

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF  
PORTER COUNTY, INDIANA  
January 1, 2014 to December 31, 2014



**FILED**  
10/21/2016



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## SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Robert J. Wichlinski Vicki Urbanik	01-01-11 to 12-31-14 01-01-15 to 12-31-18
County Treasurer	Michael Bucko Michelle Clancy	01-01-11 to 07-25-14 07-26-14 to 12-31-18
Clerk of the Circuit Court	Karen Martin	01-01-11 to 12-31-18
County Sheriff	David Lain David Reynolds	01-01-11 to 12-31-14 01-01-15 to 12-31-18
County Prosecutor	Brian Gensel	01-01-11 to 12-31-18
Judge of the Circuit Court	Mary R. Harper	01-01-11 to 12-31-18
President of the Board of County Commissioners	John A. Evans	01-01-14 to 12-31-16
President of the County Council	Daniel Whitten	01-01-14 to 12-31-16



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

TO: THE OFFICIALS OF PORTER COUNTY, INDIANA

**Report on the Financial Statement**

We have audited the accompanying financial statement of Porter County (County), which comprises the financial position and results of operations for the year ended December 31, 2014, 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 (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, 2014.

***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, 2014, 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 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.


*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, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated August 10, 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 10, 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 PORTER 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 Porter County (County), which comprises the financial position and results of operations for the year ended December 31, 2014, and the related notes to the financial statement, and have issued our report thereon dated August 10, 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.

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 2014-001, 2014-002, 2014-003, 2014-004, and 2014-005 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 2014-001, 2014-002, and 2014-005.

**Porter 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 10, 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.

PORTER COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2014

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
Jail Commissary	\$ 55,020	\$ 227,724	\$ 272,235	\$ 10,509
Clerk's Trust	5,789,243	21,882,073	23,259,621	4,411,695
Sheriff's Cashbook	-	8,231,670	8,231,670	-
General	257,003	38,557,459	37,226,479	1,587,983
Accident Report	19,529	20,309	5,000	34,838
Bid Deposits and Bonds Holding	50,000	-	-	50,000
CEDIT County Share	7,941,824	4,848,992	8,146,708	4,644,108
CEDIT - Special Legislation	3,003,442	3,500,000	6,503,442	-
Child Advocacy	8,062	50	-	8,112
City and Town Court Costs	126,256	58,011	175,881	8,386
Clerk's Records Perpetuation	47,234	55,968	32,857	70,345
Community Corrections	64,211	95,952	110,958	49,205
Community Transition Program	35,820	-	-	35,820
Congressional School Interest	26,665	-	-	26,665
Congressional School Principal	25,066	-	-	25,066
Sales Disclosure - County Share	63,402	16,355	42,756	37,001
Covered Bridge	4,850	-	-	4,850
Cumulative Bridge	1,011,450	515,949	1,159,218	368,181
Cumulative Capital Development	2,703,727	1,670,170	1,590,597	2,783,300
Drug Free Community	9,750	166,177	117,053	58,874
Electronic Map Generation	7,614	208	-	7,822
Emergency Medical Services	250,107	37,500	60,844	226,763
Emergency Planning/Right To Know	11,455	8,591	2,689	17,357
Enhanced Access	69,247	-	18,218	51,029
Extradition and Sheriff's Assistance	8,024	3,693	-	11,717
Firearms Training	26,759	34,405	44,043	17,121
Health	1,462,991	467,308	1,563,496	366,803
Identification Security Protection	53,345	14,368	57,274	10,439
Levy Excess	2,150	-	-	2,150
Local Health Maintenance	120,763	72,680	119,232	74,211
Local Road and Street	866,983	979,370	671,191	1,175,162
Major Moves Construction	10,357,227	2,339,406	3,942,409	8,754,224
Medical Care for Inmates	9,409	17,337	14,566	12,180
Motor Vehicle Highway	898,952	4,736,141	4,941,286	693,807
Park Nonreverting Capital	9,922	-	2,087	7,835
Park Nonreverting Operating	64,178	156,133	146,703	73,608
Planning and Zoning Impact	188,277	450,656	567,660	71,273
Plat Book	67,594	36,775	17,887	86,482
Rainy Day	2,922,904	-	1,578,553	1,344,351
Reassessment - 2009	25,484	-	-	25,484
Reassessment - 2015	309,574	425,378	361,447	373,505
Recorder's Records Perpetuation	320,206	186,274	271,684	234,796
Riverboat	23,757	405,712	426,588	2,881
Sex and Violent Offender Administration	22,611	6,444	1,279	27,776
Sheriff's Pension Trust	-	99,421	92,670	6,751
Additional Excise Tax Judgments	206	-	-	206
Supplemental Public Defender Services	285,015	69,911	90,805	264,121
Surplus Tax	1,217,653	464,303	651,548	1,030,408
Surveyor's Corner Perpetuation	8,033	29,485	26,252	11,266
Tax Sale Fees	82,668	-	59,192	23,476
Tax Sale Redemption	341,646	864,003	1,199,434	6,215
Tax Sale Surplus	6,317,040	4,130,813	7,075,854	3,371,999
Local Health Department Trust Account	75,635	62,721	78,099	60,257
Vehicle Inspection	4,995	2,074	-	7,069
Victim Impact Program	10,500	-	-	10,500
Court Appointed Special Advocate (CASA)	2,863	17,441	17,359	2,945
Auditors Ineligible Deductions	434,771	434,494	452,983	416,282
County Elected Officials Training	39,913	14,368	-	54,281
Parks-Arcellor Mittal Pond & Prairie Grant	(4,673)	-	-	(4,673)
County Offender Transportation Fund	6,313	2,688	-	9,001
Hazardous Waste Disposal Tax	69,987	4	9,947	60,044
Statewide 911	522,855	1,804,072	1,830,609	496,318
Juvenile Probation Administrative	45,301	24,912	37,244	32,969
Supplemental Adult Probation Services	462,379	658,707	688,260	432,826
Supplemental Juvenile Probation Services	151,971	87,664	137,310	102,325
Alternative Dispute Resolution	43,874	15,396	40,189	19,081
County User Fee	1,461,061	818,869	866,609	1,413,321
Drain Construction/Reconstruction	65,028	180,358	123,082	122,304
Drainage Maintenance	2,058,398	460,710	428,072	2,091,036
Convention Center Operating	19,105	407,726	456,453	(29,622)
Animal Shelter	38,929	52,005	56,015	34,919
Drug Task Force	32,172	60,000	61,436	30,736
Parking Facility Operating	14,571	4,832	400	19,003
Donations	168,954	311,066	35,464	444,556
Debt Service	1,071,768	3,790,027	3,527,300	1,334,495

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

PORTER COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
Self-Insurance	1,603,288	12,409,271	12,302,800	1,709,759
Payroll Clearing	2,673	-	-	2,673
Payroll Withholding - Donations	-	2,490	2,490	-
Payroll Withholding - Insurance	(540)	788,382	787,842	-
Payroll Withholding - Other	-	28,676	28,676	-
Payroll Withholding - Savings	-	12,300	12,300	-
Payroll Withholding - Deferred Compensation	-	252,183	252,183	-
Payroll Withholding - Federal	-	2,738,832	2,738,832	-
Payroll Withholding - FICA & Medicare	-	1,979,636	1,979,636	-
Payroll Withholding - Flex Spending	-	105,277	105,277	-
Payroll Withholding - Local Tax	-	146,651	146,651	-
Payroll Withholding - PERF	(1,380)	796,233	796,233	(1,380)
Payroll Withholding - State	-	869,024	869,024	-
Payroll Withholding - Wage Garnishments	-	135,215	135,215	-
Settlement	-	477,751,813	477,751,813	-
CVET Agency	-	1,184,574	1,184,574	-
Final Excise Tax Cut Replacement Due State	3,598,253	7,002,602	6,876,531	3,724,324
Financial Institution Tax	-	364,442	364,442	-
CEDIT Homestead Credit	(143,475)	11,101,722	8,306,198	2,652,049
HEA 1001 State Homestead Credit	48,795	-	48,795	-
Homestead Credit Rebate	3,207	-	3,207	-
State Fines and Forfeitures	4,054	51,483	45,846	9,691
Infraction Judgements	311,427	567,281	840,703	38,005
Overweight Vehicle Fines	138,843	218,034	345,965	10,912
Special Death Benefit	6,829	16,402	22,409	822
Sales Disclosure - State Share	11,035	16,355	26,560	830
Coroners Training & Con't Education	12,731	21,076	32,187	1,620
Interstate Compact - State Share	1,000	2,063	2,875	188
Mortgage Recording Fees - State Share	11,873	14,648	25,283	1,238
DLGF Homestead Property Database	490	1,215	1,697	8
Sex and Violent Offender Admin - State	155	716	821	50
Child Restraint Violations Fines	1,382	3,829	4,986	225
Inheritance Tax	66,684	316,068	354,600	28,152
Sales Tax Collections	3,151	21,613	23,700	1,064
Education Plate Fees Agency	-	3,863	3,863	-
Riverboat Revenue Sharing	-	973,555	973,555	-
Innkeepers Tax Collections	-	1,298,556	1,298,556	-
Judgments Due Law Enforcement	260	-	-	260
CEDIT Distribution	-	23,188,416	23,188,416	-
93.563 ARRA Prosecutor IV-D Incentive	19,541	-	6,251	13,290
93.563 ARRA Clerk IV-D Incentive	1,305	-	-	1,305
93.563 Title IV-D Incentive	74,765	118,444	3,755	189,454
93.563 Prosecutor IV-D Incentive-Prior To Oct '99	53	-	-	53
93.563 Prosecutor IV-D Incentive-Post Oct '99	209,308	86,157	91,948	203,517
93.563 Clerk IV-D Incentive-Prior To Oct '99	109	-	-	109
93.563 Clerk IV-D Incentive-Post Oct '99	237,114	57,269	64,431	229,952
National Park Taxes	38,832	20,539	59,371	-
JDAI Grant	(3,931)	-	-	(3,931)
Domestic Violence Grant	(27,699)	85,241	90,642	(33,100)
Stop Grant Prosecutor	(14,647)	31,110	26,846	(10,383)
Indiana Court Improvement Project	5,460	-	-	5,460
SCAAP Grant	2,098	2,470	-	4,568
Sheriff DEA Proceed Federal Grant	62,737	716	28,865	34,588
Bioterrorism Response Grant	956	-	-	956
SHSP Homeland Security Grant	36,792	263,882	265,444	35,230
Recovery Grant	(2,315)	-	-	(2,315)
Dunes/Kankakee Grant	88,358	9,826	11,513	86,671
Fam & Child Grant	14,897	2,915	-	17,812
Lake Eliza Drainage Grant	100,300	-	-	100,300
Park Grant	8,367	3,798	18,050	(5,885)
PACT	48,212	415,569	394,766	69,015
Doc Juv Basic T	-	224,132	224,132	-
Court Int Grant	1,362	-	-	1,362
Drug Ct-Testing	11,473	-	-	11,473
Fam Ct Donations	21,734	10,000	-	31,734
OWI Fatal/Drugs	16,389	11,490	15,255	12,624
Cal Trail Grant	38,264	-	38,225	39
Health Dist 1	1	-	-	1
Val Rtry Lcl Gt	64	-	-	64
Nat'l Parks-Ngo	5,047	-	2,042	3,005
Hosp Liab	765,115	333,843	90,958	1,008,000
Hosp Inter	9,170,307	3,295,725	6,316,117	6,149,915
Hosp Sale	158,589,319	71,643,156	72,608,156	157,624,319

