

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

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



FILED
02/06/2017

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Jan Bauman	01-01-15 to 12-31-18
County Treasurer	Holly Albright	01-01-13 to 12-31-16
Clerk of the Circuit Court	Martha Grimm	01-01-13 to 12-31-16
County Sheriff	Donald Lauer	01-01-15 to 12-31-18
County Recorder	Katie Firestone	01-01-13 to 12-31-16
President of the County Drainage Board	Randall J. Deetz	01-01-15 to 12-31-16
President of the Board of County Commissioners	Donald D. Grogg	01-01-15 to 12-31-16
President of the County Council	Alan Middleton	01-01-15 to 12-31-16



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF DEKALB COUNTY, INDIANA

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (Indiana Code 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the County prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the County for the year ended December 31, 2015.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the County for the year ended December 31, 2015, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.


Other Information

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, 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 December 13, 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

December 13, 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 DEKALB 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 DeKalb County (County), which comprises the financial position and results of operations for the year ended December 31, 2015, and the related notes to the financial statement, and have issued our report thereon dated December 13, 2016, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2015-001 and 2015-002 that we consider 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

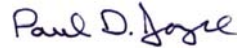
As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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 2015-001 and 2015-002.

DeKalb 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

December 13, 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.

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

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
After Settlement Collections	\$ 1,328,231	\$ 902,742	\$ 1,328,231	\$ 902,742
Sheriff Inmate Trust	1,689	142,447	142,777	1,359
Jail Commissary	118,434	105,320	116,423	107,331
Clerk's Trust	173,927	3,188,391	3,234,551	127,767
County Home Resident's Trust	4,910	134,737	126,487	13,160
General	681,460	9,502,424	8,647,137	1,536,747
Accident Account Report	16,047	9,409	2,665	22,791
CAGIT County Certified Shares	635,921	2,719,051	2,559,894	795,078
Cty EDIT Cap. Imp. Plan	1,187,767	1,217,799	597,488	1,808,078
PTRC/HSC/CEDIT Hmst Special	33,119	11,217	13,537	30,799
City/Town Court Cost	2,013	8,072	-	10,085
Clerk Perpetuation	38,847	19,297	13,575	44,569
Surplus Dog	555	-	-	555
Sales Disclosures	110,000	5,800	-	115,800
Covered Bridge Maint	32,902	1,850	-	34,752
Cumulative Bridge	368,568	503,711	455,423	416,856
Cum Capital Development	1,021,799	714,722	790,449	946,072
Drug Free Community	68,585	25,977	26,600	67,962
Ambulance Replacement	75,864	-	75,864	-
LEPC Right to Know	29,073	5,627	9,438	25,262
Extradition	17,033	80,856	1,321	96,568
Handgun Application	2,751	10,585	4,093	9,243
General Drain	1,283,185	49,644	96,676	1,236,153
Health	234,362	314,480	278,552	270,290
Co.Id Security Prot/Redacting	9,509	3,476	-	12,985
Health Maintenance	88,995	33,139	55,301	66,833
Local Road & Street	999,361	429,389	390,758	1,037,992
LOIT Public Safety-County Share	-	1,104,352	1,006,961	97,391
Medical Care for Inmates	25,761	2,115	18,477	9,399
County Misdemeanant	65,668	25,640	20,880	70,428
Highway	1,956,784	2,821,994	3,526,506	1,252,272
Plat Book Fee	69,013	14,180	21,479	61,714
Rainy Day	223,765	-	140,000	83,765
Recorder Perpetuation	81,174	51,176	25,909	106,441
Sex/Violent Offender Registry	-	2,210	461	1,749
Sheriff Pension Trust	11,332	94,078	40,000	65,410
Supp Public Defender	3,955	100	2,819	1,236
Surplus Tax	92,976	30,734	73,870	49,840
Surveyor Corner Perpetuation	1,101	8,880	857	9,124
Auditor Tax Sale Deed Fee	-	650	650	-
Tax Sale Redemption	39,646	246,584	271,780	14,450
Tax Sale Surplus	558,902	301,918	539,259	321,561
2011 IN LHD Trust Acct Dist	48,558	23,545	26,519	45,584
Probation Restitution	1,168	35,334	25,752	10,750
Auditor's Ineligible Deduction	17,878	8,688	17,328	9,238
Co Elected Officials Training	10,676	3,504	1,757	12,423
County Offender Transportation	1,325	250	-	1,575
Statewide 911	293,983	530,242	485,508	338,717
Adult Administrative Fee	23,301	20,263	22,755	20,809
Juvenile Administrative Fee	1,260	730	1,260	730
Supp Adult Probation	285,114	101,841	112,621	274,334
Supp Juvenile Probation	19,194	2,994	6,703	15,485
Alternative Dispute Resolution	(5,285)	3,903	-	(1,382)
User Fee	212,985	48,465	4,625	256,825
Drain Maintenance	3,157,828	924,707	771,689	3,310,846
K-9 Unit	1,877	100	852	1,125
Sheriff Donation (Drug)	1,264	-	-	1,264
DeKalb Cty CDBG Revolving Loan	87,516	-	-	87,516
Self Insurance	(368,325)	279,552	-	(88,773)
Life Insurance	3,051	34,775	35,081	2,745
Child Support	-	39,655	39,655	-
Deferred Compensation	-	27,421	27,421	-
Federal Taxes	(171)	744,388	744,217	-
FICA	(105)	557,995	557,890	-
Local Tax	12,385	135,012	147,397	-
PERF	179	211,344	211,523	-
Roth (Sheriff/Jail)	-	10,458	10,458	-
State Tax	22,536	238,467	261,003	-
Garnishment	-	13,699	13,699	-
Police Retirement	8,103	28,547	28,462	8,188
Settlement	-	45,490,687	45,490,687	-
LOIT Public Safety	-	2,125,812	2,125,812	-
Commercial Vehicle Excise Tax	893	196,198	196,198	893

