliance and Other Matters

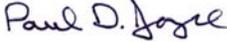
As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2015-001.

Cass 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

August 29, 2016

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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.

CASS COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2015

Fund	Cash and Investments		Cash and Investments	
	01-01-15	Receipts	Disbursements	12-31-15
General	\$ 1,567,339	\$ 9,005,754	\$ 9,706,995	\$ 866,098
Certified Shares - County	1,403,426	2,143,240	1,970,073	1,576,593
Co Econ Dev Income Tax	-	1,485,466	1,485,466	-
Co Child Advocacy Fund	50	-	-	50
Court Costs	795	12,721	1,380	12,136
Clerk Perpetuation	41,933	15,453	14,940	42,446
Community Transition Program	232,253	78,875	82,184	228,944
Congressional Interest	6,808	27	-	6,835
Congressional Principal	29,625	-	-	29,625
Sheriff's Photo Operating	3,646	435	-	4,081
Surplus Dog	26	-	-	26
County Sales Disclosure	22,006	4,052	208	25,850
Cumulative Bridge	1,315,533	512,612	180,394	1,647,751
Capitol Development	436,798	241,758	155,914	522,642
Co Drug Free Program	30,625	33,501	31,057	33,069
Electronic Map Generation Fund	4,000	-	-	4,000
Local Emergency Plan	3,370	-	-	3,370
Recorder Enhanced Access	5,237	2,076	-	7,313
Extradition	75,496	10,300	800	84,996
Firearms Training	8,310	12,987	9,401	11,896
Health	261,585	210,330	351,573	120,342
RE-DACT	58,739	2,745	15,000	46,484
Health Maint	84,285	33,138	23,954	93,469
Local Road	507,806	334,839	372,090	470,555
LOIT Public Safety COUNTY	1,833,761	1,323,673	902,450	2,254,984
Highway	4,066,168	3,913,576	4,575,408	3,404,336
Park & Rec Non Reverting	203,648	332,009	105,551	430,106
Auditor Plat Bk Upkeep	30,360	7,415	19,155	18,620
Rainy Day Fund	3,412,764	700,000	-	4,112,764
Recorders Perpetuation	148,667	45,084	66,658	127,093
Sex Offender Reg State Share	55	422	447	30
Police Pension	215,036	51,593	-	266,629
Surplus Tax (Excess)	85,861	25,037	63,320	47,578
Surveyor Corner Perpetuation	20,409	7,390	-	27,799
Tax Sale (fees collected) SRI	25,275	24,930	23,595	26,610
Tax Sale Redemption	4,171	109,062	104,594	8,639
Tax Sale Surplus	225,531	274,144	166,039	333,636
Unsafe Building Fund	16,921	-	5,011	11,910
Vehicle Inspection	4,891	501	2,500	2,892
Guardian Ad Litem	7,139	20,564	21,880	5,823
Election & Registration	97,967	257,030	93,243	261,754
Co Elect Official Training	8,558	2,745	385	10,918
911 Statewide	274,516	800,783	809,018	266,281
Care of Juveniles	77,274	-	-	77,274
Capital Non-Reverting	3,193,712	1,291,255	816,043	3,668,924
General Drain	70,185	148,304	77,603	140,886
Drain Maintenance	1,421,368	410,615	495,969	1,336,014
EMA/Sprint Rebanding	39,410	-	39,410	-
Sheriff Sale Non Reverting	45,062	21,513	36,922	29,653
Park Donation	11,562	-	-	11,562
Forfeiture Seizure Non Revert	4,065	-	2,801	1,264
Clymers Allocation Repay Bond	-	119,300	33,300	86,000
Jail Debt Service	16,817	-	-	16,817
Cass Co Self Insurance	4,952,266	2,515,252	2,258,150	5,209,368
Payroll	-	7,376,755	7,376,755	-
Property Replacement	38	30,437,775	30,437,775	38
Wheel tax/Surtax	359	938,288	938,468	179
CVET	-	255,845	255,845	-
Excise Tax Allocations	-	1,033,709	1,033,709	-
Financial Institution Tax	-	345,414	345,414	-
CEDIT HSC	37,904	-	-	37,904
HOMESTEAD CR REBATE FD	9,823	-	-	9,823
LOIT PTRC	153,018	6,219,285	6,228,117	144,186
Fines & Forfeitures	4,396	12,144	15,851	689
Infraction Judgement	13,987	94,014	95,718	12,283
Overweight Vehicle	1,960	8,591	9,141	1,410
Special Death Benefit	1,205	6,040	6,230	1,015
Sales Disclosure Fee (State)	735	4,053	4,045	743
Coroner Training Non-Reverting	557	3,913	3,793	677
Interstate Compact Fee Fd	-	125	125	-

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

CASS COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2015
(Continued)