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

PORTER COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
Cable Fran	976,455	763,747	635,301	1,104,901
Public Saf	101,213	208,668	211,472	98,409
Photo Duplicate	7,891	3,940	744	11,087
Inmate Pro	5,645	59,364	65,009	-
Mo hse Man	(25,848)	382,133	352,622	3,663
JDC Service	52,438	59,365	76,602	35,201
Refunds	13,497	13,497	-	26,994
Sunset Hill	2,489	-	-	2,489
Dunn's Brg	11	-	-	11
Crumb Rub Grant	146	-	-	146
Sheriff Inmate Trust	163,745	2,450,968	2,490,531	124,182
Sheriff Civil Bureau Inmate Processing Fee	6,086	60,368	59,764	6,690
Sheriff Awards Banquet	3,255	3,174	5,059	1,370
Treasurer Supplemental CAR	3,876,075	4,540,020	3,876,075	4,540,020
PC Tourism Supplemental CAR	722,443	1,412,408	1,258,652	876,199
Vending Machine Fund	2,482	-	-	2,482
Video Tape Fees-Sheriff	2,555	-	-	2,555
South County Highway Garage	3,276	-	-	3,276
Coroner - Non-Reverting	1,200	-	-	1,200
Kankakee River	5,069	-	-	5,069
Prosecutor Check Defferal Fund	15,336	-	15,336	-
Settlement Holding Fund	13,074	-	-	13,074
All Funds Account	43,637	-	-	43,637
Suicide Grant	354	-	-	354
Medical Reserve Core Grant	126,365	-	-	126,365
Community Emergency Response	555	-	-	555
Coastal Grant	3,675	-	-	3,675
Adult Home Detention	55,867	-	-	55,867
Family Court Grant	1,482	-	-	1,482
Early Intervention	1,114	-	-	1,114
Health Performance Grant	5,189	-	-	5,189
Juvenile Detention Mental Health	7	-	-	7
Citizens Corp	2,000	-	-	2,000
Project Care	2,636	16	-	2,652
Qwest Prof.	24	-	-	24
LCJI Grant	94	-	-	94
SHERIFF 45	-	1,760	1,760	-
Pond & Prairie Restoration Grant	-	10,000	12,730	(2,730)
JDAI GRANT	-	123,760	55,911	67,849
Park Com F	-	9,900	5,664	4,236
IJCMH GRAN	-	175,000	7,167	167,833
Adult Probation	-	112,329	-	112,329
Sheriff Pen Trs Revenues	-	1,250	-	1,250
PCA COLLEC	-	1,131	-	1,131
IDVA Grant	-	500	-	500
HHS Grant	-	24,144	-	24,144
Enbridge G	-	2,000	-	2,000
Highway/Sheriff	-	4,466	-	4,466
RDC Fee	-	30,046	-	30,046
Bank Interest	-	3,089	3,089	-
Totals	<u>\$ 235,782,972</u>	<u>\$ 736,551,129</u>	<u>\$ 751,101,193</u>	<u>\$ 221,232,908</u>

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

PORTER 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.

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 licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

PORTER 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, 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.

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.

Debt service - principal and interest, which includes fixed obligations resulting from financial transactions previously entered into by the County. It includes all expenditures for the reduction of the principal and interest of the County's general obligation indebtedness.

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



PORTER COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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.

*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.

PORTER COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**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.

**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

PORTER COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*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. 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. Some are the result of the funds being set up for reimbursable grants. Expenditures from grant funds had not been reimbursed as of December 31, 2014. Other funds with cash deficits were due to expenditures exceeding available cash balances and current year receipts.

PORTER COUNTY  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 8. Subsequent Event**

On November 2, 2015, the County Council adopted Ordinance #15-11-2 to establish Charitable Non-Profit Foundation to hold the proceeds from the sale of the County owned Hospital in trust for the benefit of the County. The proceeds from the sale exceeded fifty million dollars (\$50,000,000). The members of the fiscal and legislative body of the County shall serve as the trustees of the foundation.

#### 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.

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014

	Jail Commissary	Clerk's Trust	Sheriff's Cashbook	General	Accident Report	Bid Deposits and Bonds Holding	CEDIT County Share	CEDIT - Special Legislation
Cash and investments - beginning	\$ 55,020	\$ 5,789,243	\$ -	\$ 257,003	\$ 19,529	\$ 50,000	\$ 7,941,824	\$ 3,003,442
Receipts:								
Taxes	-	-	-	30,571,335	-	-	4,831,678	3,500,000
Licenses and permits	-	-	-	300	-	-	-	-
Intergovernmental receipts	-	-	-	3,719,111	-	-	15,000	-
Charges for services	-	-	-	1,642,192	20,309	-	-	-
Fines and forfeits	-	-	-	539,721	-	-	-	-
Other receipts	227,724	21,882,073	8,231,670	2,084,800	-	-	2,314	-
Total receipts	227,724	21,882,073	8,231,670	38,557,459	20,309	-	4,848,992	3,500,000
Disbursements:								
Personal services	-	-	-	22,776,135	-	-	-	-
Supplies	-	-	-	1,708,445	5,000	-	10,759	-
Other services and charges	-	-	-	5,331,583	-	-	4,579,693	3,500,000
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	56,903	-	-	1,516,256	-
Other disbursements	272,235	23,259,621	8,231,670	7,353,413	-	-	2,040,000	3,003,442
Total disbursements	272,235	23,259,621	8,231,670	37,226,479	5,000	-	8,146,708	6,503,442
Excess (deficiency) of receipts over disbursements	(44,511)	(1,377,548)	-	1,330,980	15,309	-	(3,297,716)	(3,003,442)
Cash and investments - ending	\$ 10,509	\$ 4,411,695	\$ -	\$ 1,587,983	\$ 34,838	\$ 50,000	\$ 4,644,108	\$ -

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Child Advocacy	City and Town Court Costs	Clerk's Records Perpetuation	Community Corrections	Community Transition Program	Congressional School Interest	Congressional School Principal	Sales Disclosure - County Share
Cash and investments - beginning	\$ 8,062	\$ 126,256	\$ 47,234	\$ 64,211	\$ 35,820	\$ 26,665	\$ 25,066	\$ 63,402
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	50	-	-	95,745	-	-	-	16,355
Fines and forfeits	-	58,011	302	-	-	-	-	-
Other receipts	-	-	55,666	207	-	-	-	-
Total receipts	50	58,011	55,968	95,952	-	-	-	16,355
Disbursements:								
Personal services	-	-	30,139	-	-	-	-	-
Supplies	-	-	856	110,958	-	-	-	-
Other services and charges	-	-	1,862	-	-	-	-	42,756
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	-	175,881	-	-	-	-	-	-
Total disbursements	-	175,881	32,857	110,958	-	-	-	42,756
Excess (deficiency) of receipts over disbursements	50	(117,870)	23,111	(15,006)	-	-	-	(26,401)
Cash and investments - ending	<u>\$ 8,112</u>	<u>\$ 8,386</u>	<u>\$ 70,345</u>	<u>\$ 49,205</u>	<u>\$ 35,820</u>	<u>\$ 26,665</u>	<u>\$ 25,066</u>	<u>\$ 37,001</u>

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Covered Bridge	Cumulative Bridge	Cumulative Capital Development	Drug Free Community	Electronic Map Generation	Emergency Medical Services	Emergency Planning/Right To Know	Enhanced Access
Cash and investments - beginning	\$ 4,850	\$ 1,011,450	\$ 2,703,727	\$ 9,750	\$ 7,614	\$ 250,107	\$ 11,455	\$ 69,247
Receipts:								
Taxes	-	394,395	1,493,939	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	36,793	139,078	7,449	-	-	8,591	-
Charges for services	-	67,905	-	-	-	37,500	-	-
Fines and forfeits	-	-	820	158,728	-	-	-	-
Other receipts	-	16,856	36,333	-	208	-	-	-
Total receipts	-	515,949	1,670,170	166,177	208	37,500	8,591	-
Disbursements:								
Personal services	-	33,766	-	-	-	-	1,000	13,693
Supplies	-	396,475	-	-	-	-	234	-
Other services and charges	-	605,196	165,567	-	-	60,844	1,455	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	89,556	1,422,057	-	-	-	-	4,525
Other disbursements	-	34,225	2,973	117,053	-	-	-	-
Total disbursements	-	1,159,218	1,590,597	117,053	-	60,844	2,689	18,218
Excess (deficiency) of receipts over disbursements	-	(643,269)	79,573	49,124	208	(23,344)	5,902	(18,218)
Cash and investments - ending	<u>\$ 4,850</u>	<u>\$ 368,181</u>	<u>\$ 2,783,300</u>	<u>\$ 58,874</u>	<u>\$ 7,822</u>	<u>\$ 226,763</u>	<u>\$ 17,357</u>	<u>\$ 51,029</u>



PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Extradition and Sheriff's Assistance	Firearms Training	Health	Identification Security Protection	Levy Excess	Local Health Maintenance	Local Road and Street	Major Moves Construction
Cash and investments - beginning	\$ 8,024	\$ 26,759	\$ 1,462,991	\$ 53,345	\$ 2,150	\$ 120,763	\$ 866,983	\$ 10,357,227
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	34,405	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	72,672	979,306	-
Charges for services	-	-	467,308	14,368	-	-	-	-
Fines and forfeits	3,693	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	8	64	2,339,406
Total receipts	3,693	34,405	467,308	14,368	-	72,680	979,370	2,339,406
Disbursements:								
Personal services	-	-	1,064,935	-	-	39,853	-	-
Supplies	-	44,043	95,030	-	-	66,832	634,695	1,642,409
Other services and charges	-	-	72,731	57,274	-	12,547	36,496	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	-	-	330,800	-	-	-	-	2,300,000
Total disbursements	-	44,043	1,563,496	57,274	-	119,232	671,191	3,942,409
Excess (deficiency) of receipts over disbursements	3,693	(9,638)	(1,096,188)	(42,906)	-	(46,552)	308,179	(1,603,003)
Cash and investments - ending	\$ 11,717	\$ 17,121	\$ 366,803	\$ 10,439	\$ 2,150	\$ 74,211	\$ 1,175,162	\$ 8,754,224