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

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

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
Financial Institution Tax	45	230,736	230,781	-
Homestead Credit Rebate	12,269	-	-	12,269
LOIT PTRC	-	4,251,625	4,152,730	98,895
State Fines & Forfeitures	5,377	45,472	44,490	6,359
Infraction Judgements	11,499	176,455	174,580	13,374
Overweight Vehicle Fines	2,255	5,717	7,687	285
Special Death Benefit Fee	220	3,840	3,825	235
State Sales Disclosure	445	5,800	5,690	555
Coroner Continuing Education	422	3,714	4,136	-
Interstate Compact Fee	63	250	250	63
Mortgage Fee-State	275	4,150	4,125	300
DLGF HMST Property Database	-	8	5	3
Sex/Violent Offender - State	-	186	186	-
Inheritance Tax	12,875	9,149	9,145	12,879
Education Plate Fee	56	431	338	149
Riverboat Gambling	-	250,126	247,620	2,506
Cty Innkeeper's Tax	-	330,326	330,326	-
Property Tax Replacement-CAGIT	-	8,503,250	8,503,250	-
CEDIT	-	2,161,222	2,161,222	-
93.563 Prosecutor PCA	3,037	2,362	1,649	3,750
93.563 Clerk IV-D Incent ARRA	410	-	38	372
93.563 County IV-D Incentive	107,506	21,522	8,860	120,168
93.563 Pros IV-D Incentive	87,724	31,422	62,992	56,154
93.563 Clerk IV-D Incentive	114,544	20,883	12,479	122,948
DEBT SERVICE-Central Comm	372,098	411,588	683,046	100,640
DEBT SVC-Central Comm Equipt	672,164	320,025	989,406	2,783
Re-Assessment	1,119,023	513,037	324,095	1,307,965
Pre Trial Diversion	120,048	62,648	60,058	122,638
Shop With A Cop (Sheriff)	8,733	2,613	825	10,521
Flower Donation	2,290	1,450	3,740	-
Bench Donation	-	1,395	1,395	-
Redevelopment Comm/SDI TIF	895,310	-	22,930	872,380
American Heritage Village	503,982	41,388	4,183	541,187
New Millennium Infrastructure	210,524	175,512	168,243	217,793
Late Surrender Fees	73,050	-	73,050	-
Community Transitional 2011	444	-	-	444
Comm Corrections State Grant	(404)	404	-	-
Sheriff Response Team	1,238	-	760	478
State Grant CC 2013-2014	71	-	71	-
Certificate Sale	18,047	17,130	21,247	13,930
Project Income 2013-2014	191,575	71	191,646	-
CTP 2013-2014	31,383	-	31,383	-
State Grant CC 2014-2015	50,627	338,210	299,979	88,858
Project Income 2014-2015	100,147	478,497	208,432	370,212
CTP 2014-2015	17,027	63,608	9,059	71,576
Sheriff Continuing Education	23,825	8,556	5,510	26,871
GIS Projects	-	4,000	-	4,000
American Family	2,145	86,803	86,655	2,293
PHP Health Insurance	149,578	2,044,351	2,059,514	134,415
Trust Mark Insurance	-	7,312	7,312	-
Payroll Withholding-HSA Annuity	-	61,133	61,133	-
Credit Union	-	55,118	55,118	-
United	217	900	865	252
YMCA	95	905	703	297
IN Sheriff 457(B)	-	10,200	10,200	-
97.039 Hazard Mitigation Grant	-	6,976	-	6,976
Emergency Disaster	1,029	-	-	1,029
93.074 Public Health Bio-Terr	2,785	16,142	16,142	2,785
83.534 St Homeland Security Gr	27,991	64,061	65,369	26,683
Fire District #3	1,502	30,706	32,206	2
20.601 Operation Pullover	328	11,410	11,410	328
66.818 Brownfield Assmt Grant	782	-	782	-
State Homeland Security Grant2	1,550	1,175	1,162	1,563
20.509 DART Program Grant	-	386,479	386,479	-
Dare Equipment	49,743	10,000	-	59,743
DeKalb Local Plan Grant	5,763	-	-	5,763
Sheriff Inmate GED Classes	2,870	105	2,954	21
Access Indiana Grant	1,389	-	-	1,389
Superior Court Dekko Grant	500	-	-	500
Historical Guide Publication	95	-	-	95
Totals	<u>\$ 20,550,758</u>	<u>\$ 97,975,903</u>	<u>\$ 97,887,486</u>	<u>\$ 20,639,175</u>

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

DEKALB 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 the following: peddler licenses, dog tax licenses, auctioneer licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

DEKALB 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 these types of receipts include, but are not limited to, the following: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the County.

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

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

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

E. Disbursements

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

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

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

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

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

Other disbursements, which include, but are not limited to, the following: interfund loan payments; loans made to other funds; internal service disbursements; and transfers out that are authorized by statute, ordinance, resolution, or court order.

DEKALB COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

F. Interfund Transfers

The County may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

DEKALB COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Funding Policy and Annual Pension Cost

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

DEKALB COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

B. County Police Retirement Plan

Plan Description

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

Funding Policy

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

C. County Police Benefit Plan

Plan Description

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

Funding Policy

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

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of funds being set up for reimbursable grants. The reimbursement for expenditures made by the County that were not received by December 31, 2015. The Self Insurance fund cash balance deficit was due to the fund being overdrawn.

DEKALB COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. *Holding Corporation*

The County has entered into a capital lease with DeKalb County Dispatch Center Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related-party of the County. Lease payments during the year 2015 totaled \$891,000, with \$161,239 paid from the surplus monies in the holding corporation and \$729,761 paid by the County.

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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.

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

	After Settlement Collections	Sheriff Inmate Trust	Jail Commissary	Clerk's Trust	County Home Resident's Trust	General	Accident Account Report	CAGIT County Certified Shares
Cash and investments - beginning	\$ 1,328,231	\$ 1,689	\$ 118,434	\$ 173,927	\$ 4,910	\$ 681,460	\$ 16,047	\$ 635,921
Receipts:								
Taxes	902,742	-	-	-	-	7,206,067	-	2,613,327
Licenses and permits	-	-	-	-	-	71,813	-	-
Intergovernmental receipts	-	-	-	-	-	965,992	-	-
Charges for services	-	-	-	-	-	354,579	-	22,703
Fines and forfeits	-	-	-	-	-	197,300	-	-
Other receipts	-	142,447	105,320	3,188,391	134,737	706,673	9,409	83,021
Total receipts	<u>902,742</u>	<u>142,447</u>	<u>105,320</u>	<u>3,188,391</u>	<u>134,737</u>	<u>9,502,424</u>	<u>9,409</u>	<u>2,719,051</u>
Disbursements:								
Personal services	-	-	-	-	-	6,332,088	-	1,956,446
Supplies	-	-	-	-	-	297,583	-	36,119
Other services and charges	-	-	-	-	-	1,849,041	-	562,641
Capital outlay	-	-	-	-	-	3,150	-	4,688
Other disbursements	1,328,231	142,777	116,423	3,234,551	126,487	165,275	2,665	-
Total disbursements	<u>1,328,231</u>	<u>142,777</u>	<u>116,423</u>	<u>3,234,551</u>	<u>126,487</u>	<u>8,647,137</u>	<u>2,665</u>	<u>2,559,894</u>
Excess (deficiency) of receipts over disbursements	<u>(425,489)</u>	<u>(330)</u>	<u>(11,103)</u>	<u>(46,160)</u>	<u>8,250</u>	<u>855,287</u>	<u>6,744</u>	<u>159,157</u>
Cash and investments - ending	<u>\$ 902,742</u>	<u>\$ 1,359</u>	<u>\$ 107,331</u>	<u>\$ 127,767</u>	<u>\$ 13,160</u>	<u>\$ 1,536,747</u>	<u>\$ 22,791</u>	<u>\$ 795,078</u>