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
Mortgage Fee Fund	747	2,765	2,823	689
Child Restraint Violation	225	600	775	50
Forest Restoration Fund	144	3,168	3,312	-
Riverboat Wagering Tax Rev	-	230,831	230,831	-
Cass Tourism Promotion Fund	6,893	107,456	98,233	16,116
93.563 ARRA Clerk Incentive	39	-	38	1
93.563 Title IV-D Incentive	93,376	17,176	-	110,552
93.563 Pros Incentive Post	74,572	25,838	35,909	64,501
93.563 Clerk Incentive Post	123,774	17,176	2,249	138,701
Sheriff Commissary Supplemental	66,797	203,493	180,931	89,359
Sheriff Inmate Trust Supplemental	14,591	613,337	605,064	22,864
Clerk Supplemental	911,059	3,612,685	4,115,562	408,182
Community Corrections Supplemental	35,657	649,595	665,228	20,024
Treasurer Supplemental	1,247,367	2,456,089	1,247,367	2,456,089
Recorders Supplemental	25	-	-	25
Health Insurance Supplemental	-	296,731	-	296,731
Reassessment	730,896	172,304	192,940	710,260
Clymers Operating Fund	-	1,680,700	1,377,960	302,740
Sheriff Non-Rev Training	-	176	-	176
Arson Investigation	226	-	-	226
Law Enforcement	2	-	-	2
Cass County Work Crew - NA	6,474	15,848	5,479	16,843
Certificate Tax Sale	6,669	107,888	114,557	-
E911 Subsidy	17,959	150,610	10,490	158,079
Bond # 2 Expense	(67,000)	2,511,400	2,444,400	-
County Redevelop Commission	304,918	846,355	406,010	745,263
Sheriff Non Reverting Radios	-	11,190	-	11,190
Reno & Const Jail & Annex	-	4,260,000	753,339	3,506,661
Certified Share	152	4,658,418	4,658,418	152
CCEMA Non-Reverting Capital	1,906	-	-	1,906
Transit Authority Grant	-	834,948	834,948	-
93.069 Public Health Bio-Terro	2,999	-	-	2,999
20.600 OPO/DUI Equip Awards Gr	-	7,367	7,000	367
16.588 Stop Grant - NA	(4,119)	11,809	16,630	(8,940)
16.575 Victim Advoc Grant	30,098	22,155	2,381	49,872
93.617 HAVA Title III	49,283	-	-	49,283
EMA Performance CFDA 97.042	2,906	-	-	2,906
93.074 Hospital Prep Grant	-	8,918	-	8,918
State Deputy Project-NA	75	3,546	2,269	1,352
16.547 Federal CASA Grant	17,384	11,527	-	28,911
CAPTA	6,499	4,050	4,050	6,499
SCAAP Grant	6,269	6,414	5,591	7,092
Cass Co Cedit	4,306,491	1,129,274	683,815	4,751,950
Cass County Correction	1,268	26,983	27,621	630
CCEMA Grant	348	-	-	348
DUI Task Force Enforce Program	(402)	-	-	(402)
Emergency Gas Award	550	-	550	-
Corrections Grant- NA	33,409	587,563	591,261	29,711
Law Enforcement Grant	2,826	-	-	2,826
France Park Planning Grant	194	-	-	194
COMM Correct Project Income-NA	175,945	224,281	171,410	228,816
Adult Protective Services - NA	(24,360)	110,799	132,953	(46,514)
Tobacco Education	84,570	22,594	12,464	94,700
Walmart EMA Grant	572	-	-	572
SECTION 102 HAVA	12,668	-	-	12,668
GIS Web Feature Grant	2,100	-	-	2,100
Odyssey Imaging Grant	733	-	733	-
Public Health Coordinator Gran	13,647	-	-	13,647
Totals	\$ 35,136,513	\$ 98,942,514	\$ 91,517,458	\$ 42,561,569

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

CASS 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 include the following sources:

Taxes, which can include one or more of the following: property tax, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeeper's 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.

Intergovernmental receipts, which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of these types of receipts include, but are not limited to, the following: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions 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.

CASS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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 including, but not limited to, the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution, or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

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

Personal services, which 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, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Capital outlay, which includes 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.

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.

CASS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

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

CASS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is a cost-sharing 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
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

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

B. County Police Retirement Plan

Plan Description

The County Police Retirement Plan is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers.

CASS COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

The plan provides retirement, death, and disability benefits to plan members and beneficiaries. Funds designated for payments related to this plan are accounted for in a pension trust fund. The activity of this trust fund has not been reflected in the financial statement. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy

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

C. County Police Benefit Plan

Plan Description

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

Funding Policy

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

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash as a result of the funds being set up for reimbursable grants and the reimbursements for expenditures made by the County being not received by December 31, 2015.

Note 8. Holding Corporation

The County entered into a capital lease with the Cass County Government Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related-party of the County. No lease payments were made during 2015, the first lease payment is due in 2016.

OTHER INFORMATION - UNAUDITED

The County's Annual Financial 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 County's Annual Financial Report 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 other information presented was approved by management of the County. It is presented as intended by the County.

