

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
JASPER COUNTY, INDIANA
January 1, 2011 to December 31, 2011



FILED
08/27/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Donya Jordan	01-01-09 to 12-31-12
Treasurer	Carla Anderson	01-01-09 to 12-31-12
Clerk	Vicki Bozell	01-01-11 to 12-31-14
Sheriff	Terry Risner	01-01-11 to 12-31-14
Recorder	Phyllis Lanoue	01-01-11 to 12-31-14
President of the Board of County Commissioners	Kendell Culp	01-01-11 to 12-31-12
President of the County Council	Ronald Sipkema	01-01-11 to 12-31-12



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF JASPER COUNTY, INDIANA

We have audited the accompanying financial statement of Jasper County (County), for the year ended December 31, 2011. This financial statement is the responsibility of the County's management. Our responsibility is to express an opinion on the 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 includes consideration of internal control over financial reporting as a basis for designing 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 over reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the County prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by 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.

In our opinion, the financial statement referred to above present fairly, in all material respects, the financial position and results of operations of the County for the year ended December 31, 2011, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated June 26, 2012, 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 and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Included in the financial statement are the receipts and disbursements activity from emergency telephone system fees (IC 36-8-16) and enhanced wireless emergency telephone fees (IC 36-8-16.5). In accordance with Indiana Code 36-8-16-14 and Indiana Code 36-8-16.5-41 these fees have been subject to an annual audit performed by the State Board of Accounts and, in our opinion, are fairly stated, in all material respects, in relation to the financial statement taken as a whole.

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 Debt, and Schedule of Capital Assets 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.

This report is intended solely for the information and use of the County's management, Board of County Commissioners, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

June 26, 2012



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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 JASPER COUNTY, INDIANA

We have audited the financial statement of Jasper County (County), for the year ended December 31, 2011, and have issued our report thereon dated June 26, 2012. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as item 2011-1 to be material weaknesses.

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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

The County's response to the findings identified in our audit is described in the accompanying section of the report entitled Corrective Action Plan. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the County's management, County Board of Commissioners, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

June 26, 2012

FINANCIAL STATEMENT

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.