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

	Cty EDIT Cap. Imp. Plan	PTRC/HSC/CEDIT Hmst Special	City/Town Court Cost	Clerk Perpetuation	Surplus Dog	Sales Disclosures	Covered Bridge Maint	Cumulative Bridge
Cash and investments - beginning	\$ 1,187,767	\$ 33,119	\$ 2,013	\$ 38,847	\$ 555	\$ 110,000	\$ 32,902	\$ 368,568
Receipts:								
Taxes	-	-	-	-	-	-	-	419,135
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	27,498
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	1,217,799	11,217	8,072	19,297	-	5,800	1,850	57,078
Total receipts	1,217,799	11,217	8,072	19,297	-	5,800	1,850	503,711
Disbursements:								
Personal services	-	-	-	-	-	-	-	121,929
Supplies	124,415	-	-	-	-	-	-	118,899
Other services and charges	365,687	-	-	-	-	-	-	213,095
Capital outlay	4,678	-	-	-	-	-	-	1,500
Other disbursements	102,708	13,537	-	13,575	-	-	-	-
Total disbursements	597,488	13,537	-	13,575	-	-	-	455,423
Excess (deficiency) of receipts over disbursements	620,311	(2,320)	8,072	5,722	-	5,800	1,850	48,288
Cash and investments - ending	\$ 1,808,078	\$ 30,799	\$ 10,085	\$ 44,569	\$ 555	\$ 115,800	\$ 34,752	\$ 416,856

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

	Cum Capital Development	Drug Free Community	Ambulance Replacement	LEPC Right to Know	Extradition	Handgun Application	General Drain	Health
Cash and investments - beginning	\$ 1,021,799	\$ 68,585	\$ 75,864	\$ 29,073	\$ 17,033	\$ 2,751	\$ 1,283,185	\$ 234,362
Receipts:								
Taxes	425,551	-	-	-	-	-	-	250,180
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	27,919	-	-	-	-	-	-	16,415
Charges for services	-	-	-	-	-	-	-	45,626
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	261,252	25,977	-	5,627	80,856	10,585	49,644	2,259
Total receipts	714,722	25,977	-	5,627	80,856	10,585	49,644	314,480
Disbursements:								
Personal services	-	-	-	-	-	-	-	264,364
Supplies	67,207	-	-	191	-	-	-	5,902
Other services and charges	271,716	-	-	4,841	-	-	-	8,117
Capital outlay	262,969	-	-	3,121	-	-	-	149
Other disbursements	188,557	26,600	75,864	1,285	1,321	4,093	96,676	20
Total disbursements	790,449	26,600	75,864	9,438	1,321	4,093	96,676	278,552
Excess (deficiency) of receipts over disbursements	(75,727)	(623)	(75,864)	(3,811)	79,535	6,492	(47,032)	35,928
Cash and investments - ending	\$ 946,072	\$ 67,962	\$ -	\$ 25,262	\$ 96,568	\$ 9,243	\$ 1,236,153	\$ 270,290

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

	Co.Id Security Prot/Redacting	Health Maintenance	Local Road & Street	LOIT Public Safety-County Share	Medical Care for Inmates	County Misdemeanant	Highway	Plat Book Fee
Cash and investments - beginning	\$ 9,509	\$ 88,995	\$ 999,361	\$ -	\$ 25,761	\$ 65,668	\$ 1,956,784	\$ 69,013
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	383,695	-	-	-	2,807,510	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	3,476	33,139	45,694	1,104,352	2,115	25,640	14,484	14,180
Total receipts	3,476	33,139	429,389	1,104,352	2,115	25,640	2,821,994	14,180
Disbursements:								
Personal services	-	10,097	-	476,750	-	-	1,005,884	-
Supplies	-	11,347	2,625	91,705	-	-	2,346,529	-
Other services and charges	-	617	230,751	437,689	-	-	166,124	-
Capital outlay	-	33,240	114,163	817	-	-	-	-
Other disbursements	-	-	43,219	-	18,477	20,880	7,969	21,479
Total disbursements	-	55,301	390,758	1,006,961	18,477	20,880	3,526,506	21,479
Excess (deficiency) of receipts over disbursements	3,476	(22,162)	38,631	97,391	(16,362)	4,760	(704,512)	(7,299)
Cash and investments - ending	\$ 12,985	\$ 66,833	\$ 1,037,992	\$ 97,391	\$ 9,399	\$ 70,428	\$ 1,252,272	\$ 61,714

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

	Rainy Day	Recorder Perpetuation	Sex/Violent Offender Registry	Sheriff Pension Trust	Supp Public Defender	Surplus Tax	Surveyor Corner Perpetuation	Auditor Tax Sale Deed Fee
Cash and investments - beginning	\$ 223,765	\$ 81,174	\$ -	\$ 11,332	\$ 3,955	\$ 92,976	\$ 1,101	\$ -
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	-	51,176	2,210	94,078	100	30,734	8,880	650
Total receipts	-	51,176	2,210	94,078	100	30,734	8,880	650
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	140,000	-	-	40,000	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	-	25,909	461	-	2,819	73,870	857	650
Total disbursements	140,000	25,909	461	40,000	2,819	73,870	857	650
Excess (deficiency) of receipts over disbursements	(140,000)	25,267	1,749	54,078	(2,719)	(43,136)	8,023	-
Cash and investments - ending	\$ 83,765	\$ 106,441	\$ 1,749	\$ 65,410	\$ 1,236	\$ 49,840	\$ 9,124	\$ -

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

	Tax Sale Redemption	Tax Sale Surplus	2011 IN LHD Trust Acct Dist	Probation Restitution	Auditor's Ineligible Deduction	Co Elected Officials Training	County Offender Transportation	Statewide 911
Cash and investments - beginning	\$ 39,646	\$ 558,902	\$ 48,558	\$ 1,168	\$ 17,878	\$ 10,676	\$ 1,325	\$ 293,983
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	3,890	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	246,584	301,918	23,545	35,334	4,798	3,504	250	530,242
Total receipts	246,584	301,918	23,545	35,334	8,688	3,504	250	530,242
Disbursements:								
Personal services	-	-	-	-	-	-	-	468,786
Supplies	-	-	10,438	-	-	-	-	1,308
Other services and charges	-	-	1,114	-	-	-	-	15,414
Capital outlay	-	-	14,967	-	-	-	-	-
Other disbursements	271,780	539,259	-	25,752	17,328	1,757	-	-
Total disbursements	271,780	539,259	26,519	25,752	17,328	1,757	-	485,508
Excess (deficiency) of receipts over disbursements	(25,196)	(237,341)	(2,974)	9,582	(8,640)	1,747	250	44,734
Cash and investments - ending	\$ 14,450	\$ 321,561	\$ 45,584	\$ 10,750	\$ 9,238	\$ 12,423	\$ 1,575	\$ 338,717

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

	Adult Administrative Fee	Juvenile Administrative Fee	Supp Adult Probation	Supp Juvenile Probation	Alternative Dispute Resolution	User Fee	Drain Maintenance	K-9 Unit
Cash and investments - beginning	\$ 23,301	\$ 1,260	\$ 285,114	\$ 19,194	\$ (5,285)	\$ 212,985	\$ 3,157,828	\$ 1,877
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	20,263	730	101,841	2,994	3,903	48,465	924,707	100
Total receipts	20,263	730	101,841	2,994	3,903	48,465	924,707	100
Disbursements:								
Personal services	-	-	105,674	5,625	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	6,947	1,078	-	346	-	-
Capital outlay	-	-	-	-	-	952	-	-
Other disbursements	22,755	1,260	-	-	-	3,327	771,689	852
Total disbursements	22,755	1,260	112,621	6,703	-	4,625	771,689	852
Excess (deficiency) of receipts over disbursements	(2,492)	(530)	(10,780)	(3,709)	3,903	43,840	153,018	(752)
Cash and investments - ending	\$ 20,809	\$ 730	\$ 274,334	\$ 15,485	\$ (1,382)	\$ 256,825	\$ 3,310,846	\$ 1,125