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015

	General	Certified Shares - County	Co Econ Dev Income Tax	Co Child Advocacy Fund	Court Costs	Clerk Perpetuation	Community Transition Program
Cash and investments - beginning	\$ 1,567,339	\$ 1,403,426	\$ -	\$ 50	\$ 795	\$ 41,933	\$ 232,253
Receipts:							
Taxes	6,998,730	2,140,496	-	-	-	-	-
Intergovernmental receipts	1,175,620	-	-	-	-	-	-
Charges for services	423,542	-	-	-	-	-	-
Fines and forfeits	38,301	-	-	-	-	-	-
Other receipts	369,561	2,744	1,485,466	-	12,721	15,453	78,875
Total receipts	<u>9,005,754</u>	<u>2,143,240</u>	<u>1,485,466</u>	<u>-</u>	<u>12,721</u>	<u>15,453</u>	<u>78,875</u>
Disbursements:							
Personal services	6,099,755	1,422,226	-	-	-	-	-
Supplies	289,902	295,517	-	-	-	-	-
Other services and charges	2,408,710	252,330	-	-	-	8,100	69,644
Capital outlay	171,895	-	-	-	-	-	12,540
Other disbursements	736,733	-	1,485,466	-	1,380	6,840	-
Total disbursements	<u>9,706,995</u>	<u>1,970,073</u>	<u>1,485,466</u>	<u>-</u>	<u>1,380</u>	<u>14,940</u>	<u>82,184</u>
Excess (deficiency) of receipts over disbursements	<u>(701,241)</u>	<u>173,167</u>	<u>-</u>	<u>-</u>	<u>11,341</u>	<u>513</u>	<u>(3,309)</u>
Cash and investments - ending	<u>\$ 866,098</u>	<u>\$ 1,576,593</u>	<u>\$ -</u>	<u>\$ 50</u>	<u>\$ 12,136</u>	<u>\$ 42,446</u>	<u>\$ 228,944</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Congressional Interest	Congressional Principal	Sheriff's Photo Operating	Surplus Dog	County Sales Disclosure	Cumulative Bridge	Capitol Development
Cash and investments - beginning	\$ 6,808	\$ 29,625	\$ 3,646	\$ 26	\$ 22,006	\$ 1,315,533	\$ 436,798
Receipts:							
Taxes	-	-	-	-	-	408,835	222,220
Intergovernmental receipts	-	-	-	-	-	35,948	19,538
Charges for services	-	-	-	-	4,052	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	27	-	435	-	-	67,829	-
Total receipts	<u>27</u>	<u>-</u>	<u>435</u>	<u>-</u>	<u>4,052</u>	<u>512,612</u>	<u>241,758</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	180,394	11,815
Capital outlay	-	-	-	-	-	-	144,099
Other disbursements	-	-	-	-	208	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>208</u>	<u>180,394</u>	<u>155,914</u>
Excess (deficiency) of receipts over disbursements	<u>27</u>	<u>-</u>	<u>435</u>	<u>-</u>	<u>3,844</u>	<u>332,218</u>	<u>85,844</u>
Cash and investments - ending	<u>\$ 6,835</u>	<u>\$ 29,625</u>	<u>\$ 4,081</u>	<u>\$ 26</u>	<u>\$ 25,850</u>	<u>\$ 1,647,751</u>	<u>\$ 522,642</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Co Drug Free Program	Electronic Map Generation Fund	Local Emergency Plan	Recorder Enhanced Access	Extradition	Firearms Training	Health
Cash and investments - beginning	\$ 30,625	\$ 4,000	\$ 3,370	\$ 5,237	\$ 75,496	\$ 8,310	\$ 261,585
Receipts:							
Taxes	-	-	-	-	-	-	105,585
Intergovernmental receipts	-	-	-	-	-	-	9,284
Charges for services	-	-	-	-	-	-	94,641
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	33,501	-	-	2,076	10,300	12,987	820
Total receipts	<u>33,501</u>	<u>-</u>	<u>-</u>	<u>2,076</u>	<u>10,300</u>	<u>12,987</u>	<u>210,330</u>
Disbursements:							
Personal services	-	-	-	-	-	-	308,425
Supplies	-	-	-	-	-	-	26,054
Other services and charges	31,057	-	-	-	-	-	17,094
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	800	9,401	-
Total disbursements	<u>31,057</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>800</u>	<u>9,401</u>	<u>351,573</u>
Excess (deficiency) of receipts over disbursements	<u>2,444</u>	<u>-</u>	<u>-</u>	<u>2,076</u>	<u>9,500</u>	<u>3,586</u>	<u>(141,243)</u>
Cash and investments - ending	<u>\$ 33,069</u>	<u>\$ 4,000</u>	<u>\$ 3,370</u>	<u>\$ 7,313</u>	<u>\$ 84,996</u>	<u>\$ 11,896</u>	<u>\$ 120,342</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	RE-DACT	Health Maint	Local Road	LOIT Public Safety COUNTY	Highway	Park & Rec Non Reverting	Auditor Plat Bk Upkeep
Cash and investments - beginning	\$ 58,739	\$ 84,285	\$ 507,806	\$ 1,833,761	\$ 4,066,168	\$ 203,648	\$ 30,360
Receipts:							
Taxes	-	-	-	-	743,495	-	-
Intergovernmental receipts	-	-	334,839	-	3,097,696	-	-
Charges for services	-	-	-	-	-	250,529	7,415
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	2,745	33,138	-	1,323,673	72,385	81,480	-
Total receipts	<u>2,745</u>	<u>33,138</u>	<u>334,839</u>	<u>1,323,673</u>	<u>3,913,576</u>	<u>332,009</u>	<u>7,415</u>
Disbursements:							
Personal services	-	20,796	-	61,421	1,447,564	-	-
Supplies	-	-	340,002	12,273	2,271,554	31,376	1,140
Other services and charges	-	-	2,376	246,329	159,972	67,981	3,000
Capital outlay	-	-	29,712	134,905	696,318	-	15,015
Other disbursements	15,000	3,158	-	447,522	-	6,194	-
Total disbursements	<u>15,000</u>	<u>23,954</u>	<u>372,090</u>	<u>902,450</u>	<u>4,575,408</u>	<u>105,551</u>	<u>19,155</u>
Excess (deficiency) of receipts over disbursements	<u>(12,255)</u>	<u>9,184</u>	<u>(37,251)</u>	<u>421,223</u>	<u>(661,832)</u>	<u>226,458</u>	<u>(11,740)</u>
Cash and investments - ending	<u>\$ 46,484</u>	<u>\$ 93,469</u>	<u>\$ 470,555</u>	<u>\$ 2,254,984</u>	<u>\$ 3,404,336</u>	<u>\$ 430,106</u>	<u>\$ 18,620</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Rainy Day Fund	Recorders Perpetuation	Sex Offender Reg State Share	Police Pension	Surplus Tax (Excess)	Surveyor Corner Perpetuation	Tax Sale (fees collected) SRI
Cash and investments - beginning	\$ 3,412,764	\$ 148,667	\$ 55	\$ 215,036	\$ 85,861	\$ 20,409	\$ 25,275
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	700,000	45,084	422	51,593	25,037	7,390	24,930
Total receipts	<u>700,000</u>	<u>45,084</u>	<u>422</u>	<u>51,593</u>	<u>25,037</u>	<u>7,390</u>	<u>24,930</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	66,658	447	-	63,320	-	23,595
Total disbursements	<u>-</u>	<u>66,658</u>	<u>447</u>	<u>-</u>	<u>63,320</u>	<u>-</u>	<u>23,595</u>
Excess (deficiency) of receipts over disbursements	<u>700,000</u>	<u>(21,574)</u>	<u>(25)</u>	<u>51,593</u>	<u>(38,283)</u>	<u>7,390</u>	<u>1,335</u>
Cash and investments - ending	<u>\$ 4,112,764</u>	<u>\$ 127,093</u>	<u>\$ 30</u>	<u>\$ 266,629</u>	<u>\$ 47,578</u>	<u>\$ 27,799</u>	<u>\$ 26,610</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Tax Sale Redemption	Tax Sale Surplus	Unsafe Building Fund	Vehicle Inspection	Guardian Ad Litem	Election & Registration	Co Elect Official Training
Cash and investments - beginning	\$ 4,171	\$ 225,531	\$ 16,921	\$ 4,891	\$ 7,139	\$ 97,967	\$ 8,558
Receipts:							
Taxes	-	-	-	-	-	187,843	-
Intergovernmental receipts	-	-	-	-	-	16,517	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	109,062	274,144	-	501	20,564	52,670	2,745
Total receipts	<u>109,062</u>	<u>274,144</u>	<u>-</u>	<u>501</u>	<u>20,564</u>	<u>257,030</u>	<u>2,745</u>