JASPER COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
GENERAL	\$ 3,966,982	\$ 9,652,998	\$ 9,491,395	\$ 4,128,585
MOTOR VEHICLE HIGHWAY	413,709	2,690,171	2,127,780	976,100
LOCAL ROAD AND STREET	73,367	425,636	416,672	82,331
AVIATION	222,593	118,815	181,276	160,132
ACCIDENT REPORT	1,469	3,260	1,675	3,054
FIREARMS TRAINING	5,001	10,485	11,032	4,454
HEALTH	233,901	135,182	233,937	135,146
EMERGENCY MEDICAL SERVICES	517,776	134,096	596,388	55,484
COUNTY'S LAW ENFORC CONTIN ED	71,399	6,619	484	77,534
CLERK'S RECORDS PERPETUATION	15,094	1,495	2,084	14,505
EMERGENCY TELEPHONE SYSTEM	202,370	283,569	419,215	66,724
DRUG FREE COMMUNITY	43,658	30,518	39,039	35,137
DRAINAGE MAINTENANCE	307,220	436,927	305,977	438,170
EMER PLANNING/RIGHT TO KNOW	65,265	271	1,628	63,908
EXTRADITION	64,593	850	1,425	64,018
ADULT PROBATION ADMINISTRATIVE	152,775	27,312	-	180,087
RECORDER'S RECORD PERPETUATION	68,654	46,053	66,981	47,726
MARIJUANA ERADICATION	16,230	3,398	-	19,628
PRETRIAL DIVERSION	47,859	52,267	90,366	9,760
MISDEMEANANT	79,739	18,489	39,849	58,379
SUPPL PUBLIC DEFENDER SERVICES	5,878	17,786	10,339	13,325
SURVEYOR'S CORNER PERPETUATION	51,602	5,606	2,504	54,704
JURY PAY	5,584	4,425	4,382	5,627
TAX SALE FEES	-	6,230	6,230	-
RAINY DAY	8,749,511	599	-	8,750,110
SALES DISCLOSURE COUNTY SHARE	40,590	3,042	-	43,632
K-9	1,213	24	928	309
COMMUNITY CORRECTIONS PROJ INC	318,614	186,434	158,804	346,244
LEVY EXCESS	1,856,001	-	241,943	1,614,058
IDENTIFICATION SECURITY PROTEC	63,589	7,878	25,000	46,467
COURT INTERPRETERS	4,099	7,340	5,153	6,286
CEDIT COUNTY SHARE	1,891,150	1,152,696	1,247,253	1,796,593
COMMUNITY TRANSITION PROGRAM	-	2,695	1,491	1,204
GAL/CASA	-	16,242	6,706	9,536
REASSESSMENT 2009	316,358	403	144,688	172,073
REASSESSMENT 2015	-	323,573	-	323,573
SUPPL ADULT PROBATION SERVICES	519,926	93,415	26,237	587,104
SUPPL JUVENILE PROB SERVICES	44,476	6,295	1,438	49,333
AUDITOR'S INELIGIBLE DEDUCTION	-	2,175	859	1,316
COUNTY ELECTED OFFICIALS TRAINING	-	1,178	-	1,178
CUMULATIVE CAPITAL DEVELOPMENT	2,456,240	504,638	566,224	2,394,654
CUMULATIVE BRIDGE	3,203,659	322,560	508,240	3,017,979
CUMULATIVE JAIL	314,591	120	46,107	268,604
CUMULATIVE CAPITAL IMPROVEMENT	117,310	751,927	681,500	187,737
GENERAL DRAIN IMPROVEMENT	218,189	243,771	56,601	405,359
CAGIT SPECIAL LEGISLATION	2,936,402	2,024,604	1,295,483	3,665,523
CONGRESSIONAL SCHOOL PRINCIPAL	67,350	-	-	67,350
CITY AND TOWN COURT COSTS	93,099	9,459	93,099	9,459
CORONERS TRAINING & CON'T EDUC	364	2,331	2,450	245
CONGRESSIONAL SCHOOL INTEREST	149,362	646	2,694	147,314
TAX SALE SURPLUS	131,481	117,528	155,301	93,708
TAX SALE REDEMPTION	-	24,652	24,434	218
SURPLUS TAX	178,186	58,527	50,346	186,367
SETTLEMENT	-	44,764,682	44,764,682	-
STATE FINES AND FORFEITURES	2,626	10,389	11,029	1,986
SALES DISCLOSURE STATE SHARE	205	3,044	2,760	489
OVERWEIGHT VEHICLE FINES	-	1,106	-	1,106
INFRACTION JUDGMENTS	1,589	18,739	20,699	(371)
INHERITANCE TAX	531,420	1,512,959	1,601,340	443,039
EDUCATION PLATE FEES AGENCY	-	806	806	-
CAGIT CERTIFIED SHARES	-	363,947	363,947	-
FINANCIAL INSTITUTION TAX	-	216,482	216,482	-
MORTG RECORD FEES - STATE SHARE	260	3,203	3,468	(5)
CHILD RESTR VIOLATIONS FINES	250	8,287	8,512	25
INTERSTATE COMPACT STATE SHARE	38	575	675	(62)