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

	Sheriff Donation (Drug)	DeKalb Cty CDBG Revolving Loan	Self Insurance	Life Insurance	Child Support	Deferred Compensation	Federal Taxes	FICA
Cash and investments - beginning	\$ 1,264	\$ 87,516	\$ (368,325)	\$ 3,051	\$ -	\$ -	\$ (171)	\$ (105)
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	-	-	279,552	34,775	39,655	27,421	744,388	557,995
Total receipts	-	-	279,552	34,775	39,655	27,421	744,388	557,995
Disbursements:								
Personal services	-	-	-	34,975	39,655	27,421	744,217	557,890
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	106	-	-	-	-
Total disbursements	-	-	-	35,081	39,655	27,421	744,217	557,890
Excess (deficiency) of receipts over disbursements	-	-	279,552	(306)	-	-	171	105
Cash and investments - ending	\$ 1,264	\$ 87,516	\$ (88,773)	\$ 2,745	\$ -	\$ -	\$ -	\$ -

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

	Local Tax	PERF	Roth (Sheriff/Jail)	State Tax	Garnishment	Police Retirement	Settlement	LOIT Public Safety
Cash and investments - beginning	\$ 12,385	\$ 179	\$ -	\$ 22,536	\$ -	\$ 8,103	\$ -	\$ -
Receipts:								
Taxes	-	-	-	-	-	-	41,841,579	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	2,258,380	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	135,012	211,344	10,458	238,467	13,699	28,547	1,390,728	2,125,812
Total receipts	135,012	211,344	10,458	238,467	13,699	28,547	45,490,687	2,125,812
Disbursements:								
Personal services	147,397	211,523	10,458	261,003	13,699	28,462	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	45,490,687	2,125,812
Total disbursements	147,397	211,523	10,458	261,003	13,699	28,462	45,490,687	2,125,812
Excess (deficiency) of receipts over disbursements	(12,385)	(179)	-	(22,536)	-	85	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,188	\$ -	\$ -

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

	Commercial Vehicle Excise Tax	Financial Institution Tax	Homestead Credit Rebate	LOIT PTRC	State Fines & Forfeitures	Infraction Judgements	Overweight Vehicle Fines	Special Death Benefit Fee
Cash and investments - beginning	\$ 893	\$ 45	\$ 12,269	\$ -	\$ 5,377	\$ 11,499	\$ 2,255	\$ 220
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	196,198	230,736	-	4,251,625	45,472	176,455	5,717	3,840
Total receipts	196,198	230,736	-	4,251,625	45,472	176,455	5,717	3,840
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	196,198	230,781	-	4,152,730	44,490	174,580	7,687	3,825
Total disbursements	196,198	230,781	-	4,152,730	44,490	174,580	7,687	3,825
Excess (deficiency) of receipts over disbursements	-	(45)	-	98,895	982	1,875	(1,970)	15
Cash and investments - ending	\$ 893	\$ -	\$ 12,269	\$ 98,895	\$ 6,359	\$ 13,374	\$ 285	\$ 235

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

	State Sales Disclosure	Coroner Continuing Education	Interstate Compact Fee	Mortgage Fee-State	DLGF HMST Property Database	Sex/Violent Offender - State	Inheritance Tax	Education Plate Fee
Cash and investments - beginning	\$ 445	\$ 422	\$ 63	\$ 275	\$ -	\$ -	\$ 12,875	\$ 56
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	4	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	5,800	3,714	250	4,150	4	186	9,149	431
Total receipts	5,800	3,714	250	4,150	8	186	9,149	431
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	5,690	4,136	250	4,125	5	186	9,145	338
Total disbursements	5,690	4,136	250	4,125	5	186	9,145	338
Excess (deficiency) of receipts over disbursements	110	(422)	-	25	3	-	4	93
Cash and investments - ending	\$ 555	\$ -	\$ 63	\$ 300	\$ 3	\$ -	\$ 12,879	\$ 149

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

	Riverboat Gambling	Cty Innkeeper's Tax	Property Tax Replacement-CAGIT	CEDIT	93.563 Prosecutor PCA	93.563 Clerk IV-D Incent ARRA	93.563 County IV-D Incentive	93.563 Pros IV-D Incentive
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 3,037	\$ 410	\$ 107,506	\$ 87,724
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	250,126	330,326	8,503,250	2,161,222	2,362	-	21,522	31,422
Total receipts	250,126	330,326	8,503,250	2,161,222	2,362	-	21,522	31,422
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	95,126	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	152,494	330,326	8,503,250	2,161,222	1,649	38	8,860	62,992
Total disbursements	247,620	330,326	8,503,250	2,161,222	1,649	38	8,860	62,992
Excess (deficiency) of receipts over disbursements	2,506	-	-	-	713	(38)	12,662	(31,570)
Cash and investments - ending	\$ 2,506	\$ -	\$ -	\$ -	\$ 3,750	\$ 372	\$ 120,168	\$ 56,154

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

	93.563 Clerk IV-D Incentive	DEBT SERVICE-Central Comm	DEBT SVC-Central Comm Equipt	Re-Assessment	Pre Trial Diversion	Shop With A Cop (Sheriff)	Flower Donation	Bench Donation
Cash and investments - beginning	\$ 114,544	\$ 372,098	\$ 672,164	\$ 1,119,023	\$ 120,048	\$ 8,733	\$ 2,290	\$ -
Receipts:								
Taxes	-	154,618	56,535	481,157	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	9,764	3,845	31,567	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	20,883	247,206	259,645	313	62,648	2,613	1,450	1,395
Total receipts	20,883	411,588	320,025	513,037	62,648	2,613	1,450	1,395
Disbursements:								
Personal services	-	-	-	142,476	51,229	-	-	-
Supplies	-	-	-	2,500	-	-	3,740	-
Other services and charges	-	101,334	284,261	179,119	-	-	-	1,395
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	12,479	581,712	705,145	-	8,829	825	-	-
Total disbursements	12,479	683,046	989,406	324,095	60,058	825	3,740	1,395
Excess (deficiency) of receipts over disbursements	8,404	(271,458)	(669,381)	188,942	2,590	1,788	(2,290)	-
Cash and investments - ending	\$ 122,948	\$ 100,640	\$ 2,783	\$ 1,307,965	\$ 122,638	\$ 10,521	\$ -	\$ -

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

	Redevelopment Comm/SDI TIF	American Heritage Village	New Millennium Infrastructure	Late Surrender Fees	Community Transitional 2011	Comm Corrections State Grant	Sheriff Response Team	State Grant CC 2013-2014
Cash and investments - beginning	\$ 895,310	\$ 503,982	\$ 210,524	\$ 73,050	\$ 444	\$ (404)	\$ 1,238	\$ 71
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	-	41,388	175,512	-	-	404	-	-
Total receipts	-	41,388	175,512	-	-	404	-	-
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	22,930	4,183	168,243	73,050	-	-	760	71
Total disbursements	22,930	4,183	168,243	73,050	-	-	760	71
Excess (deficiency) of receipts over disbursements	(22,930)	37,205	7,269	(73,050)	-	404	(760)	(71)
Cash and investments - ending	\$ 872,380	\$ 541,187	\$ 217,793	\$ -	\$ 444	\$ -	\$ 478	\$ -