Disbursements:							
Personal services	-	-	-	-	-	72,425	-
Supplies	-	-	-	-	-	6,545	-
Other services and charges	-	-	-	-	-	14,273	325
Capital outlay	-	-	-	-	-	-	-
Other disbursements	104,594	166,039	5,011	2,500	21,880	-	60
Total disbursements	<u>104,594</u>	<u>166,039</u>	<u>5,011</u>	<u>2,500</u>	<u>21,880</u>	<u>93,243</u>	<u>385</u>
Excess (deficiency) of receipts over disbursements	<u>4,468</u>	<u>108,105</u>	<u>(5,011)</u>	<u>(1,999)</u>	<u>(1,316)</u>	<u>163,787</u>	<u>2,360</u>
Cash and investments - ending	<u>\$ 8,639</u>	<u>\$ 333,636</u>	<u>\$ 11,910</u>	<u>\$ 2,892</u>	<u>\$ 5,823</u>	<u>\$ 261,754</u>	<u>\$ 10,918</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	911 Statewide	Care of Juveniles	Capital Non-Reverting	General Drain	Drain Maintenance	EMA/Sprint Rebanding	Sheriff Sale Non Reverting
Cash and investments - beginning	\$ 274,516	\$ 77,274	\$ 3,193,712	\$ 70,185	\$ 1,421,368	\$ 39,410	\$ 45,062
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	11,447	-	596,315	-	-	-	-
Fines and forfeits	-	-	24,989	-	-	-	-
Other receipts	789,336	-	669,951	148,304	410,615	-	21,513
Total receipts	<u>800,783</u>	<u>-</u>	<u>1,291,255</u>	<u>148,304</u>	<u>410,615</u>	<u>-</u>	<u>21,513</u>
Disbursements:							
Personal services	669,338	-	394,008	-	-	-	-
Supplies	-	-	95,722	-	-	-	-
Other services and charges	139,680	-	72,402	75,743	495,969	-	-
Capital outlay	-	-	12,551	1,860	-	-	-
Other disbursements	-	-	241,360	-	-	39,410	36,922
Total disbursements	<u>809,018</u>	<u>-</u>	<u>816,043</u>	<u>77,603</u>	<u>495,969</u>	<u>39,410</u>	<u>36,922</u>
Excess (deficiency) of receipts over disbursements	<u>(8,235)</u>	<u>-</u>	<u>475,212</u>	<u>70,701</u>	<u>(85,354)</u>	<u>(39,410)</u>	<u>(15,409)</u>
Cash and investments - ending	<u>\$ 266,281</u>	<u>\$ 77,274</u>	<u>\$ 3,668,924</u>	<u>\$ 140,886</u>	<u>\$ 1,336,014</u>	<u>\$ -</u>	<u>\$ 29,653</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Park Donation	Forfeiture Seizure Non Revert	Clymers Allocation Repay Bond	Jail Debt Service	Cass Co Self Insurance	Payroll	Property Replacement
Cash and investments - beginning	\$ 11,562	\$ 4,065	\$ -	\$ 16,817	\$ 4,952,266	\$ -	\$ 38
Receipts:							
Taxes	-	-	-	-	-	-	25,509,365
Intergovernmental receipts	-	-	-	-	-	-	1,806,199
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	119,300	-	2,515,252	7,376,755	3,122,211
Total receipts	-	-	119,300	-	2,515,252	7,376,755	30,437,775
Disbursements:							
Personal services	-	-	-	-	-	5,660	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	33,300	-	-	1,107	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	2,801	-	-	2,258,150	7,369,988	30,437,775
Total disbursements	-	2,801	33,300	-	2,258,150	7,376,755	30,437,775
Excess (deficiency) of receipts over disbursements	-	(2,801)	86,000	-	257,102	-	-
Cash and investments - ending	<u>\$ 11,562</u>	<u>\$ 1,264</u>	<u>\$ 86,000</u>	<u>\$ 16,817</u>	<u>\$ 5,209,368</u>	<u>\$ -</u>	<u>\$ 38</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Wheel tax/Surtax	CVET	Excise Tax Allocations	Financial Institution Tax	CEDIT HSC	HOMESTEAD CR REBATE FD	LOIT PTRC
Cash and investments - beginning	\$ 359	\$ -	\$ -	\$ -	\$ 37,904	\$ 9,823	\$ 153,018
Receipts:							
Taxes	937,828	-	-	-	-	-	-
Intergovernmental receipts	-	-	1,033,709	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	460	255,845	-	345,414	-	-	6,219,285
Total receipts	<u>938,288</u>	<u>255,845</u>	<u>1,033,709</u>	<u>345,414</u>	<u>-</u>	<u>-</u>	<u>6,219,285</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	938,468	255,845	1,033,709	345,414	-	-	6,228,117
Total disbursements	<u>938,468</u>	<u>255,845</u>	<u>1,033,709</u>	<u>345,414</u>	<u>-</u>	<u>-</u>	<u>6,228,117</u>
Excess (deficiency) of receipts over disbursements	<u>(180)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,832)</u>
Cash and investments - ending	<u>\$ 179</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,904</u>	<u>\$ 9,823</u>	<u>\$ 144,186</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Fines & Forfeitures	Infraction Judgement	Overweight Vehicle	Special Death Benefit	Sales Disclosure Fee (State)	Coroner Training Non-Reverting	Interstate Compact Fee Fd
Cash and investments - beginning	\$ 4,396	\$ 13,987	\$ 1,960	\$ 1,205	\$ 735	\$ 557	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	4,053	3,913	125
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	12,144	94,014	8,591	6,040	-	-	-
Total receipts	<u>12,144</u>	<u>94,014</u>	<u>8,591</u>	<u>6,040</u>	<u>4,053</u>	<u>3,913</u>	<u>125</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	15,851	95,718	9,141	6,230	4,045	3,793	125
Total disbursements	<u>15,851</u>	<u>95,718</u>	<u>9,141</u>	<u>6,230</u>	<u>4,045</u>	<u>3,793</u>	<u>125</u>
Excess (deficiency) of receipts over disbursements	<u>(3,707)</u>	<u>(1,704)</u>	<u>(550)</u>	<u>(190)</u>	<u>8</u>	<u>120</u>	<u>-</u>
Cash and investments - ending	<u>\$ 689</u>	<u>\$ 12,283</u>	<u>\$ 1,410</u>	<u>\$ 1,015</u>	<u>\$ 743</u>	<u>\$ 677</u>	<u>\$ -</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Mortgage Fee Fund	Child Restraint Violation	Forest Restoration Fund	Riverboat Wagering Tax Rev	Cass Tourism Promotion Fund	93.563 ARRA Clerk Incentive	93.563 Title IV-D Incentive
Cash and investments - beginning	\$ 747	\$ 225	\$ 144	\$ -	\$ 6,893	\$ 39	\$ 93,376
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	2,765	600	3,168	230,831	107,456	-	17,176
Total receipts	<u>2,765</u>	<u>600</u>	<u>3,168</u>	<u>230,831</u>	<u>107,456</u>	<u>-</u>	<u>17,176</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	2,823	775	3,312	230,831	98,233	38	-
Total disbursements	<u>2,823</u>	<u>775</u>	<u>3,312</u>	<u>230,831</u>	<u>98,233</u>	<u>38</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(58)</u>	<u>(175)</u>	<u>(144)</u>	<u>-</u>	<u>9,223</u>	<u>(38)</u>	<u>17,176</u>
Cash and investments - ending	<u>\$ 689</u>	<u>\$ 50</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,116</u>	<u>\$ 1</u>	<u>\$ 110,552</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	93.563 Pros Incentive Post	93.563 Clerk Incentive Post	Sheriff Commissary Supplemental	Sheriff Inmate Trust Supplemental	Clerk Supplemental	Community Corrections Supplemental	Treasurer Supplemental
Cash and investments - beginning	\$ 74,572	\$ 123,774	\$ 66,797	\$ 14,591	\$ 911,059	\$ 35,657	\$ 1,247,367
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	25,838	17,176	203,493	613,337	3,612,685	649,595	2,456,089
Total receipts	<u>25,838</u>	<u>17,176</u>	<u>203,493</u>	<u>613,337</u>	<u>3,612,685</u>	<u>649,595</u>	<u>2,456,089</u>