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Medical Care for Inmates	Motor Vehicle Highway	Park Nonreverting Capital	Park Nonreverting Operating	Planning and Zoning Impact	Plat Book	Rainy Day	Reassessment - 2009
Cash and investments - beginning	\$ 9,409	\$ 898,952	\$ 9,922	\$ 64,178	\$ 188,277	\$ 67,594	\$ 2,922,904	\$ 25,484
Receipts:								
Taxes	-	507	-	-	-	-	-	-
Licenses and permits	-	134,231	-	-	449,562	-	-	-
Intergovernmental receipts	-	4,551,558	-	-	-	-	-	-
Charges for services	17,337	34,225	-	104,950	1,014	36,775	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	-	15,620	-	51,183	80	-	-	-
Total receipts	17,337	4,736,141	-	156,133	450,656	36,775	-	-
Disbursements:								
Personal services	-	2,531,614	-	33,292	428,901	-	480,463	-
Supplies	14,566	728,224	2,087	17,541	1,107	-	237,329	-
Other services and charges	-	768,622	-	91,524	32,186	17,887	87,797	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	43,826	-	-	1,186	-	8,244	-
Other disbursements	-	869,000	-	4,346	104,280	-	764,720	-
Total disbursements	14,566	4,941,286	2,087	146,703	567,660	17,887	1,578,553	-
Excess (deficiency) of receipts over disbursements	2,771	(205,145)	(2,087)	9,430	(117,004)	18,888	(1,578,553)	-
Cash and investments - ending	\$ 12,180	\$ 693,807	\$ 7,835	\$ 73,608	\$ 71,273	\$ 86,482	\$ 1,344,351	\$ 25,484

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Reassessment - 2015	Recorder's Records Perpetuation	Riverboat	Sex and Violent Offender Administration	Sheriff's Pension Trust	Additional Excise Tax Judgments	Supplemental Public Defender Services	Surplus Tax
Cash and investments - beginning	\$ 309,574	\$ 320,206	\$ 23,757	\$ 22,611	\$ -	\$ 206	\$ 285,015	\$ 1,217,653
Receipts:								
Taxes	370,688	-	-	-	-	-	-	452,036
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	34,586	-	405,712	-	-	-	-	-
Charges for services	20,000	186,274	-	6,444	99,421	-	69,911	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	104	-	-	-	-	-	-	12,267
Total receipts	425,378	186,274	405,712	6,444	99,421	-	69,911	464,303
Disbursements:								
Personal services	145,845	153,044	190,000	1,017	92,670	-	-	-
Supplies	7,369	3,527	-	262	-	-	25,000	-
Other services and charges	190,853	20,605	176,588	-	-	-	65,805	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	24,988	-	-	-	-	-	-
Other disbursements	17,380	69,520	60,000	-	-	-	-	651,548
Total disbursements	361,447	271,684	426,588	1,279	92,670	-	90,805	651,548
Excess (deficiency) of receipts over disbursements	63,931	(85,410)	(20,876)	5,165	6,751	-	(20,894)	(187,245)
Cash and investments - ending	<u>\$ 373,505</u>	<u>\$ 234,796</u>	<u>\$ 2,881</u>	<u>\$ 27,776</u>	<u>\$ 6,751</u>	<u>\$ 206</u>	<u>\$ 264,121</u>	<u>\$ 1,030,408</u>

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Surveyor's Corner Perpetuation	Tax Sale Fees	Tax Sale Redemption	Tax Sale Surplus	Local Health Department Trust Account	Vehicle Inspection	Victim Impact Program	Court Appointed Special Advocate (CASA)
Cash and investments - beginning	\$ 8,033	\$ 82,668	\$ 341,646	\$ 6,317,040	\$ 75,635	\$ 4,995	\$ 10,500	\$ 2,863
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	62,721	-	-	17,359
Charges for services	29,485	-	-	-	-	2,074	-	-
Fines and forfeits	-	-	-	-	-	-	-	82
Other receipts	-	-	864,003	4,130,813	-	-	-	-
Total receipts	29,485	-	864,003	4,130,813	62,721	2,074	-	17,441
Disbursements:								
Personal services	8,416	-	-	-	53,962	-	-	-
Supplies	13,432	-	-	-	21,660	-	-	-
Other services and charges	4,404	59,192	67,975	-	2,477	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	-	-	1,131,459	7,075,854	-	-	-	17,359
Total disbursements	26,252	59,192	1,199,434	7,075,854	78,099	-	-	17,359
Excess (deficiency) of receipts over disbursements	3,233	(59,192)	(335,431)	(2,945,041)	(15,378)	2,074	-	82
Cash and investments - ending	\$ 11,266	\$ 23,476	\$ 6,215	\$ 3,371,999	\$ 60,257	\$ 7,069	\$ 10,500	\$ 2,945

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Auditors Ineligible Deductions	County Elected Officials Training	Parks- Arcellor Mittal Pond & Prairie Grant	County Offender Transportation Fund	Hazardous Waste Disposal Tax	Statewide 911	Juvenile Probation Administrative	Supplemental Adult Probation Services
Cash and investments - beginning	\$ 434,771	\$ 39,913	\$ (4,673)	\$ 6,313	\$ 69,987	\$ 522,855	\$ 45,301	\$ 462,379
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	433,907	14,368	-	2,688	-	1,803,300	-	442,268
Fines and forfeits	-	-	-	-	-	-	-	216,439
Other receipts	587	-	-	-	4	772	24,912	-
Total receipts	434,494	14,368	-	2,688	4	1,804,072	24,912	658,707
Disbursements:								
Personal services	-	-	-	-	-	1,808,515	37,244	658,820
Supplies	2,536	-	-	-	463	22,094	-	16,655
Other services and charges	443,719	-	-	-	9,484	-	-	12,785
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	6,728	-	-	-	-	-	-	-
Total disbursements	452,983	-	-	-	9,947	1,830,609	37,244	688,260
Excess (deficiency) of receipts over disbursements	(18,489)	14,368	-	2,688	(9,943)	(26,537)	(12,332)	(29,553)
Cash and investments - ending	\$ 416,282	\$ 54,281	\$ (4,673)	\$ 9,001	\$ 60,044	\$ 496,318	\$ 32,969	\$ 432,826

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Supplemental Juvenile Probation Services	Alternative Dispute Resolution	County User Fee	Drain Construction/ Reconstruction	Drainage Maintenance	Convention Center Operating	Animal Shelter	Drug Task Force
Cash and investments - beginning	\$ 151,971	\$ 43,874	\$ 1,461,061	\$ 65,028	\$ 2,058,398	\$ 19,105	\$ 38,929	\$ 32,172
Receipts:								
Taxes	-	-	-	-	444,007	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	16,571	-	-	-
Charges for services	-	15,396	683,134	-	-	395,781	46,812	-
Fines and forfeits	5,695	-	135,398	-	-	-	-	-
Other receipts	81,969	-	337	180,358	132	11,945	5,193	60,000
Total receipts	87,664	15,396	818,869	180,358	460,710	407,726	52,005	60,000
Disbursements:								
Personal services	63,737	40,189	261,424	-	-	237,721	1,236	50,370
Supplies	3,140	-	39,440	-	-	52,107	4,803	-
Other services and charges	51,653	-	82,428	123,082	247,722	114,485	49,976	2,376
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	1,400	-	309,474	-	-	-	-	-
Other disbursements	17,380	-	173,843	-	180,350	52,140	-	8,690
Total disbursements	137,310	40,189	866,609	123,082	428,072	456,453	56,015	61,436
Excess (deficiency) of receipts over disbursements	(49,646)	(24,793)	(47,740)	57,276	32,638	(48,727)	(4,010)	(1,436)
Cash and investments - ending	<u>\$ 102,325</u>	<u>\$ 19,081</u>	<u>\$ 1,413,321</u>	<u>\$ 122,304</u>	<u>\$ 2,091,036</u>	<u>\$ (29,622)</u>	<u>\$ 34,919</u>	<u>\$ 30,736</u>

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Parking Facility Operating	Donations	Debt Service	Self-Insurance	Payroll Clearing	Payroll Withholding - Donations	Payroll Withholding - Insurance	Payroll Withholding - Other
Cash and investments - beginning	\$ 14,571	\$ 168,954	\$ 1,071,768	\$ 1,603,288	\$ 2,673	\$ -	\$ (540)	\$ -
Receipts:								
Taxes	-	-	3,482,544	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	306,121	-	-	-	-	-
Charges for services	4,832	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	-	311,066	1,362	12,409,271	-	2,490	788,382	28,676
Total receipts	4,832	311,066	3,790,027	12,409,271	-	2,490	788,382	28,676
Disbursements:								
Personal services	-	-	-	55,073	-	-	-	-
Supplies	-	8,296	-	-	-	-	-	-
Other services and charges	50	27,168	-	12,247,727	-	-	-	-
Debt service - principal and interest	-	-	3,527,300	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	350	-	-	-	-	2,490	787,842	28,676
Total disbursements	400	35,464	3,527,300	12,302,800	-	2,490	787,842	28,676
Excess (deficiency) of receipts over disbursements	4,432	275,602	262,727	106,471	-	-	540	-
Cash and investments - ending	\$ 19,003	\$ 444,556	\$ 1,334,495	\$ 1,709,759	\$ 2,673	\$ -	\$ -	\$ -

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Payroll Withholding - Savings	Payroll Withholding - Deferred Compensation	Payroll Withholding - Federal	Payroll Withholding - FICA & Medicare	Payroll Withholding - Flex Spending	Payroll Withholding - Local Tax	Payroll Withholding - PERF	Payroll Withholding - State
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,380)	\$ -
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	12,300	252,183	2,738,832	1,979,636	105,277	146,651	796,233	869,024
Total receipts	12,300	252,183	2,738,832	1,979,636	105,277	146,651	796,233	869,024
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	12,300	252,183	2,738,832	1,979,636	105,277	146,651	796,233	869,024
Total disbursements	12,300	252,183	2,738,832	1,979,636	105,277	146,651	796,233	869,024
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,380)	\$ -



PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Payroll Withholding - Wage Garnishments	Settlement	CVET Agency	Final Excise Tax Cut Replacement Due State	Financial Institution Tax	CEDIT Homestead Credit	HEA 1001 State Homestead Credit	Homestead Credit Rebate
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 3,598,253	\$ -	\$ (143,475)	\$ 48,795	\$ 3,207
Receipts:								
Taxes	-	198,229,244	-	7,002,602	-	11,101,722	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	20,211,603	1,184,574	-	364,442	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	135,215	259,310,966	-	-	-	-	-	-
Total receipts	135,215	477,751,813	1,184,574	7,002,602	364,442	11,101,722	-	-
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	135,215	477,751,813	1,184,574	6,876,531	364,442	8,306,198	48,795	3,207
Total disbursements	135,215	477,751,813	1,184,574	6,876,531	364,442	8,306,198	48,795	3,207
Excess (deficiency) of receipts over disbursements	-	-	-	126,071	-	2,795,524	(48,795)	(3,207)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 3,724,324	\$ -	\$ 2,652,049	\$ -	\$ -

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	State Fines and Forfeitures	Infraction Judgements	Overweight Vehicle Fines	Special Death Benefit	Sales Disclosure - State Share	Coroners Training & Con't Education	Interstate Compact - State Share	Mortgage Recording Fees - State Share
Cash and investments - beginning	\$ 4,054	\$ 311,427	\$ 138,843	\$ 6,829	\$ 11,035	\$ 12,731	\$ 1,000	\$ 11,873
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	16,355	21,076	2,063	14,648
Fines and forfeits	51,483	567,281	218,034	16,402	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	51,483	567,281	218,034	16,402	16,355	21,076	2,063	14,648
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	45,846	840,703	345,965	22,409	26,560	32,187	2,875	25,283
Total disbursements	45,846	840,703	345,965	22,409	26,560	32,187	2,875	25,283
Excess (deficiency) of receipts over disbursements	5,637	(273,422)	(127,931)	(6,007)	(10,205)	(11,111)	(812)	(10,635)
Cash and investments - ending	\$ 9,691	\$ 38,005	\$ 10,912	\$ 822	\$ 830	\$ 1,620	\$ 188	\$ 1,238

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	DLGF Homestead Property Database	Sex and Violent Offender Admin - State	Child Restraint Violations Fines	Inheritance Tax	Sales Tax Collections	Education Plate Fees Agency	Riverboat Revenue Sharing	Innkeepers Tax Collections
Cash and investments - beginning	\$ 490	\$ 155	\$ 1,382	\$ 66,684	\$ 3,151	\$ -	\$ -	\$ -
Receipts:								
Taxes	-	-	-	-	21,613	-	-	1,298,556
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	316,068	-	3,863	973,555	-
Charges for services	1,215	716	-	-	-	-	-	-
Fines and forfeits	-	-	3,829	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	1,215	716	3,829	316,068	21,613	3,863	973,555	1,298,556
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	1,697	821	4,986	354,600	23,700	3,863	973,555	1,298,556
Total disbursements	1,697	821	4,986	354,600	23,700	3,863	973,555	1,298,556
Excess (deficiency) of receipts over disbursements	(482)	(105)	(1,157)	(38,532)	(2,087)	-	-	-
Cash and investments - ending	\$ 8	\$ 50	\$ 225	\$ 28,152	\$ 1,064	\$ -	\$ -	\$ -

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Judgments Due Law Enforcement	CEDIT Distribution	93.563 ARRA Prosecutor IV-D Incentive	93.563 ARRA Clerk IV-D Incentive	93.563 Title IV-D Incentive	93.563 Prosecutor IV-D Incentive-Prior To Oct '99	93.563 Prosecutor IV-D Incentive-Post Oct '99	93.563 Clerk IV-D Incentive-Prior To Oct '99
Cash and investments - beginning	\$ 260	\$ -	\$ 19,541	\$ 1,305	\$ 74,765	\$ 53	\$ 209,308	\$ 109
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	23,188,416	-	-	57,269	-	86,157	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	61,175	-	-	-
Total receipts	-	23,188,416	-	-	118,444	-	86,157	-
Disbursements:								
Personal services	-	-	-	-	-	-	62,577	-
Supplies	-	-	-	-	3,048	-	2,302	-
Other services and charges	-	-	377	-	-	-	7,766	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	5,874	-	707	-	1,923	-
Other disbursements	-	23,188,416	-	-	-	-	17,380	-
Total disbursements	-	23,188,416	6,251	-	3,755	-	91,948	-
Excess (deficiency) of receipts over disbursements	-	-	(6,251)	-	114,689	-	(5,791)	-
Cash and investments - ending	\$ 260	\$ -	\$ 13,290	\$ 1,305	\$ 189,454	\$ 53	\$ 203,517	\$ 109

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	93.563 Clerk IV-D Incentive-Post Oct '99	National Park Taxes	JDAI Grant	Domestic Violence Grant	Stop Grant Prosecutor	Indiana Court Improvement Project	SCAAP Grant	Sheriff DEA Proceed Federal Grant
Cash and investments - beginning	\$ 237,114	\$ 38,832	\$ (3,931)	\$ (27,699)	\$ (14,647)	\$ 5,460	\$ 2,098	\$ 62,737
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	57,269	20,539	-	85,241	31,110	-	2,470	-
Charges for services	-	-	-	-	-	-	-	716
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	57,269	20,539	-	85,241	31,110	-	2,470	716
Disbursements:								
Personal services	58,689	-	-	90,642	26,846	-	-	-
Supplies	2,220	-	-	-	-	-	-	15,000
Other services and charges	3,522	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	13,865
Other disbursements	-	59,371	-	-	-	-	-	-
Total disbursements	64,431	59,371	-	90,642	26,846	-	-	28,865
Excess (deficiency) of receipts over disbursements	(7,162)	(38,832)	-	(5,401)	4,264	-	2,470	(28,149)
Cash and investments - ending	\$ 229,952	\$ -	\$ (3,931)	\$ (33,100)	\$ (10,383)	\$ 5,460	\$ 4,568	\$ 34,588

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Bioterrorism Response Grant	SHSP Homeland Security Grant	Recovery Grant	Dunes/Kankakee Grant	Fam & Child Grant	Lake Eliza Drainage Grant	Park Grant	PACT
Cash and investments - beginning	\$ 956	\$ 36,792	\$ (2,315)	\$ 88,358	\$ 14,897	\$ 100,300	\$ 8,367	\$ 48,212
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	263,882	-	9,826	2,915	-	-	394,766
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	20,803
Other receipts	-	-	-	-	-	-	3,798	-
Total receipts	-	263,882	-	9,826	2,915	-	3,798	415,569
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	176,999	-	-	-	-	-	-
Other services and charges	-	88,445	-	11,513	-	-	18,050	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	394,766
Total disbursements	-	265,444	-	11,513	-	-	18,050	394,766
Excess (deficiency) of receipts over disbursements	-	(1,562)	-	(1,687)	2,915	-	(14,252)	20,803
Cash and investments - ending	<u>\$ 956</u>	<u>\$ 35,230</u>	<u>\$ (2,315)</u>	<u>\$ 86,671</u>	<u>\$ 17,812</u>	<u>\$ 100,300</u>	<u>\$ (5,885)</u>	<u>\$ 69,015</u>

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Doc Juv Basic T	Court Int Grant	Drug Ct-Testing	Fam Ct Donations	OWI Fatal/Drugs	Cal Trail Grant	Health Dist 1	Val Rtry Lcl Gt
Cash and investments - beginning	\$ -	\$ 1,362	\$ 11,473	\$ 21,734	\$ 16,389	\$ 38,264	\$ 1	\$ 64
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	224,132	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	-	-	-	10,000	11,490	-	-	-
Total receipts	224,132	-	-	10,000	11,490	-	-	-
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	15,255	38,225	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	224,132	-	-	-	-	-	-	-
Total disbursements	224,132	-	-	-	15,255	38,225	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	10,000	(3,765)	(38,225)	-	-
Cash and investments - ending	\$ -	\$ 1,362	\$ 11,473	\$ 31,734	\$ 12,624	\$ 39	\$ 1	\$ 64

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Nat'l Parks-Ngo	Hosp Liab	Hosp Inter	Hosp Sale	Cable Fran	Public Saf	Photo Duplicate	Inmate Pro
Cash and investments - beginning	\$ 5,047	\$ 765,115	\$ 9,170,307	\$ 158,589,319	\$ 976,455	\$ 101,213	\$ 7,891	\$ 5,645
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	763,747	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	-	333,843	-	-	-	208,668	3,940	59,364
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	-	-	3,295,725	71,643,156	-	-	-	-
Total receipts	-	333,843	3,295,725	71,643,156	763,747	208,668	3,940	59,364
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	2,042	-	28,000	-	540	74,357	744	-
Other services and charges	-	90,958	-	965,000	21,210	137,115	-	64,959
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	136,050	-	613,551	-	-	-
Other disbursements	-	-	6,152,067	71,643,156	-	-	-	50
Total disbursements	2,042	90,958	6,316,117	72,608,156	635,301	211,472	744	65,009
Excess (deficiency) of receipts over disbursements	(2,042)	242,885	(3,020,392)	(965,000)	128,446	(2,804)	3,196	(5,645)
Cash and investments - ending	<u>\$ 3,005</u>	<u>\$ 1,008,000</u>	<u>\$ 6,149,915</u>	<u>\$ 157,624,319</u>	<u>\$ 1,104,901</u>	<u>\$ 98,409</u>	<u>\$ 11,087</u>	<u>\$ -</u>



PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Mo hse Man	JDC Service	Refunds	Sunset Hill	Dunn's Brg	Crumb Rub Grant	Sheriff Inmate Trust	Sheriff Civil Bureau Inmate Processing Fee
Cash and investments - beginning	\$ (25,848)	\$ 52,438	\$ 13,497	\$ 2,489	\$ 11	\$ 146	\$ 163,745	\$ 6,086
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	346,365	-	-	-	-	-	-	-
Fines and forfeits	-	985	-	-	-	-	-	-
Other receipts	35,768	58,380	13,497	-	-	-	2,450,968	60,368
Total receipts	382,133	59,365	13,497	-	-	-	2,450,968	60,368
Disbursements:								
Personal services	185,719	59,222	-	-	-	-	-	-
Supplies	11,639	-	-	-	-	-	-	-
Other services and charges	137,884	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	17,380	17,380	-	-	-	-	2,490,531	59,764
Total disbursements	352,622	76,602	-	-	-	-	2,490,531	59,764
Excess (deficiency) of receipts over disbursements	29,511	(17,237)	13,497	-	-	-	(39,563)	604
Cash and investments - ending	\$ 3,663	\$ 35,201	\$ 26,994	\$ 2,489	\$ 11	\$ 146	\$ 124,182	\$ 6,690