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

	Certificate Sale	Project Income 2013-2014	CTP 2013-2014	State Grant CC 2014-2015	Project Income 2014-2015	CTP 2014-2015	Sheriff Continuing Education	GIS Projects
Cash and investments - beginning	\$ 18,047	\$ 191,575	\$ 31,383	\$ 50,627	\$ 100,147	\$ 17,027	\$ 23,825	\$ -
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	17,130	71	-	338,210	478,497	63,608	8,556	4,000
Total receipts	17,130	71	-	338,210	478,497	63,608	8,556	4,000
Disbursements:								
Personal services	-	-	-	182,509	202,242	9,059	-	-
Supplies	-	-	-	24,518	3,287	-	-	-
Other services and charges	-	-	-	92,247	871	-	-	-
Capital outlay	-	-	-	705	724	-	-	-
Other disbursements	21,247	191,646	31,383	-	1,308	-	5,510	-
Total disbursements	21,247	191,646	31,383	299,979	208,432	9,059	5,510	-
Excess (deficiency) of receipts over disbursements	(4,117)	(191,575)	(31,383)	38,231	270,065	54,549	3,046	4,000
Cash and investments - ending	\$ 13,930	\$ -	\$ -	\$ 88,858	\$ 370,212	\$ 71,576	\$ 26,871	\$ 4,000

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

	American Family	PHP Health Insurance	Trust Mark Insurance	Payroll Withholding-HSA Annuity	Credit Union	United	YMCA	IN Sheriff 457(B)
Cash and investments - beginning	\$ 2,145	\$ 149,578	\$ -	\$ -	\$ -	\$ 217	\$ 95	\$ -
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	86,803	2,044,351	7,312	61,133	55,118	900	905	10,200
Total receipts	86,803	2,044,351	7,312	61,133	55,118	900	905	10,200
Disbursements:								
Personal services	85,822	651,932	7,312	61,133	55,118	865	703	10,200
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	833	1,407,582	-	-	-	-	-	-
Total disbursements	86,655	2,059,514	7,312	61,133	55,118	865	703	10,200
Excess (deficiency) of receipts over disbursements	148	(15,163)	-	-	-	35	202	-
Cash and investments - ending	\$ 2,293	\$ 134,415	\$ -	\$ -	\$ -	\$ 252	\$ 297	\$ -

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

	97.039 Hazard Mitigation Grant	Emergency Disaster	93.074 Public Health Bio-Terr	83.534 St Homeland Security Gr	Fire District #3	20.601 Operation Pullover	66.818 Brownfield Assmt Grant	State Homeland Security Grant2
Cash and investments - beginning	\$ -	\$ 1,029	\$ 2,785	\$ 27,991	\$ 1,502	\$ 328	\$ 782	\$ 1,550
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other receipts	6,976	-	16,142	64,061	30,706	11,410	-	1,175
Total receipts	6,976	-	16,142	64,061	30,706	11,410	-	1,175
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital outlay	-	-	16,142	-	-	-	-	-
Other disbursements	-	-	-	65,369	32,206	11,410	782	1,162
Total disbursements	-	-	16,142	65,369	32,206	11,410	782	1,162
Excess (deficiency) of receipts over disbursements	6,976	-	-	(1,308)	(1,500)	-	(782)	13
Cash and investments - ending	<u>\$ 6,976</u>	<u>\$ 1,029</u>	<u>\$ 2,785</u>	<u>\$ 26,683</u>	<u>\$ 2</u>	<u>\$ 328</u>	<u>\$ -</u>	<u>\$ 1,563</u>

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

	20,509 DART Program Grant	Dare Equipment	DeKalb Local Plan Grant	Sheriff Inmate GED Classes	Access Indiana Grant	Superior Court Dekko Grant	Historical Guide Publication	Totals
Cash and investments - beginning	\$ -	\$ 49,743	\$ 5,763	\$ 2,870	\$ 1,389	\$ 500	\$ 95	\$ 20,550,758
Receipts:								
Taxes	-	-	-	-	-	-	-	54,350,891
Licenses and permits	-	-	-	-	-	-	-	71,813
Intergovernmental receipts	-	-	-	-	-	-	-	6,532,585
Charges for services	-	-	-	-	-	-	-	426,802
Fines and forfeits	-	-	-	-	-	-	-	197,300
Other receipts	386,479	10,000	-	105	-	-	-	36,396,512
Total receipts	386,479	10,000	-	105	-	-	-	97,975,903
Disbursements:								
Personal services	-	-	-	-	-	-	-	14,284,943
Supplies	-	-	-	-	-	-	-	3,148,313
Other services and charges	-	-	-	-	-	-	-	5,069,571
Capital outlay	-	-	-	-	-	-	-	461,965
Other disbursements	386,479	-	-	2,954	-	-	-	74,922,694
Total disbursements	386,479	-	-	2,954	-	-	-	97,887,486
Excess (deficiency) of receipts over disbursements	-	10,000	-	(2,849)	-	-	-	88,417
Cash and investments - ending	\$ -	\$ 59,743	\$ 5,763	\$ 21	\$ 1,389	\$ 500	\$ 95	\$ 20,639,175

DEKALB COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2015

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities: DeKalb County Dispatch Center Building Corporation	Central Communications Center	<u>\$ 894,000</u>	1/15/2012	1/15/2019

<u>Description of Debt</u>	<u>Ending Principal Balance</u>	<u>Principal and Interest Due Within One Year</u>
<u>Type</u>	<u>Purpose</u>	
Governmental activities: General obligation bonds	Central Communications Building Project	<u>\$ 2,145,000</u> <u>\$ 190,699</u>

DEKALB COUNTY
SCHEDULE OF CAPITAL ASSETS
December 31, 2015

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	\$ 927,074
Infrastructure	85,942,192
Buildings	11,527,861
Improvements other than buildings	107,356
Machinery, equipment, and vehicles	8,959,663
Books and other	2,368,905
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Total capital assets	\$ 109,833,051
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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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

TO: THE OFFICIALS OF DEKALB COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited DeKalb County's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with Federal statutes, regulations, and the terms and conditions of its Federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2015-003 and 2015-005. Our opinion on each 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 each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2015-003, 2015-004, and 2015-005, that we consider 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