Disbursements:							
Personal services	3,904	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	1,716	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	32,005	533	180,931	605,064	4,115,562	665,228	1,247,367
Total disbursements	<u>35,909</u>	<u>2,249</u>	<u>180,931</u>	<u>605,064</u>	<u>4,115,562</u>	<u>665,228</u>	<u>1,247,367</u>
Excess (deficiency) of receipts over disbursements	<u>(10,071)</u>	<u>14,927</u>	<u>22,562</u>	<u>8,273</u>	<u>(502,877)</u>	<u>(15,633)</u>	<u>1,208,722</u>
Cash and investments - ending	<u>\$ 64,501</u>	<u>\$ 138,701</u>	<u>\$ 89,359</u>	<u>\$ 22,864</u>	<u>\$ 408,182</u>	<u>\$ 20,024</u>	<u>\$ 2,456,089</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Recorders Supplemental	Health Insurance Supplemental	Reassessment	Clymers Operating Fund	Sheriff Non-Rev Training	Arson Investigation	Law Enforcement
Cash and investments - beginning	\$ 25	\$ -	\$ 730,896	\$ -	\$ -	\$ 226	\$ 2
Receipts:							
Taxes	-	-	158,378	-	-	-	-
Intergovernmental receipts	-	-	13,926	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	296,731	-	1,680,700	176	-	-
Total receipts	-	296,731	172,304	1,680,700	176	-	-
Disbursements:							
Personal services	-	-	2,375	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	190,565	-	-	-	-
Capital outlay	-	-	-	1,377,960	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	-	192,940	1,377,960	-	-	-
Excess (deficiency) of receipts over disbursements	-	296,731	(20,636)	302,740	176	-	-
Cash and investments - ending	<u>\$ 25</u>	<u>\$ 296,731</u>	<u>\$ 710,260</u>	<u>\$ 302,740</u>	<u>\$ 176</u>	<u>\$ 226</u>	<u>\$ 2</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Cass County Work Crew - NA	Certificate Tax Sale	E911 Subsidy	Bond # 2 Expense	County Redevelop Commission	Sheriff Non Reverting Radios	Reno & Const Jail & Annex
Cash and investments - beginning	\$ 6,474	\$ 6,669	\$ 17,959	\$ (67,000)	\$ 304,918	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	5,000	8	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	10,848	107,880	150,610	2,511,400	846,355	11,190	4,260,000
Total receipts	<u>15,848</u>	<u>107,888</u>	<u>150,610</u>	<u>2,511,400</u>	<u>846,355</u>	<u>11,190</u>	<u>4,260,000</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	9,686	-	-	-	88,339
Capital outlay	-	-	-	-	-	-	-
Other disbursements	5,479	114,557	804	2,444,400	406,010	-	665,000
Total disbursements	<u>5,479</u>	<u>114,557</u>	<u>10,490</u>	<u>2,444,400</u>	<u>406,010</u>	<u>-</u>	<u>753,339</u>
Excess (deficiency) of receipts over disbursements	<u>10,369</u>	<u>(6,669)</u>	<u>140,120</u>	<u>67,000</u>	<u>440,345</u>	<u>11,190</u>	<u>3,506,661</u>
Cash and investments - ending	<u>\$ 16,843</u>	<u>\$ -</u>	<u>\$ 158,079</u>	<u>\$ -</u>	<u>\$ 745,263</u>	<u>\$ 11,190</u>	<u>\$ 3,506,661</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Certified Share	CEEMA Non-Reverting Capital	Transit Authority Grant	93.069 Public Health Bio-Terro	20.600 OPO/DUI Equip Awards Gr	16.588 Stop Grant - NA	16.575 Victim Advoc Grant
Cash and investments - beginning	\$ 152	\$ 1,906	\$ -	\$ 2,999	\$ -	\$ (4,119)	\$ 30,098
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	4,658,418	-	834,948	-	7,367	11,809	22,155
Total receipts	<u>4,658,418</u>	<u>-</u>	<u>834,948</u>	<u>-</u>	<u>7,367</u>	<u>11,809</u>	<u>22,155</u>
Disbursements:							
Personal services	-	-	-	-	-	1,194	171
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	4,658,418	-	834,948	-	7,000	15,436	2,210
Total disbursements	<u>4,658,418</u>	<u>-</u>	<u>834,948</u>	<u>-</u>	<u>7,000</u>	<u>16,630</u>	<u>2,381</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>367</u>	<u>(4,821)</u>	<u>19,774</u>
Cash and investments - ending	<u>\$ 152</u>	<u>\$ 1,906</u>	<u>\$ -</u>	<u>\$ 2,999</u>	<u>\$ 367</u>	<u>\$ (8,940)</u>	<u>\$ 49,872</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	93.617 HAVA Title III	EMA Performance CFDA 97.042	93.074 Hospital Prep Grant	State Deputy Project-NA	16.547 Federal CASA Grant	CAPTA
Cash and investments - beginning	\$ 49,283	\$ 2,906	\$ -	\$ 75	\$ 17,384	\$ 6,499
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	8,918	3,546	11,527	4,050
Total receipts	-	-	8,918	3,546	11,527	4,050
Disbursements:						
Personal services	-	-	-	2,269	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	4,050
Total disbursements	-	-	-	2,269	-	4,050
Excess (deficiency) of receipts over disbursements	-	-	8,918	1,277	11,527	-
Cash and investments - ending	<u>\$ 49,283</u>	<u>\$ 2,906</u>	<u>\$ 8,918</u>	<u>\$ 1,352</u>	<u>\$ 28,911</u>	<u>\$ 6,499</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	SCAAP Grant	Cass Co Cedit	Cass County Correction	CCEMA Grant	DUI Task Force Enforce Program	Emergency Gas Award
Cash and investments - beginning	\$ 6,269	\$ 4,306,491	\$ 1,268	\$ 348	\$ (402)	\$ 550
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	6,414	1,129,274	26,983	-	-	-
Total receipts	<u>6,414</u>	<u>1,129,274</u>	<u>26,983</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:						
Personal services	-	86,462	27,621	-	-	-
Supplies	-	6,925	-	-	-	-
Other services and charges	-	590,428	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	5,591	-	-	-	-	550
Total disbursements	<u>5,591</u>	<u>683,815</u>	<u>27,621</u>	<u>-</u>	<u>-</u>	<u>550</u>
Excess (deficiency) of receipts over disbursements	<u>823</u>	<u>445,459</u>	<u>(638)</u>	<u>-</u>	<u>-</u>	<u>(550)</u>
Cash and investments - ending	<u>\$ 7,092</u>	<u>\$ 4,751,950</u>	<u>\$ 630</u>	<u>\$ 348</u>	<u>\$ (402)</u>	<u>\$ -</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Corrections Grant- NA	Law Enforcement Grant	France Park Planning Grant	COMM Correct Project Income-NA	Adult Protective Services - NA	Tobacco Education
Cash and investments - beginning	\$ 33,409	\$ 2,826	\$ 194	\$ 175,945	\$ (24,360)	\$ 84,570
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	217,191	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	587,563	-	-	7,090	110,799	22,594
Total receipts	<u>587,563</u>	<u>-</u>	<u>-</u>	<u>224,281</u>	<u>110,799</u>	<u>22,594</u>
Disbursements:						
Personal services	534,062	-	-	-	8,087	12,417
Supplies	-	-	-	46,301	-	47
Other services and charges	-	-	-	125,109	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	57,199	-	-	-	124,866	-
Total disbursements	<u>591,261</u>	<u>-</u>	<u>-</u>	<u>171,410</u>	<u>132,953</u>	<u>12,464</u>
Excess (deficiency) of receipts over disbursements	<u>(3,698)</u>	<u>-</u>	<u>-</u>	<u>52,871</u>	<u>(22,154)</u>	<u>10,130</u>
Cash and investments - ending	<u>\$ 29,711</u>	<u>\$ 2,826</u>	<u>\$ 194</u>	<u>\$ 228,816</u>	<u>\$ (46,514)</u>	<u>\$ 94,700</u>