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Sheriff Awards Banquet	Treasurer Supplemental CAR	PC Tourism Supplemental CAR	Vending Machine Fund	Video Tape Fees-Sheriff	South County Highway Garage	Coroner - Non-Reverting	Kankakee River
Cash and investments - beginning	\$ 3,255	\$ 3,876,075	\$ 722,443	\$ 2,482	\$ 2,555	\$ 3,276	\$ 1,200	\$ 5,069
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	3,174	4,540,020	1,412,408	-	-	-	-	-
Total receipts	3,174	4,540,020	1,412,408	-	-	-	-	-
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	5,059	3,876,075	1,258,652	-	-	-	-	-
Total disbursements	5,059	3,876,075	1,258,652	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	(1,885)	663,945	153,756	-	-	-	-	-
Cash and investments - ending	\$ 1,370	\$ 4,540,020	\$ 876,199	\$ 2,482	\$ 2,555	\$ 3,276	\$ 1,200	\$ 5,069

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Prosecutor Check Defferal Fund	Settlement Holding Fund	All Funds Account	Suicide Grant	Medical Reserve Core Grant	Community Emergency Response	Coastal Grant	Adult Home Detention
Cash and investments - beginning	\$ 15,336	\$ 13,074	\$ 43,637	\$ 354	\$ 126,365	\$ 555	\$ 3,675	\$ 55,867
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-	-
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	15,336	-	-	-	-	-	-	-
Total disbursements	15,336	-	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	(15,336)	-	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ 13,074	\$ 43,637	\$ 354	\$ 126,365	\$ 555	\$ 3,675	\$ 55,867

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	Family Court Grant	Early Intervention	Health Performance Grant	Juvenile Detention Mental Health	Citizens Corp	Project Care	Qwest Prof.	LCJI Grant
Cash and investments - beginning	\$ 1,482	\$ 1,114	\$ 5,189	\$ 7	\$ 2,000	\$ 2,636	\$ 24	\$ 94
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	16	-	-
Total receipts	-	-	-	-	-	16	-	-
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	16	-	-
Cash and investments - ending	<u>\$ 1,482</u>	<u>\$ 1,114</u>	<u>\$ 5,189</u>	<u>\$ 7</u>	<u>\$ 2,000</u>	<u>\$ 2,652</u>	<u>\$ 24</u>	<u>\$ 94</u>

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	SHERIFF 45	Pond & Prairie Restoration Grant	JDAI GRANT	Park Com F	IJCMH GRAN	Adult Probation	Sheriff Pen Trs Revenues	PCA COLLEC
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	10,000	123,760	9,900	175,000	-	-	-
Charges for services	-	-	-	-	-	-	-	1,131
Fines and forfeits	-	-	-	-	-	112,329	1,250	-
Other receipts	1,760	-	-	-	-	-	-	-
Total receipts	1,760	10,000	123,760	9,900	175,000	112,329	1,250	1,131
Disbursements:								
Personal services	-	-	33,331	-	-	-	-	-
Supplies	-	-	-	1,124	-	-	-	-
Other services and charges	-	12,730	5,200	4,540	7,167	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	1,760	-	17,380	-	-	-	-	-
Total disbursements	1,760	12,730	55,911	5,664	7,167	-	-	-
Excess (deficiency) of receipts over disbursements	-	(2,730)	67,849	4,236	167,833	112,329	1,250	1,131
Cash and investments - ending	\$ -	\$ (2,730)	\$ 67,849	\$ 4,236	\$ 167,833	\$ 112,329	\$ 1,250	\$ 1,131

PORTER COUNTY  
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014  
(Continued)

	IDVA Grant	HHS Grant	Enbridge G	Highway/Sheriff	RDC Fee	Bank Interest	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 235,782,972
Receipts:							
Taxes	-	-	-	-	-	-	263,194,866
Licenses and permits	-	-	-	-	-	-	1,382,245
Intergovernmental receipts	500	24,144	2,000	-	-	-	58,196,029
Charges for services	-	-	-	-	-	-	7,822,228
Fines and forfeits	-	-	-	-	-	-	2,111,285
Other receipts	-	-	-	4,466	30,046	3,089	403,844,476
Total receipts	500	24,144	2,000	4,466	30,046	3,089	736,551,129
Disbursements:							
Personal services	-	-	-	-	-	-	31,810,100
Supplies	-	-	-	-	-	-	6,255,389
Other services and charges	-	-	-	-	-	-	31,096,490
Debt service - principal and interest	-	-	-	-	-	-	3,527,300
Capital outlay	-	-	-	-	-	-	4,250,385
Other disbursements	-	-	-	-	-	3,089	674,161,529
Total disbursements	-	-	-	-	-	3,089	751,101,193
Excess (deficiency) of receipts over disbursements	500	24,144	2,000	4,466	30,046	-	(14,550,064)
Cash and investments - ending	<u>\$ 500</u>	<u>\$ 24,144</u>	<u>\$ 2,000</u>	<u>\$ 4,466</u>	<u>\$ 30,046</u>	<u>\$ -</u>	<u>\$ 221,232,908</u>

PORTER COUNTY  
SCHEDULE OF LEASES AND DEBT  
December 31, 2014

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: Bank of New York	Porter County Jail Building	<u>\$ 2,949,000</u>	7/3/2001	1/3/2024

PORTER COUNTY  
SCHEDULE OF CAPITAL ASSETS  
December 31, 2014

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	Ending Balance
Governmental activities:	
Land	\$ 4,183,067
Infrastructure	124,233,258
Buildings	70,900,613
Machinery, equipment, and vehicles	<u>15,413,706</u>
Total capital assets	<u>\$ 214,730,644</u>



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 THE MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF PORTER COUNTY, INDIANA

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

We have audited Porter County's (County) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2014. The County's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the County's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the County's compliance.

***Opinion on the 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 its major federal program for the year ended December 31, 2014.

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

**Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2015-007. Our opinion on the major federal program is not modified with respect to these matters.

The County's response to the noncompliance 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.

**Report on Internal Control over Compliance**

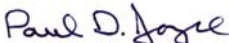
Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the 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 2014-006 and 2014-007 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

August 10, 2016

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#### SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTE

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

PORTER COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended December 31, 2014

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 Agriculture</u>					
Child Nutrition Cluster	Indiana Department of Education				
School Breakfast Program		10.553	FY 2014	\$ -	\$ 8,172
National School Lunch Program		10.555	FY 2014	-	12,889
Total - Child Nutrition Cluster				-	21,061
Child and Adult Care Food Program	Indiana Department of Education	10.558	FY 2014	-	2,321
Total - Department of Agriculture				-	23,382
<u>Department of Commerce</u>					
Coastal Zone Management Administration Awards	Indiana Department of Natural Resources	11.419			
Brincka Cross Gardens Trail Design and Engineering			#300NP1CZM110306	-	10,741
Total - Department of Commerce				-	10,741
<u>Department of the Interior</u>					
Payments in Lieu of Taxes	Direct Grant	15.226	FY 2014	-	20,539
<u>Department of Justice</u>					
Victims of Child Abuse	Indiana Supreme Court	16.547	CASA	-	17,359
Crime Victim Assistance	Indiana Criminal Justice Institute	16.575	11VAPR162	-	85,241
ARRA Violence Against Women Formula Grants	Indiana Criminal Justice Institute	16.588	12STPR020	-	31,110
State Criminal Alien Assistance Program	Direct Grant	16.606	2012-AP-BX-0142	-	2,470
Equitable Sharing Program	Direct Grant				
Federal Forfeitures - County Sheriff		16.922	FY 2014	-	716
Seized Property - Prosecutor			FY 2014	-	60,000
Total - Equitable Sharing Program				-	60,716
Total - Department of Justice				-	196,896
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster	Indiana Department of Transportation	20.205			
Highway Planning and Construction			DES 1005141	-	20,132
			DES 1005672	-	49,771
			DES 1297541	-	144,928
			DES 1005387	-	1,936
Total - Highway Planning and Construction Cluster				-	216,767
Total - Department of Transportation				-	216,767
<u>Department of Health and Human Services</u>					
Child Support Enforcement	Indiana Department of Child Services	93.563			
Clerk IV-D			FY 2014	-	58,875
Clerk IV-D Incentive			FY 2014	-	64,431
County IV-D Incentive			FY 2014	-	3,755
Prosecutor IV-D			FY 2014	-	531,051
Prosecutor IV-D Incentive			FY 2014	-	91,948
Prosecutor IV-D ARRA			FY 2014	-	6,251
IV-D Court			FY 2014	-	96,891
Indirect Cost Reimbursements			FY 2014	-	96,738
Total - Child Support Enforcement				-	949,940
Help America Vote Act Accessibility Grant	Indiana Secretary of State				
Voting Access for Individuals with Disabilities Grants to States		93.617	#0631103INVOTE11	-	24,144
Total - Department of Health and Human Services				-	974,084
<u>Department of Homeland Security</u>					
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042			
Emergency Management Reimbursement for Salary			2012-EP-00-0002	-	66,321
State Homeland Security Program (SHSP)	Indiana Department of Homeland Security	97.073			
SHSP Sub Grant			2010-SS-T0-38	-	260,786
Total - Department of Homeland Security				-	327,107
Total federal awards expended				\$ -	\$ 1,769,516

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

PORTER COUNTY  
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

***Basis of Presentation***

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

PORTER 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 program:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major program:	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 Program:

CFDA Number	Name of Federal Program or Cluster
93.563	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 2014-001 - FINANCIAL TRANSACTIONS AND REPORTING – COUNTY AUDITOR**

*Condition*

There were deficiencies in the internal control system of the County Auditor related to financial transactions and reporting. The County Auditor had not implemented effective internal controls over the activities related to financial statement reporting and payroll disbursement transactions. The County Auditor prepared and submitted the Annual Financial Report (AFR), which was used to generate the financial statement. There were no controls to verify the accuracy of the AFR prior to submission.



PORTER COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

In addition, controls over supporting documentation and approval of payroll disbursements were not properly implemented. The County did not follow its payroll policy to ensure that all employees were paid for the correct number of hours each pay period. Each County Department was responsible for entering certain information, such as dates and hours worked, and type of leave taken for each payroll period, into the payroll software. When the information was electronically received by the County Auditor, payroll amounts were computed and Payroll Earnings Forecasts (Forecasts) were generated for each Department. The Forecasts listed each employee, the amount of pay they were to receive, and the total payroll for that Department. These forecasts were the certified time sheets to support each payroll.