December 13, 2016

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient	Total Federal Awards Expended
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster Highway Planning and Construction Cumulative Bridge	Indiana Department of Transportation	20.205	Des 1382101	\$ -	\$ 50,458
Total - Highway Planning and Construction Cluster				-	50,458
Federal Transit Cluster Bus and Bus Facilities Formula Program	Indiana Department of Transportation	20.526	A249-15-320515	54,821	54,821
Total - Federal Transit Cluster				54,821	54,821
Highway Safety Cluster Alcohol Impaired Driving Countermeasures Incentive Grants I Sheriff Operation Pull Over	City of Angola	20.601	FY 2015	-	11,410
Total - Highway Safety Cluster				-	11,410
ARRA - Formula Grants for Rural Areas Council on Aging-DART	Indiana Department of Transportation	20.509	A249-14-320477	43,219	43,219
Formula Grants for Rural Areas Council on Aging-DART	Indiana Department of Transportation	20.509	A249-14-320404 A249-15-320466	45,740 137,975	45,740 137,975
Total - Formula Grant for Rural Areas				226,934	226,934
Total - Department of Transportation				281,755	343,623
<u>Department of Health and Human Services</u>					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	Indiana State Department of Health	93.074	A70-5-0532395	-	16,142
Child Support Enforcement	Indiana Department of Child Services	93.563	FY 2015	-	303,266
Total - Department of Health and Human Services				-	319,408
<u>Department of Homeland Security</u>					
Hazard Mitigation Grant Flood Mitigation Project	Indiana Department of Homeland Security	97.039	C44P-4-017B	-	6,396
Emergency Management Performance Grants Competitive Grant Homeland Security	Indiana Department of Homeland Security	97.042	C44P-5-472B C44P-5-706B	- -	8,485 35,941
Total - Emergency Management Performance Grants				-	44,426
Homeland Security Grant Program Equipment Equipment Task Force Training	Indiana Department of Homeland Security	97.067	C44P-5-816B C44P-5-668B C44P-5-679B	- - -	18,466 3,687 33,252
Total - Homeland Security Grant Program				-	55,405
Total - Department of Homeland Security				-	106,227
Total federal awards expended				\$ 281,755	\$ 769,258

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

DEKALB COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received. The County has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

DEKALB COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	yes

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

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
20.509	Formula Grants for Rural Areas	Unmodified
93.563	Child Support Enforcement	Unmodified

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

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

Section II - Financial Statement Findings

FINDING 2015-001 - FINANCIAL TRANSACTIONS AND REPORTING

Condition

There were several deficiencies in the internal control system of the County related to financial transactions and reporting. The following deficiencies constitute material weaknesses:

- Preparing Financial Statements: Effective internal control over financial reporting involved the identification and analysis of the risks of material misstatement to the County's audited financial statement and then determining how those identified risks should be managed. The County Auditor had not identified risks to the preparation of a reliable financial statement and as a result had failed to design effective controls over the preparation of the financial statement to prevent or detect material misstatements, including notes to the financial statement.

DEKALB COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- Monitoring of Controls: Effective internal control over financial reporting required the County Commissioners or their designee to monitor and assess the quality of the County's system of internal control. The County Commissioners or their designee had not performed either an ongoing or separate evaluation of their system of internal controls.

The County is required to report all financial information in the Annual Financial Report. This information is used to compile the financial statement. The County's financial statement (Gateway Report) contained the following errors:

- The Local Road & Street fund had investments which were posted incorrectly causing the beginning balance to be understated by \$500,000 and the receipts to be overstated by \$500,000. These amounts were corrected in the report.
- The Highway fund had investments which were posted incorrectly causing the beginning balance to be understated by \$250,000 and the receipts to be overstated by \$250,000. These amounts were corrected in the report.

The County's financial records (County Auditor's Combined Ledger) contained the following deficiencies:

- The County Auditor's Combined Ledger (Combined Ledger) did not include all of the transactions for the Community Corrections related funds since these funds were set up in the system as fiscal year funds rather than calendar year basis funds. This also affected the beginning and ending balances of these funds in the report. The Gateway Report is prepared by uploading the Combined Ledger numbers from the County's software. The Community Corrections related funds had to be reviewed one by one in order to verify if all of the transactions were actually reported in Gateway. Funds that were missing transactions and affected balances had to be adjusted.
- While verifying the correction of the payroll withholding funds being changed to the calendar basis there were some transactions that were omitted from the Combined Ledger. New payroll withholding funds were created in March 2015 without transferring the prior related beginning balance and without the related transactions for January and February 2015 being transferred into the new payroll withholding funds. The missing beginning balance and transactions were added into the report.
- There was a fund on the Combined Ledger for Total Monies on Deposit Investments that should not be on the records as it represents bank accounts rather than actual funds. This fund was not included in the report and should be removed from the records.

Audit adjustments were proposed, accepted by the County, and made to the County's financial statements.

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.

DEKALB COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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)

Indiana Code 5-11-1-4 states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7."

Cause

Management had not established a system of internal control that would have ensured proper reporting of the Annual Financial Report.

Effect

Without a proper system of internal control in place that operates effectively, material misstatements of the Annual Financial Report remained undetected. The Annual Financial Report contained the errors identified in the Condition.

The failure to exercise their oversight responsibility placed the County at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls would have prevented or detected material misstatements in a timely manner. Additionally, the County had no process to identify or communicate corrective actions to improve controls.

Views of Responsible Officials

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

FINDING 2015-002 - INTERNAL CONTROLS OVER PAYROLL PROCESSING

Condition

Deficiencies were noted in the internal control system of the County related to payroll processing. The following deficiencies constitute material weaknesses:

- Lack of Segregation of Duties: The County had not separated incompatible activities related to payroll and related liabilities. In response to prior year's audit findings, the County Auditor's office developed and put into place a Corrective Action Plan on October 20, 2016. The Plan stated that the payroll reports, generated by an employee in the County Auditor's office, would be approved by the Payroll Clerk; however, reports observed during the current audit did not have approval signatures.

DEKALB COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- Monitoring of Controls: The Board of County Commissioners or their designee had not performed either an ongoing or separate evaluation of their system of internal controls.

There were several other deficiencies in the internal control system of the County related to payroll processing. The following deficiencies constitute material weaknesses:

- There was no evidence to verify that someone from the County, independent of the Payroll Clerk, verified that the payroll was paid and posted to the proper funds. The Payroll Vouchers, which report the gross payroll for each employee, did not report the office, department, or funds from which the payments were made. The County Commissioners signed an "Allowance of Payroll Claims" for each payroll. Attached to this Allowance was the "Pay History/Check Register Report" which reports the net payroll of each employee. There was no evidence to verify that approval of payroll withholdings was presented to the Board of County Commissioners. In addition, several payroll withholding accounts were overdrawn and no one was monitoring this.
- There was no evidence to show that the County Auditor's office reconciled the Employee Service Records (General Payroll Form No. 99A) to the Employee Earnings records and/or determined that employees were taking leave time in accordance with the County's Personnel Policy. One department head tested did not keep a time sheet. Only elected officials are allowed to not keep a time sheet.

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)

... if county funds are to be disbursed in support of an employee's benefit program, such as group insurance, the claim or voucher should be submitted to the board of county commissioners for allowance. A claim or voucher should also be submitted to the board for the county's portion of contributions payable to Public Employees' Retirement Fund. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 7)

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

Cause

Management had not established a system of internal control that would have ensured proper payroll processing.

DEKALB COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Effect

Without a proper system of internal control in place that operated effectively, material misstatements in payroll processing remained undetected. Deficiencies are identified in the Condition.

The failure to establish controls enabled material misstatements or irregularities to remain undetected.

The failure to exercise their oversight responsibility placed the County at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls would have prevented or detected material misstatements in a timely manner. Additionally, the County had no process to identify or communicate corrective actions to improve controls.