CASS COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	Walmart EMA Grant	SECTION 102 HAVA	GIS Web Feature Grant	Odyssey Imaging Grant	Public Health Coordinator Gran	Totals
Cash and investments - beginning	\$ 572	\$ 12,668	\$ 2,100	\$ 733	\$ 13,647	\$ 35,136,513
Receipts:						
Taxes	-	-	-	-	-	37,412,775
Intergovernmental receipts	-	-	-	-	-	7,543,276
Charges for services	-	-	-	-	-	1,618,231
Fines and forfeits	-	-	-	-	-	63,290
Other receipts	-	-	-	-	-	52,304,942
Total receipts	-	-	-	-	-	98,942,514
Disbursements:						
Personal services	-	-	-	-	-	11,180,180
Supplies	-	-	-	-	-	3,423,358
Other services and charges	-	-	-	-	-	5,297,444
Capital outlay	-	-	-	-	-	2,596,855
Other disbursements	-	-	-	733	-	69,019,621
Total disbursements	-	-	-	733	-	91,517,458
Excess (deficiency) of receipts over disbursements	-	-	-	(733)	-	7,425,056
Cash and investments - ending	<u>\$ 572</u>	<u>\$ 12,668</u>	<u>\$ 2,100</u>	<u>\$ -</u>	<u>\$ 13,647</u>	<u>\$ 42,561,569</u>