Not all Department heads returned the Forecasts to the Payroll Department prior to the pay date. The County policy states: "Each department head is responsible for reviewing the payroll earnings forecast, as they are required to sign and date the payroll earnings forecast. Each department head or their designee signs stating the following, in part, " . . . hereby certify that I have examined the time record of each employee listed . . . that each employee has performed the services for which the salary or compensation is paid; . . . that the compensation listed opposite the name of each employee upon either statutory or regulatory authority and is justly due each such employee; . . . that this payroll totaling \$XX is correct and has by me been approved."

The County Auditor did not have properly implemented or effective controls to ensure that all Departments returned the signed Forecasts, that all employees paid were included based on the Forecasts, and that amounts recorded in the County's ledger agreed to amounts authorized on the Forecasts.

The County Auditor reported all financial information in the AFR which was used to generate the financial statement. The financial statement included the following errors:

1. The December 31, 2014 cash and investments balance and the receipts for the Hospital Interest fund were understated \$290,540.
2. The December 31, 2014 cash and investments balance and the disbursements for the CEDIT Special Legislation fund were understated \$3,003,442.
3. The December 31, 2014 cash and investments balance and the receipts for the CEDIT Homestead Credit fund were understated \$3,003,442.
4. The January 1, 2014 cash and investments balance of the County User Fee fund was overstated \$15,336 and did not agree with the prior report ending balance.
5. The January 1, 2014 cash and investments balance for the Prosecutor Check Deferral fund was understated \$15,336 and did not agree with the prior report ending balance.
6. The Clerk of the Circuit Court fund did not include court-ordered investments. This omission understated the January 1, 2014 balance, receipts, disbursements, and December 31, 2014 cash and investments balance \$977,340, \$100,378, \$231,950, and \$845,768, respectively.
7. The PC Superior Trust (Trust) fund reported bank activity instead of the actual receipts and disbursements activity of the Trust. This resulted in differences in the January 1, 2014 cash and investments balance, receipts, disbursements, and December 31, 2014 cash and investment balance of \$1,680,984, \$433,648, \$813,693, and \$1,300,940, respectively.

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

PORTER COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*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 County Auditors of Indiana, Chapter 14)

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

*Cause*

Management of the County had not established a proper system of internal control. Management also had not conducted a risk assessment related to the County's financial reporting and transactions.

*Effect*

The failure to establish controls enabled material misstatements or irregularities to remain undetected. The failure to monitor the internal control system placed the County at risk that controls may not have been either designed properly or operating effectively to provide reasonable assurance that controls would have been prevented, or detected and corrected, material misstatements in a timely manner. The Financial Statements 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.

**FINDING 2014-002 - 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).

There were no controls over the preparation and submission of the SEFA. The County Auditor prepared and submitted the SEFA without controls to ensure its accuracy before submission. The SEFA was prepared based on the financial records alone, without reviewing grant information, such as grant award letters, applications, and other documents. This resulted in the following errors on the SEFA presented for audit:

1. The Department of Commerce grant was not included, which understated the federal expenditures \$10,741.

PORTER COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

2. The Department of Transportation grant for the Dunes Kankakee Trail was not included, which understated federal expenditures \$1,936.
3. Three Department of Transportation grants were incorrectly reported as follows:
  - a. 126 Bridge Inspection, DES #1005141, federal expenditures were overstated \$10,105.
  - b. Bridge 165 CR 600 E, DES #1005672, federal expenditures were understated \$12,103.
  - c. Division/Smoke Road Intersection Improvement, DES #1297541, federal expenditures were overstated \$2,503.
4. The Department of Health and Human Services Child Support Enforcement grant federal expenditures were overstated \$50,031.
5. The Department of Homeland Security grant federal expenditures were overstated \$2,421.

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 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 in part:

"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

PORTER COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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. . . . "

*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 remained 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.

**FINDING 2014-003 - FINANCIAL TRANSACTIONS AND REPORTING - COUNTY TREASURER**

*Condition*

There were deficiencies in the internal control system of the County Treasurer related to the bank reconciliations. The County Treasurer had not separated incompatible activities related to the bank reconciliations. One employee performed the bank reconciliations without controls in place to ensure their accuracy.

*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 County Treasurers of Indiana, Chapter 10)

*Cause*

The County Treasurer had not established a proper system of internal control. Management had not conducted a risk assessment related to the County Treasurer's financial reporting and transactions.

PORTER COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Effect*

The failure to establish controls could enable material misstatements or irregularities to remain undetected. The failure to monitor the internal control system placed the County Treasurer at risk that controls may not have been either designed properly or operating effectively to provide reasonable assurance that controls would have prevented, or detected and corrected, material misstatements in a timely manner.

*Views of Responsible Officials*

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

**FINDING 2014-004 - FINANCIAL TRANSACTIONS AND REPORTING - COUNTY SHERIFF**

*Condition*

There were deficiencies in the internal control system of the County Sheriff related to financial transactions and reporting. The County Sheriff Civil Division had not separated incompatible activities related to receipts, disbursements, and cash and investments balances. There was some segregation of duties; however, there was no oversight or review.

*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)

*Cause*

Management of the County Sheriff had not established a proper system of internal control. Management also had not conducted a risk assessment related to the County Sheriff's financial transactions and reporting.

*Effect*

The failure to establish controls could enable material misstatements or irregularities to remain undetected. The failure to monitor the internal control system placed the County Sheriff at risk that controls may not have been either designed properly or operating effectively to provide reasonable assurance that controls would have prevented, or detected and corrected, material misstatements in a timely manner.

*Views of Responsible Officials*

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

PORTER COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

***FINDING 2014-005 - FINANCIAL TRANSACTIONS AND REPORTING - CLERK OF THE CIRCUIT COURT***

*Condition*

There were deficiencies in the internal control system of the Clerk of the Circuit Court (Clerk) related to financial transactions and reporting. The Clerk had not separated incompatible activities related to financial reporting and closing. One employee prepared the Supplemental County Annual Report (CAR) that was submitted for inclusion in the County Annual Financial Report. There were no controls to ensure that the CAR was accurate.

The Clerk's office stopped using the PC Superior Trust software in September 2013. When a case judgment was entered into this software system, the case information was recorded in the new software system (Odyssey) and a bank transfer was made to the Odyssey bank account. A detailed list of the old software system trust balance was not generated at December 31, 2014. The last time a detailed report was generated was December 31, 2011, with a balance of \$6,607,088.

The Clerk's CAR reported bank activity instead of the actual Receipts and Disbursements activity of the PC Superior Trust system. This resulted in differences in the January 1, 2014 cash and investments, receipts, disbursements and December 31, 2014 cash and investment balances of \$1,680,984, \$433,648, \$813,693, and \$1,300,940, respectively.

The ending cash and investments balance of the PC Superior Trust of \$597,125 at December 31, 2014, could not be audited, because the outstanding check amount of \$1,309,743 could not be substantiated.

The Clerk's CAR did not include court-ordered investments. This omission understated the January 1, 2014 cash and investments, receipts, disbursements, and December 31, 2014 cash and investments balances \$977,340, \$100,378, \$231,950, and \$845,768, respectively.

*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 Clerks of the Circuit Courts of Indiana, Chapter 13)

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."

*Cause*

Management of the Clerk had not established a proper system of internal control. Management also had not conducted a risk assessment related to the Clerk's financial transactions and reporting.

PORTER COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Effect*

The failure to establish controls enabled material misstatements or irregularities to remain undetected. The failure to monitor the internal control system placed the Clerk at risk that controls may not have been either designed properly or operating effectively to provide reasonable assurance that controls would have prevented, or detected and corrected, material misstatements in a timely manner.

*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 2014-006 - INTERNAL CONTROLS OVER CHILD SUPPORT ENFORCEMENT**

Federal Agency: Department of Health and Human Services  
Federal Program: Child Support Enforcement  
CFDA Number: 93.563  
Federal Award Number and Years (or Other Identifying Number): FY2014  
Pass-Through Entity: Indiana Department of Child Services

*Condition*

An effective internal control system, which would include segregation of duties, was not in place at the County to ensure compliance with requirements related to the grant agreement and the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Period of Availability, and Reporting compliance requirements.

*Activities Allowed or Unallowed and Allowable Costs/Cost Principles*

County Auditor:

A consultant prepared the Cost Allocation Plan for indirect costs charged to the program. There were no controls in place to ensure that the Cost Allocation Plan was properly prepared and included accurate information.

County Prosecutor, Clerk of the Circuit Court, County Court:

There were no controls in place to ensure that expenditures were only for activities and costs allowable for the program. One employee in each department/office was solely responsible for preparing payroll, which was the majority of program expenditures. There were no controls in place to ensure that only the appropriate employees were paid from program funds or that all supporting documentation of payroll expenditures was maintained.

*Period of Availability and Reporting*

Clerk of the Circuit Court:

A consultant prepared the Monthly Expense claims and the Quarterly Incentive Expenditure reports. The consultant did not provide the supporting documentation for the Monthly Expense claims and Quarterly Incentive Expenditure reports until months after the reports were submitted. Therefore, the County was not able to implement adequate controls to ensure that the reported expenditures were accurate or were paid within the period of availability.

PORTER COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Context*

Based on the initial assessment of the Child Support Enforcement grant, it is determined that the lack of controls over the requirements listed above was a systemic problem. There were no controls over these areas during the audit period.

*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. "

*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 requirements. A lack of segregation of duties within an internal control system could have also allowed noncompliance with compliance requirements 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 compliance requirements listed above.

*Views of Responsible Officials*

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

**FINDING 2014-007 - REPORTING**

Federal Agency: Department of Health and Human Services

Federal Program: Child Support Enforcement

CFDA Number: 93.563

Federal Award Number and Years (or Other Identifying Number): FY2014

Pass-Through Entity: Indiana Department of Child Services



PORTER COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Condition*

An effective internal control system, which would include segregation of duties, was not in place at the County Prosecutor's office in order to ensure compliance with requirements related to the grant agreement and the Reporting compliance requirement. There were no controls to ensure that required reports were accurate prior to submission.

Quarterly Incentive Reports and Monthly Expenditure Reports were under-reported for several reporting periods. Both payroll and non-payroll disbursements were omitted from the expenditures reported.

*Context*

All of the Quarterly Incentive Reports and 33 percent of the Monthly Expenditure Reports were under-reported. Corrections were made in the fourth quarter of 2014 for all incorrect Quarterly Incentive Reports.

*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. "

45 CFR 92.20 States in part:

"(a) A State must expend and account for grant funds in accordance with State laws and procedures for expending and accounting for its own funds. Fiscal control and accounting procedures of the State, as well as its subgrantees and cost-type contractors, must be sufficient to--

(1) Permit preparation of reports required by this part and the statutes authorizing the grant, and

(2) Permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes

(b) The financial management systems of other grantees and subgrantees must meet the following standards:

(1) Financial reporting. Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant. . . . "

*Cause*

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

PORTER COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*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 requirements. A lack of segregation of duties within an internal control system could have also allowed noncompliance with compliance requirements 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 Prosecutor's management establish controls, including segregation of duties, related to the grant agreement and the Reporting compliance requirement.