Views of Responsible Officials

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

Section III - Federal Award Findings and Questioned Costs

FINDING 2015-003 - SUBRECIPIENT MONITORING

Federal Agency: Department of Transportation

Federal Program: Formula Grants for Rural Areas

CFDA Number: 20.509

Federal Award Number and Year (or Other Identifying Number): A249-15-320466

Pass-Through Entity: Indiana Department of Transportation

Condition

An effective internal control system was not in place at the County in order to ensure compliance with the requirements related to the grant agreement and the compliance requirement: Subrecipient Monitoring.

Monitoring procedures were not in place at the County in order to achieve compliance with requirements related to the grant agreement and the Subrecipient Monitoring compliance requirement. The subrecipient did not present required reimbursement documentation to the County for review.

Therefore, the County did not review the subrecipient's reimbursement claim and supporting expenditures documentation for only the second quarter of 2015, which is required to be presented to the pass-through entity (Indiana Department of Transportation) to receive grant funds, as noted in the operating grant agreement.

The subrecipient simply provided the required documentation to the pass-through entity before review, bypassing the County established monitoring process. The County does have policies and procedures in place to monitor the subrecipient, but no actual monitoring occurred during the second quarter claim period of 2015 only.

DEKALB COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Context

The County did not have adequate controls in place to comply with the Subrecipient Monitoring requirement of the Formula Grants for Rural Areas program for the second quarter claim period of 2015 only.

Criteria

2 CFR section 200.328 states in part:

"(a) *Monitoring by the non-Federal entity.* The non-Federal entity is responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring by the non-Federal entity must cover each program, function or activity. . . ."

2 CFR section 200.331 states in part:

"All pass-through entities must: . . .

(d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:

(1) Reviewing financial and performance reports required by the pass-through entity. . . ."

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

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

Cause

The County did not have adequate controls to ensure the subrecipient followed the County established monitoring procedures.

DEKALB COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Effect

The failure to establish internal controls enabled material noncompliance to go undetected which could have resulted in the loss of federal funds to the County.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the County follow the established internal controls related to the grant agreement and Subrecipient Monitoring compliance requirement.

Views of Responsible Officials

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

FINDING 2015-004 - INTERNAL CONTROLS OVER FORMULA GRANTS FOR RURAL AREAS

Federal Agency: Department of Transportation

Federal Program: Formula Grants for Rural Areas

CFDA Number: 20.509

Federal Award Number and Year (or Other Identifying Number): A249-15-320466

Pass-Through Entity: Indiana Department of Transportation

Condition

An effective internal control system was not in place at the County in order to ensure compliance with requirements related to the grant agreement and the following compliance requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Cash Management, Eligibility, Matching, Level of Effort, Earmarking, Period of Performance, Program Income, and Reporting.

Due to the lack of the County's review of the subrecipient's reimbursement claim and supporting expenditures documentation for only the second quarter of 2015 there was also a lack of control of the above listed compliance requirements.

The subrecipient simply provided the required documentation to the pass-through entity before review, bypassing the County established internal control procedure over the Formula Grants for Rural Areas program. The County does have internal control policies and procedures in place, but a breakdown of the internal control procedures occurred during the second quarter claim period of 2015 only.

Context

The County did not have adequate controls in place to comply with the compliance requirements listed above for the Formula Grants for Rural Areas program for the second quarter claim period of 2015 only.

DEKALB COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Criteria

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

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

Cause

Management did not follow the established system of internal controls that segregated key functions.

Effect

The failure to establish an effective internal control system placed the County at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could 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 and maintain 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.

DEKALB COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

***FINDING 2015-005 - SPECIAL TESTS AND PROVISIONS -
SEPARATE ACCOUNTABILITY FOR ARRA FUNDING***

Federal Agency: Department of Transportation
Federal Program: ARRA - Formula Grants for Rural Areas
CFDA Number: 20.509
Federal Award Number and Year (or Other Identifying Number): A249-14-320477
Pass-Through Entity: Indiana Department of Transportation

Condition

An effective internal control system was not in place at the County in order to ensure compliance with requirements related to the grant agreement and the Special Test and Provisions - Separate Accountability for ARRA Funding compliance requirement.

The County combined the federal program records of Formula Grants for Rural Areas and ARRA - Formula Grants for Rural Areas into the 20.509 DART Program Grant fund; however, the ARRA - Formula Grants for Rural Areas was required to maintain separate records from the Formula Grants for Rural Areas.

Context

No control procedures had been established for the audit period to ensure ARRA - Formula Grants for Rural Areas were maintained by separate records from Formula Grants for Rural Areas.

Criteria

2 CFR 176.210(a) states in part:

"To maximize the transparency and accountability of funds authorized under the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5) (Recovery Act) as required by Congress and in accordance with 2 CFR 215.21 'Uniform Administrative Requirements for Grants and Agreements' and OMB Circular A-102 Common Rules provisions, recipients agree to maintain records that identify adequately the source and application of Recovery Act funds. . . ."

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

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

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

DEKALB COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Cause

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

Effect

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement or the compliance requirement could have resulted in the loss of federal funds to the County.

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.

We also recommended that the County comply with the Special Tests and Provisions - Separate Accountability for ARRA Funding requirements of the program.

Views of Responsible Officials

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

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AUDITEE-PREPARED DOCUMENTS

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

DeKalb County Auditor's Office

Jan Bauman, Auditor
100 South Main Street
Auburn, IN 46706
260-925-2362

December 8, 2016

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Findings 2014-001 & 2014-002

Fiscal Year 2014

Contact Person Responsible for Corrective Action: Jan Bauman (term beginning 2015)

Contact Phone Number: 260-925-2362

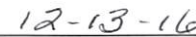
The Auditor's Office has implemented new internal controls protocols to reduce the likelihood of errors. We have made changes to fund reporting and are changing "fiscal" funds to "calendar" for greater transparency. We are working with various departments to assure proper reporting for the Annual Financial Report. We have segregated duties and are monitoring payroll funds to increase internal controls. Salary ordinances are being passed separately from the County Budget. We have a plan in place to reconcile Employee Service Records. And finally, we have audited departments for timesheets and are almost finished working with departments that need to change their submission procedures.



Jan Bauman



Title



Date


Finding 2014-003

Fiscal Year 2014

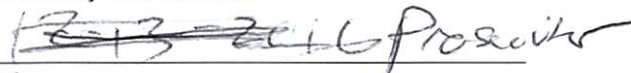
Contact Person Responsible for Corrective Action: ClaraMary Winebrenner

Contact Phone Number: 260-925-1646

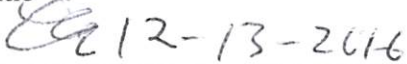
The Prosecutor's Office is certifying and filing any required time and effort forms.



ClaraMary Winebrenner



Title



Date

DeKalb County Auditor's Office

Jan Bauman, Auditor
100 South Main Street
Auburn, IN 46706
260-925-2362

December 8, 2016

CORRECTIVE ACTION PLAN

FINDING 2015-001 –FINANCIAL TRANSACTIONS AND REPORTING (GATEWAY)

Contact Person Responsible for Corrective Action: Jan Bauman (term beginning 2015)
Contact Phone Number: 260-925-2362

We concur with the finding.