CASS COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2015

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Master Equipment Lease/Purchase	Equipment	\$ 143,856	9/10/2007	12/10/2017
Cass County Government Building Corporation	Cass County Building & Jail Renovation	<u>976,000</u>	1/15/2016	1/15/2026
Total of annual lease payments		<u>\$ 143,856</u>		

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose	
Governmental activities:		
Notes and loans payable	Clymers	<u>\$ 92,650</u>
		<u>\$ 1,785,000</u>

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF CASS COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Cass County's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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, 2015.

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

(Continued)

Report on Internal Control over Compliance

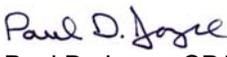
Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types 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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as item 2015-002 that we consider to be a material weakness.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

August 29, 2016

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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.

CASS COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2015

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	Pass-Through To Subrecipient	Total Federal Awards Expended
<u>Department of Justice</u>					
Crime Victim Assistance Victim Advocacy Grant	Indiana Criminal Justice Institute	16.575	2014-VA-GX-0062	\$ -	\$ 22,155
Violence Against Women Formula Grants STOP Grant	Indiana Criminal Justice Institute	16.588	2014-WF-AX-005	-	11,809
State Criminal Alien Assistance Program SCAAP Grant	Direct grant	16.606	2014-AP-BX-0362	-	6,414
Total - Department of Justice				-	40,378
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster Highway Planning and Construction County Road 400 S Reconstruction Phase #2 County Road 400 S Reconstruction Phase #3 Bridge #121 18th Street Project Bridge Inspection County Road 400 S Reconstruction Phase #1	Indiana Department of Transportation	20.205	DES 1383352 DES 1400776 DES 1400848 DES 1400932 DES 1297540	- - - - -	119,586 72,273 26,976 40,853 122,495
Total - Highway Planning and Construction				-	382,183
Total - Highway Planning and Construction Cluster				-	382,183
Formula Grants for Rural Areas Transit Authority	Indiana Department of Transportation	20.509	PO14811134	426,937	426,937
Federal Transit Cluster Bus and Bus Facilities Formula Program FTA Replacement Vans - Rural Award	Indiana Department of Transportation	20.526	FY 2015	-	54,821
Total - Federal Transit Cluster				-	54,821
Highway Safety Cluster State and Community Highway Safety 2014 Operation Pull Over	Indiana Criminal Justice Institute	20.600	2014 2492	-	3,913
Total - Highway Safety Cluster				-	3,913
Total - Department of Transportation				426,937	867,854
<u>Department of Health and Human Services</u>					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements Hospital Preparedness Grant	Indiana Department of Health	93.074	16508586	-	8,918
Child Support Enforcement Prosecutor Incentive Post Clerk Incentive Post Title IVD Incentive Indirect Costs Prosecutor Expenditure Child Support Clerk Expenditure Child Support	Indiana Department of Child Services	93.563	FY 2015 FY 2015 FY 2015 FY 2015 FY 2015 FY 2015	- - - - - -	25,840 17,176 17,176 14,938 149,045 13,431
Total - Indiana Department of Child Services				-	237,606
Social Services Block Grant 2013-Special SSBG	Indiana Family and Social Services Administration	93.667	91599119201	-	6,940
Total - Department of Health and Human Services				-	253,464
<u>Department of Homeland Security</u>					
Emergency Management Performance Grants LOIT Public Safety EMA	Indiana Department of Homeland Security	97.042	C44P-5-790BEMPG	-	25,300
Total federal awards expended				\$ 426,937	\$ 1,186,996

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

CASS COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the County under programs of the federal government for the year ended December 31, 2015. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the County, it is not intended to and does not present the financial position of the County.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-133, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received. The County has elected not to use the 10 percent de minimus indirect cost rate allowed under the Uniform Guidance.