In addition, we recommended that the County Prosecutor's Office comply with the Reporting requirements.

*Views of Responsible Officials*

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

#### AUDITEE-PREPARED DOCUMENTS

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



Vicki Urbanik  
Auditor

(219) 465-3445

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### **FINDING 2013-006 INTERNAL CONTROLS OVER CHILD SUPPORT ENFORCEMENT**

Fiscal year in which the finding initially occurred: 2014 for 2013 audit

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Child Services

Contact Person Responsible for Corrective Action: Porter County Prosecutor Brian Gensel; former Porter County Auditor Robert Wichlinski

Contact Phone Number: 219-465-3405 (prosecutor); 465-3350 (auditor)

#### Status of Audit Finding:

#### *Auditor Corrective Action Plan*

The Corrective Action Plan dated Nov. 11, 2014 and signed by former Auditor Wichlinski outlined a four-part plan that included quarterly compilation of reports and a grant workshop. The plan stated that the anticipated date for completion of this plan would be Jan. 1, 2015. I cannot speak as to whether this plan was implemented, as I did not take office until January, 2015.

I can speak to our efforts to improve the Auditor's Office role in grant administration since taking office. We have made an effort to reach out to departments awarded federal grants to retrieve basic grant information that we could not readily find in the office. This basic information included copies of the grant applications and verified CFDA numbers. With respect to the IV-D grant funding, one of our employees compiles and reviews monthly expenditure information for the IV-D Court, which includes the data used in the cost allocation plan. I review new grant applications and then pass the documents to another deputy who is responsible for maintaining the grant files and taking the lead role in the preparation of the SEFA. Thus, we now have a designated place for all grant documents and have three individuals on staff who have, to varying degrees, a role in the oversight of our grant documentation.

#### *Activities Cost – County*

The audit findings found a lack of internal controls over the cost allocation plan prepared by an outside consultant. Specifically, the audit found that the county lacked the procedures to ensure the amounts reported in the plan were the correct amounts from the prior year's financial statement and that the county lacked the controls to monitor the consultant's report. I cannot speak as to whether controls were implemented over the cost allocation plan in 2014, as I did not take office until January, 2015.

However, I can say that since early 2015, our Chief Deputy produces the monthly financial reports as requested by the consultant, and she reviews these reports for any discrepancies. If she finds questionable items or noticeable changes in the expenditures, she has researched the activity. In both 2015 and 2016, we have met with the consultant at least twice, once to review his methodology for compiling the cost allocation plan and then to review the actual plan before it is submitted to the state. Our consultant has indicated to us that we tend to ask detailed and thorough questions in our effort to understand his work product. Our questions have enabled us to verify some of the financial amounts in the report. (Example: We reviewed the figures in the CAP for the Ineligible Homestead Fund and verified that \$9,000 was spent out of this fund in both 2014 and 2015 toward the consultant fees, an indirect expenditure eligible for the 66% federal

reimbursement). In our discussions with the State Examiners, we are aware that we need to do more by documenting, in a formal way, what figures we review and whether we deem them accurate. We agree that documenting our findings will strengthen internal controls over the cost allocation plan, and we will begin such documentation accordingly.

*Allowable Costs and Reporting – Prosecutor*

The audit found no supporting documentation for the health insurance expenditure of \$173,800, or \$15,800 for 11 employees. The Corrective Action Plan dated Oct. 30, 2014 and signed by IV-D Prosecutor Deputy Laura Stafford stated that she would obtain written documentation of employee insurance costs. Accordingly, an email exchange occurred between Ms. Stafford and Auditor Benefits Deputy Brenda Bailey on Oct. 30, 2014. Ms. Bailey correctly noted that that the \$15,800 cost was the amount that departments were instructed to include in their 2013 budgets toward health insurance, with the figure increasing to \$17,380 in the 2014 and 2015 budgets. This health insurance figure is annually determined by the County Council and/or County Commissioners, based on consultation with the county's benefits administrator. This figure is a function of the budget planning process, as it reflects the amount that county leadership deems to be the appropriate contribution by departments that pay into the health insurance fund (Fund 4700). Because the county is self-insured, it is difficult to predict accurately what the county's costs for employee health insurance will be in any given year.

Thank you,

A handwritten signature in black ink that reads "Vicki Urbanik". The script is cursive and fluid.

Vicki Urbanik  
Porter County Auditor



1995 South State Road 2  
Valparaiso, IN 46385  
219-465-3593  
Russell Shirley, Director  
Mike Weber, Deputy Director

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**FINDING 2013-007 – EQUIPMENT MANAGEMENT AND REAL PROPERTY MANAGEMENT**

Fiscal year in which the finding initially occurred: 2013

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Homeland Security

Contact Person Responsible for Corrective Action: Russell Shirley, Director

Contact Phone Number: 219-465-3593

Status of Audit Finding:

1. No additional capital assets have been purchased. An inventory of all capital assets will The proposed project is to contract an outside entity to conduct and create a districtwide THIRA and Core Capabilities Assessment. This will assist District 1 with planning to include training, and acquiring assets needed to fill the identified gaps in our support of the National Preparedness Goals. be completed by December 31 of this year.
2. With an entire new staff within the past year and a half, including my secretary we have not completed our internal audit. This will begin before the end of next month, and will be maintained on a regular basis and will be completed by December 31<sup>st</sup> of each year.
3. This portion of the project was not started in a timely manner, however with the personnel that I now have on staff, this project will be completed by December 31 of this calendar year

4. Our entire district task force will be audited for equipment by December 31<sup>st</sup> of this year. At the conclusion of the audits copies of the audit will be placed with the Porter County Auditor's office.

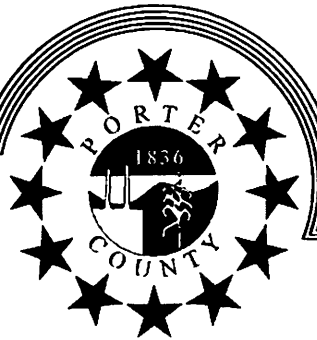
*Russell Shirk*  
(Signature)

Comment [jc1]:

Director, Porter County EMA  
(Title)

July 1<sup>st</sup>, 2016  
(Date)

(Note to Officials: To determine what audit findings are required to be reported in the Summary Schedule of Prior Audit Findings, please see U.S. Office of Management and Budget (OMB), Circular A-133, Subpart C, section .315(b) for audit periods beginning before December 26, 2014. For audit periods beginning after December 26, 2014, please see 2 CFR §200.511(b).)



Vicki Urbanik  
Auditor

(219) 465-3445

## CORRECTIVE ACTION PLAN

### ***FINDING 2014-001 FINANCIAL TRANSACTIONS AND REPORTING***

Contact Person Responsible for Corrective Action: Vicki Urbanik, Auditor  
Contact Phone Number: 219-465-3350

Views of Responsible Official: We concur with this finding.

#### Description of Corrective Action Plan:

This finding in part addresses deficiencies in payroll administration in 2014, including ineffective controls over payroll earnings reports ("forecasts"). A similar finding was included in the 2013 audit. We concur with the deficiencies cited. To correct these deficiencies, the following corrective actions were implemented in 2015:

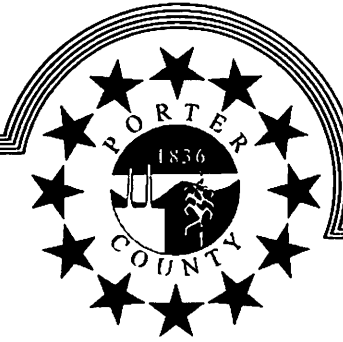
- Assign a person outside of the payroll department to track which department heads signed and returned their forecasts.
- Assign a person outside of the payroll department to match employee pay as authorized in the Salary Ordinance with the amounts reported in the forecasts.
- Match the amounts reported as compensation in the forecasts with the county ledger.

This finding also cited errors in a number of fund balances as reported in the 2014 AFR. The fund balances were based on the amounts contained in the county's financial system. We concur that these fund balances were incorrect, based on the post-AFR research we conducted in 2015 and 2016. Please see the Summary Schedule of Prior Audit Findings for a more detailed explanation.

Anticipated Completion Date: In early 2015, we anticipated that we would be able to implement the improvements in the payroll administration as soon as staff was available to assume this added responsibility.

*Vicki Urbanik*  
*Porter County Auditor*  
*August 10, 2016*





Vicki Urbanik  
Auditor

(219) 465-3445

**CORRECTIVE ACTION PLAN**

***FINDING 2014-002 THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS***

Contact Person Responsible for Corrective Action: Vicki Urbanik, Auditor  
Contact Phone Number: 219-465-3350

Views of Responsible Official: We concur with the findings of under- and over- reported amounts in the 2014 SEFA.

**Description of Corrective Action Plan:**

To improve the controls over the preparation and submission of the SEFA, we proposed the following actions in early 2015:

- Improve the grant documentation housed in the auditor's office by requesting departments that are awarded federal grants to provide copies of grant applications and verified CFDA numbers.
- The County Auditor reviews new grant applications prior to signing.
- Designate an auditor staff member as the individual responsible for maintaining complete grant files for ease of access to grant information when preparing the SEFA.
- Assign a team to work together to prepare the AFR, including the SEFA; proofread and cross-check amounts reported on the SEFA by a staff member other than the one who initially prepared the SEFA.

Anticipated Completion Date: In early 2015, we began improving the record keeping related to grants immediately and anticipated that we would implement additional improvements as soon as staffing became available.

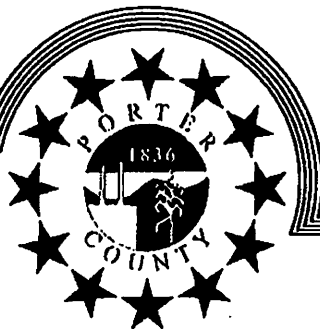
Vicki Urbanik

Porter County Auditor

August 10, 2016

# COUNTY - PORTER

MICHELLE CLANCY  
TREASURER



PORTER COUNTY TREASURER  
ADMINISTRATION CENTER  
155 INDIANA AVENUE  
SUITE 209  
VALPARAISO, INDIANA 46383

TELEPHONE: (219) 465-3470  
FAX: (219) 465-3821  
E-MAIL: MCLANCY@PORTERCO.ORG

August 4, 2016

## Corrective Action Plan

### **FINDING 2014-003 - FINANCIAL TRANSACTIONS AND REPORTING - COUNTY TREASURER**

Fiscal year in which the finding initially occurred: 2014

Contact Person Responsible for Corrective Action: Michelle Clancy, Treasurer

Contact Phone Number: 219-465-3470

Views of Responsible Official:

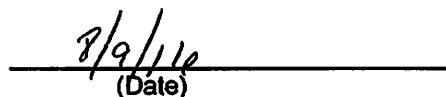
I concur with the finding

Description of Corrective Action Plan:

Fully Corrected. I as the incoming Treasurer in the Fall of 2014 had implemented new office procedures where I began and continue, on a monthly basis, to review, compare and verify that the balances of all of the depositories' statements are reconciled to the balances in the Auditor's Ledger along with the balances on the Treasurer's Cash Book.