Description of Corrective Action Plan:

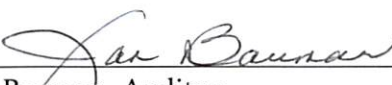
In 2015 we set up two funds in the 2800 series: one for Local Road and Street investments, and another for a Highway investment fund. Investment monies now get transferred in and out to reflect when an investment is made and cashed in. *Item corrected.*

We have already met with Community Corrections and have spoken with our software vendor to change Community Corrections' funds from "fiscal" to "calendar" in the financial software. A plan is ready to be put into place to make the change.

The issue that occurred with the payroll withholding funds due to changing from an ongoing to calendar year basis was a one-time occurrence. The issue is understood and should not happen again.

We will eliminate the Total Monies Invested Fund.

Anticipated Completed Date: 10-31-17



Jan Bauman, Auditor

12-13-16

Date

DeKalb County Auditor's Office

Jan Bauman, Auditor

FINDING 2015-002 –INTERNAL CONTROLS OVER PAYROLL PROCESSING

Contact Person Responsible for Corrective Action: Jan Bauman (term beginning 2015)

Contact Phone Number: 260-925-2362

We concur with the finding.

Description of Corrective Action Plan:

In 2015, segregation of duties began to be addressed. A second payroll processing clerk began assisting in the processing of bi-weekly payroll. In 2016, the payroll department and processes underwent a complete re-evaluation. By October 2016, drastic measures had been taken to correct deficiencies.

There is a segregation of duties in that two employees verify payroll reports independently of one another and sign their respective reports. *Item corrected.*

Under the guidance of State Board of Accounts in 2014, several issues with payroll withholding funds were researched and corrected. The Auditor and First Deputy have evaluated and monitored payroll withholding funds and have made corrections when necessary. A protocol has been put into place between the HR Department and the Auditor's Office to communicate and monitor changes that need to be made to payroll records. An audit report is regularly run before payroll is distributed to monitor changes and make corrections to individual employee pay records when necessary. The practices will continue. *Item corrected.*

The Auditor and/or First Deputy verify that payroll is paid and posted to the proper funds. When errors are found, they are corrected immediately. Payroll vouchers are being created for all payroll expenditures—employee pay and vendor payments, whether by physical check, ACH, or electronic funds transfer. Vouchers are also being approved by the Commissioners. The Commissioners now see and verify the funds from which employees are paid as well as all payroll withholdings. *Item corrected.*

We need to determine the best way to reconcile Employee Service Records (General Payroll Form no. 99A) with employee earnings records. We are confident that leave time is being used in accordance with the County's Personnel Policy.

Anticipated Completed Date: 10/31/17


Jan Bauman, Auditor

12-13-16
Date

DeKalb County Auditor's Office

Jan Bauman, Auditor

FINDING 2015-003

Contact Person Responsible for Corrective Action: Jan Bauman (term beginning 2015)

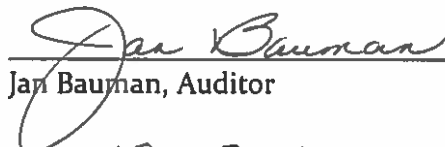
Contact Phone Number: 260-925-2362

We concur with the finding.

Description of Corrective Action Plan:

The Auditor will put on her calendar when to be expecting paperwork, for review and signature, from the Council on Aging. This paperwork would include reimbursement reports and claims so the Council on Aging can receive their grant award.

Anticipated Completed Date: 12/31/17



Jan Bauman, Auditor

12-13-16

Date

DeKalb County Auditor's Office

Jan Bauman, Auditor

FINDING 2015-004

Contact Person Responsible for Corrective Action: Jan Bauman (term beginning 2015)

Contact Phone Number: 260-925-2362

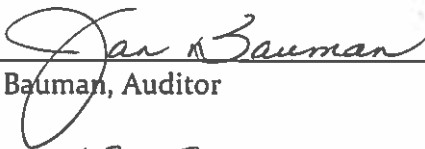
We concur with the finding.

Description of Corrective Action Plan:

The Auditor will put a protocol into place to assure better internal controls over grant monies.

- 1) The Auditor will help remind the Commissioners every quarter that they should be seeing grant paperwork needing signature for the release of grant monies.
- 2) The Auditor will forward to the bookkeeper copies of all documents that have been presented to the Commissioners for Council on Aging grant monies.
- 3) When monies are received via EFT for the Formula Grants for Rural Areas, the bookkeeper will need to match up LPA voucher copies with the EFT amount before processing payment. If no paperwork can be found, then the Auditor's Office will obtain the paperwork.

Anticipated Completed Date: 1/31/17



Jan Bauman, Auditor

12-13-14

Date

DeKalb County Auditor's Office

Jan Bauman, Auditor

FINDING 2015-005

Contact Person Responsible for Corrective Action: Jan Bauman (term beginning 2015)
Contact Phone Number: 260-925-2362

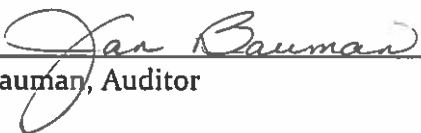
We concur with the finding.

Description of Corrective Action Plan:

There needs to be clarification of the various grants received by the DeKalb County Council on Aging. The Auditor will arrange a meeting with the Council on Aging Director, along with the bookkeeper and First Deputy to talk about the various grants and their differences.

After a determination has been made as to which are Formula Grants for Rural Areas and which are ARRA Formula Grants for Rural Areas, Recovery Act, the monies will be separated into separate funds.

Anticipated Completed Date: 1/31/17



Jan Bauman, Auditor

12-13-14

Date

DeKalb County Commissioners

Donald D. Grogg, President
Randall J. Deetz, Vice President
Jacqueline R. Rowan, Member
100 South Main Street
Auburn, IN 46706
260-925-2362, Fax 260-925-5948

December 8, 2016

Corrective Action Plan


FINDING 2015-003 – Subrecipient Monitoring

Contact Person Responsible for Corrective Action: Donald D. Grogg
Contact Phone Number: 260-925-2362

We concur with the finding.

The Commissioners will put on their calendar when to be expecting paperwork, for review and signature, from the Council on Aging. This paperwork would include reimbursement reports and claims so the Council on Aging can receive their grant award.

Anticipated Completed Date: 12-31-2016


Donald D. Grogg, President of Commissioners

12-13-16
Date

DeKalb County Commissioners

FINDING 2015-004 – Internal Controls over Formula Grants for Rural Areas

Contact Person Responsible for Corrective Action: Donald D. Grogg

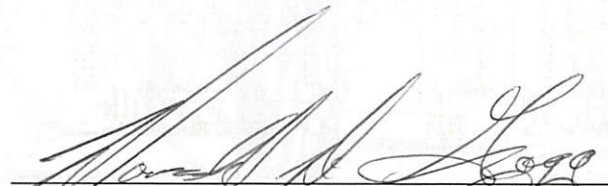
Contact Phone Number: 260-925-2362

We concur with the finding.

The Commissioners will follow up with the Auditor after each quarter to see if paperwork from the Council on Aging has been submitted for review by the Commissioners.

The Commissioners will encourage the Auditor to prepare a protocol that can be used to track County grants in general. Included in the protocol would be a document that both the Commissioners and Auditor can use for simpler tracking of quarterly reimbursements throughout the year.

Anticipated Completed Date: 6-30-17


Donald D. Grogg, President of Commissioners

12-13-16
Date

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/>.