CASS 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
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	yes

Identification of Major Programs and type of auditor's report issued on compliance for each:

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
20.509	Highway Planning and Construction Cluster Formula Grants for Rural Areas	Unmodified Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?	no
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Section II - Financial Statement Findings

FINDING 2015-001 - SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Condition

The County did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). One person was solely responsible for preparing and submitting the SEFA without oversight, review, or approval. The SEFA presented for audit contained the following material errors:

1. Formula Grants for Rural Areas expenditures were overstated by \$408,011.
2. Bus and Bus Facilities Formula Program expenditures were understated by \$54,821.
3. Social Services Block Grant expenditures were overstated by \$103,859.

CASS COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

Criteria

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)

2 CFR 200.508 states in part: "The auditee must: . . . (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with section 200.510 Financial statements. . . ."

2 CFR 200.510(b) states:

"Schedule of expenditures of Federal awards. The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with section 200.502 Basis for determining Federal awards expended. 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 must:

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within a cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal 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 must 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. For a cluster of programs also provide the total for the cluster.
- (4) Include the total amount provided to subrecipients from each Federal program.

CASS COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (5) For loan or loan guarantee programs described in section 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.
- (6) Include notes that describe the significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in section 200.414 Indirect (F&A) costs."

Cause

Management had not established a system of internal control that would ensure proper reporting of the SEFA.

Effect

Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected. The SEFA contained the errors identified in the Condition.

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

Section III - Federal Award Findings and Questioned Costs

FINDING 2015-002 - REPORTING

Federal Agency: Department of Transportation
Federal Program: Highway Planning and Construction
CFDA Number: 20.205
Federal Award Number and Year (or Other Identifying Number): FY 2015
Pass-Through Entity: Indiana Department of Transportation

Condition

An effective internal control system, which would include segregation of duties, was not in place at the County Highway Department to ensure compliance with requirements related to the grant agreement and the Reporting compliance requirement.

The County Highway Department relied on the County Highway Superintendent to prepare the LPA Invoice Vouchers (reports). There were no controls in place to ensure that the reports were complete and accurate before submission.

Context

None of the Phase 1 and Phase 3 reports presented for audit contained evidence of a control to ensure compliance with Reporting requirements.

CASS COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Criteria

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"

2 CFR section 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal awards in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . . "

Cause

Management had not developed a system of internal controls that segregated key functions.

Effect

The failure to establish an effective internal control system placed the County at risk of non-compliance with the grant agreement and the compliance requirement. A lack of segregation of duties within an internal control system could have also allowed noncompliance with compliance requirement and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the County's management establish controls, including segregation of duties, related to the grant agreement and Reporting compliance requirement.

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

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AUDITEE-PREPARED DOCUMENTS

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

*Cass County Auditor
Vaneen M. Ide
Cass County Government Building
200 Court Park Room 105
Logansport, IN 46947
574-753-7722
van.ide@co.cass.in.us*

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-001

Fiscal year in which the finding initially occurred: 2014
Contact Person Responsible for Corrective Action: Vaneen Ide, Auditor
Contact Phone Number: 574-753-7722

Status of Audit Finding:

This finding will be addressed immediately and our plan will be to include a copy each EFT notice with the grant CFDA number that will be placed in the grant file for accounting purposes by the bookkeeper. Prior to final submission of the 2016 SEFA, we plan to have another employee review and document their review of that SEFA.

Vaneen M. Ide

Auditor

8-29-2016

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-002

Fiscal year in which the finding initially occurred: 2014

Pass-Through Entity: Department of Transportation

Formula Grants for Other Than Urbanized Areas

CFDA Number: 20.509

Contact Person Responsible for Corrective Action: Vaneen Ide, Auditor

Contact Phone Number: 574-753-7722

Status of Audit Finding:

The Auditors' office has a plan in place to prevent untimely distribution of checks to Cass Area Transit.

Vaneen M. Ide

Auditor

8-29-2016

*Cass County Auditor
Vaneen M. Ide
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200 Court Park Room 105
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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2014-003

Fiscal year in which the finding initially occurred: 2014
Pass-Through Entity: Department of Health and Human Services
CFDA Number 93.563
Contact Person Responsible for Corrective Action: Vaneen Ide, Auditor
Contact Phone Number: 574-753-7722

Status of Audit Finding:

This finding is currently being addressed and a plan of action to include another employee in the review process has been discussed with the Prosecutor's office and will be implemented immediately.

Vaneen M. Ide

Auditor

8-29-2014

*Cass County Auditor
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574-753-7722
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CORRECTIVE ACTION PLAN

FINDING 2015-001

Contact Person Responsible for Corrective Action: Vaneen M. Ide, Auditor
Contact Phone Number: 574-753-7722

Views of Responsible Official:
We concur with the finding.

Description of Corrective Action Plan:

The corrective plan of action will include a copy of each EFT notice with the grant CFDA number that will be placed in the grant file for accounting purposes by the bookkeeper. Prior to final submission, another employee will review and document their review of the SEFA.

Anticipated Completion Date:
This will start immediately.

Vaneen M. Ide

Auditor

8-29-2016



Cass County Highway Department

*Cass County Highway Department
Jeff Smith
Cass County Government Building
200 Court Park
Logansport, IN 46947
574-753-3749*

CORRECTIVE ACTION PLAN

FINDING 2015-002

Contact Person Responsible for Corrective Action: Jeff Smith, County Highway Superintendent

Contact Phone Number: 574-753-7722

Views of Responsible Official:

We concur with the finding.

Description of Corrective Action Plan:

The Highway Superintendent and the Auditor will discuss a plan to have someone else review and document their review of the LPA invoice vouchers going forward.

Anticipated Completion Date:

This will start immediately.

 8/29/16
Jeff Smith, Superintendent CCHD

OTHER REPORTS

In addition to this report, other reports may have been issued for the County. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.