  
(Signature)

Michelle Clancy, Treasurer

  
(Date)

(Note to Officials: To determine what audit findings are required to be reported in the Summary Schedule of Prior Audit Findings, please see U.S. Office of Management and Budget (OMB), Circular A-133, Subpart C, section .315(b) for audit periods beginning before December 26, 2014. For audit periods beginning after December 26, 2014, please see 2 CFR §200.511(b).)



# *Porter County Sheriff's Office*

**David M. Reynolds**  
Sheriff

**Jeffery A. Biggs**  
Chief

## **CORRECTIVE ACTION PLAN**


### ***FINDING 2014-004 FINANCIAL TRANSACTIONS AND REPORTING***

Contact Person Responsible for Corrective Action: David Reynolds, Sheriff  
Contact Phone Number: 219-477-3000

Views of Responsible Official:  
We concur with the finding

Description of Corrective Action Plan:  
Support Service Tayna Gear will review on a monthly basis and sign off on all Receipts disbursements, and cash / investment balances.  
A copy of the review will be forward to Chief Jeffery Biggs.

Anticipated Completion Date: 08/09/2016  
This will be corrected immediately including all of 2016 prior to this date.

  
(Signature)

Porter County Sheriff  
(Title)

08/09/2016  
(Date)

COUNTY - PORTER

KAREN M. MARTIN

CLERK OF THE CIRCUIT AND SUPERIOR COURTS



COURTHOUSE  
16 E. LINCOLNWAY • SUITE 211  
VALPARAISO, INDIANA 46383

TELEPHONE:  
(219) 465-3450

### CORRECTIVE ACTION PLAN

**FINDING 2014-005**

**Contact Person Responsible for Corrective Action: Karen M. Martin**  
**Contact Phone Number: 219-465-3463**

When filling out the CAR report we were advised by an Auditor Employee which numbers to use since we had 3 different accounts and COI's. There were controls in place but did not include the correct numbers necessary to finalize the CAR report. It is recommended that a new CAR report be created for the Clerk's office.

Due to the inaccuracy of the Jalan Trust account we have been in the process of finalizing the last 2 steps to arrive at an accurate number. Chase had consolidated amounts in our statements and not detailed the checks. We are awaiting the detail to verify outstanding checks. We also are working on the bonds to transfer over the amounts to Odyssey. This will allow us to arrive at a final number.

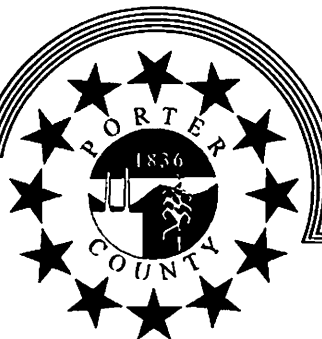
We now will place the COI's separate when the new CAR report is received.

**Anticipated Completion Date: 6-30-2017**

Respectfully submitted,

*Karen M. Martin*  
KAREN M. MARTIN  
Clerk of the Circuit Court

8/9/16



Vicki Urbanik  
Auditor

(219) 465-3445

## CORRECTIVE ACTION PLAN

### ***FINDING 2014-006 INTERNAL CONTROLS OVER CHILD SUPPORT ENFORCEMENT***

Contact Person Responsible for Corrective Action: Vicki Urbanik, Auditor  
Contact Phone Number: 219-465-3350

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: To ensure that the Cost Allocation Plan is properly prepared and includes accurate information, we proposed in 2015 to do the following:

- A designated staff member who produces monthly financial reports as requested by the consultant first reviews the reports for deficiencies and researches any questionable items or noticeable changes.
- Management meets with the consultant to review his methodology for compiling the cost allocation plan and to review the plan prior to submission to the state.

Anticipated Completion Date: When monthly financial reports are requested by the consultant and during the review of the CAP in the first quarter of the year.

Vicki Urbanik

Porter County Auditor

August 10, 2016

COUNTY - PORTER



COURTHOUSE  
16 E. LINCOLNWAY • SUITE 211  
VALPARAISO, INDIANA 46383

KAREN M. MARTIN  
CLERK OF THE CIRCUIT AND SUPERIOR COURTS

TELEPHONE:  
(219) 465-3450

### CORRECTIVE ACTION PLAN

FINDING 2014-006

Contact Person Responsible for Corrective Action: Karen M. Martin  
Contact Phone Number: 219-465-3463

There were controls in place regarding segregation of duties but due to the fact we hired a consultant to file our IV-D claims we were unaware that we were to receive detailed information with each monthly report. I had felt since we had interviewed with the consultant in detail and had the staff work with him this might be sufficient, unfortunately it was not. We have as of this date, requested that all documentation be sent with each claim submitted to the Clerks office.

Anticipated Completion Date: 8-30-2016

Respectfully submitted,

*Karen M. Martin*  
KAREN M. MARTIN  
Clerk of the Circuit Court

:

8/9/16

# COUNTY-PORTER



PORTER COUNTY CIRCUIT COURT  
IV-D COURT

JUVENILE SERVICES CENTER  
1660 SOUTH STATE ROAD 2  
VALPARAISO, INDIANA 46385

TELEPHONE: (219) 465-5630

DIANE, COURT REPORTER  
VICKIE, EXECUTIVE ASSISTANT

MARY R. HARPER, JUDGE  
LISA A. MOSER, COURT COMMISSIONER  
PORTER COUNTY IV-D COURT  
August 10, 2016

Carla Wenger, CPA  
Field Examiner  
Indiana State Board of Accounts

## CORRECTIVE ACTION PLAN

FINDING 2014-006

HONORABLE JUDGE MARY R. HARPER  
CONTACT PHONE NUMBER: (219) 465-3535

COMMISSIONER LISA A. MOSER  
CONTACT PHONE NUMBER: (219) 465-3630

### VIEWS OF RESPONSIBLE OFFICIAL:

We concur with the finding.

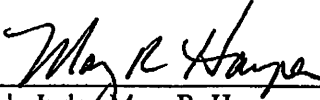
### DESCRIPTION OF CORRECTIVE ACTION PLAN:

Payroll forecasts submitted by the IV-D Court are now reviewed by a designated person in the Auditor's office for allowability and allowable costs. This creates the internal control system that is required by the program. The IV-D Court has confirmed with the Auditor, Vicki Urbanik that this control is in place. However, the IV-D Court understands that this does not relieve the Court of its responsibility to provide accurate information to the Auditor.

Additionally, copies of all payroll documentation and expenses, submitted to the Auditor, are maintained in the IV-D Court chambers.

### ANTICIPATED COMPLETION DATE:

The corrective plan has already been implemented.

  
Honorable Judge Mary R. Harper  
Porter Circuit Court  
IV-D Division

Date: 8/10/16

**PORTER COUNTY PROSECUTING ATTORNEY**  
**OFFICE OF CHILD SUPPORT ENFORCEMENT**

15 N. Franklin - Suite 100  
Valparaiso, Indiana 46383  
Phone: 219-465-3405/Fax: 219-465-3689  
Email: [childsupport@porterco.org](mailto:childsupport@porterco.org)  
Website: [www.porterco.org](http://www.porterco.org)

Brian T. Gensel  
Prosecuting Attorney

Laura A. Bernacki Stafford  
Child Support Director

**CORRECTIVE ACTION PLAN**

Finding 2014-006- Internal Control Over Child Support Enforcement

Contact Person Responsible for Corrective Action: Laura A. Bernacki Stafford  
Contact Phone Number: 219-465-3898

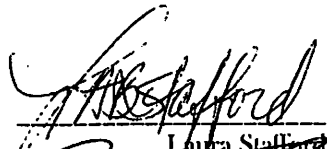
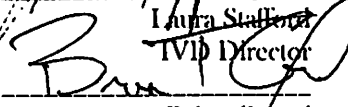
Views of responsible Official: We agree with finding

Description of Corrective Action Plan:

IVD Director will receive copies of all payroll once completed by criminal office and review same. IVD office will maintain copies of all bills sent to criminal office for payment and compare same with requisitions returned from criminal office.

Anticipated Completion Date:

Plan is already in effect pay date may 30, 2016.

  
\_\_\_\_\_  
Laura A. Bernacki Stafford  
IVD Director  
  
\_\_\_\_\_  
Brian Gensel  
Prosecutor

August 9, 2016



**PORTER COUNTY PROSECUTING ATTORNEY**  
**OFFICE OF CHILD SUPPORT ENFORCEMENT**

15 N. Franklin - Suite 100  
Valparaiso, Indiana 46383  
Phone: 219-465-3405/Fax: 219-465-3689  
Email: [childsupport@porterco.org](mailto:childsupport@porterco.org)  
Website: [www.porterco.org](http://www.porterco.org)

Brian T. Gensel  
Prosecuting Attorney

Laura A. Bernacki Stafford  
Child Support Director

**CORRECTIVE ACTION PLAN**

Finding 2014-007- Reporting

Contact Person Responsible for Corrective Action: Laura A. Bernacki Stafford  
Contact Phone Number: 219-465-3898

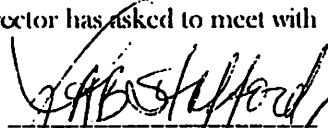
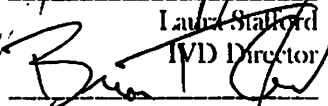
Views of responsible Official: We agree with finding

Description of Corrective Action Plan:

Correct the under-reporting on monthly expenditures. IVD Director to review expenditures in addition to IVD Manager at time of reporting and subsequent month. Meet with auditor for additional explanation on why incentive accounts are different in system.

Anticipated Completion Date:

Under-reporting has been complete, December 2014 and June 2016. IVD Director has asked to meet with the auditor and anticipates this to be complete within 90 days.

  
\_\_\_\_\_  
Laura A. Bernacki Stafford  
IVD Director  
  
\_\_\_\_\_  
Brian T. Gensel  
Prosecutor

August 9, 2016

#### 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/>.