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

JASPER COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
CVET AGENCY	-	393,645	393,645	-
RIVERBOAT REVENUE SHARING	819,179	188,010	1,007,189	-
HOMESTEAD CREDIT REBATE	-	9,983	9,983	-
HEA 1001 ST HOMESTEAD CREDIT	1,588	814	-	2,402
LOIT PTRC	278,370	5,823,145	5,978,109	123,406
LOIT PROP TAX OPER LEVIES REPL	-	2,040,048	2,040,048	-
LOIT PUBLIC SAFETY	-	1,698,417	1,698,417	-
LOIT STABILIZATION	1,294,877	179,738	-	1,474,615
CAGIT DISTRIBUTION	-	5,459,199	5,459,199	-
CEDIT DISTRIBUTION	-	1,356,558	1,356,558	-
CAR - CLERK	848,118	2,876,462	2,990,678	733,902
CAR - SHERIFF COMMISSARY	27,348	122,807	122,050	28,105
CAR - SHERIFF PENSION	2,748,240	171,738	232,124	2,687,854
CAR - COMMUNITY CORRECTIONS	23,462	222,142	210,463	35,141
CAR - PLAN & DEV	500	37,921	35,970	2,451
CAR - PROBATION	10,858	122,313	127,427	5,744
CAR - HEALTH	25	50,922	50,922	25
CAR - RECORDER	13,819	142,996	140,907	15,908
AFTER SETTLEMENT COLLECTIONS	725,664	886,242	725,664	886,242
CAR - SHCB	-	201,622	201,622	-
CAR - PROSECUTOR	9,787	121	2,945	6,963
INMATE TRUST	803	138,156	138,010	949
GENERAL LOCAL HEALTH MAINT.	4,761	33,139	37,220	680
LOIT PUBLIC SAFETY - CNTY SHARE	989,028	1,126,672	1,060,212	1,055,488
RIVERBOAT	-	935,190	13,283	921,907
WIRELESS EMER TELEPHONE SYSTEM	242,219	124,952	-	367,171
PP JUDGMENT COLLECTIONS	47	28	28	47
CASH ACCOUNT	97,318	-	-	97,318
DEA FUND	183	-	-	183
PARTNERS DRUG FREE COMMUNITY	2,419	4,000	5,002	1,417
SHERIFF SMOKING CESSATION	38	-	-	38
IN LOCAL HEALTH DEPT TRUST ACT	20,945	20,251	20,110	21,086
COMM CORR - WORK RELEASE	115,412	12,154	28,632	98,934
COUNTY USER FEE	30,933	61,193	69,418	22,708
DONATIONS WARNING SIRENS	-	21,023	6,493	14,530
DONATIONS ANIMAL SHELTER	4,993	6,804	-	11,797
LOCAL PP COLLECTIONS	-	230	230	-
LOCAL COMMRS CERT TAX SALE	1,000	-	-	1,000
LOCAL JAIL PROP PROCEEDS	123,412	-	-	123,412
PAYROLL CLEARING	160,563	3,147,791	3,123,790	184,564
EMPLOYEE BENEFITS	953,815	2,050,869	2,253,094	751,590
SPECIAL DEATH BENEFIT	190	2,750	2,930	10
93.563 TITLE IV-D ARRA (CLERK)	5,879	4,538	-	10,417
93.563 TITLE IV-D ARRA (PROS)	125	9,967	-	10,092
93.563 TITLE IV-D (GEN)	-	462,029	-	462,029
93.563 TITLE IV-D (CLK)	87,433	30,685	9,844	108,274
93.563 TITLE IV-D (PROS)	131,289	48,495	47,417	132,367
97.047 WARNING SIRENS	21,023	198,492	219,515	-
97.042 EMER MGMT PERFORM	3,000	3,744	6,744	-
97.043 STATE HOMELAND SECURITY	4,234	-	4,234	-
81.041 COMPREHEN DEV BLOCK	-	23,381	-	23,381
07.218 COMPREHEN DEV BLOCK	6,129	-	-	6,129
93.069 PUBLIC HEALTH EMER PREV	13,547	19,434	23,149	9,832
20.106 AIRPORT IMPROVEMENT GRT	-	42,639	42,639	-
14.228 WALKER TWP FIRE TRUCK	-	140,875	101,938	38,937
XX.XXX COPS UNIVERSAL GRANT	1,180	-	716	464
XX.XXX 1999 LOCAL LAW ENFORCEM	21	-	-	21
COMMUNITY CORRECT STATE GRANT	28,694	109,297	120,599	17,392
10-CRG-018 JASPER COURT REFORM	-	7,200	2,632	4,568
09VA058 VOCA GRANT	-	22,368	22,368	-
H1N1	120	-	-	120
Totals	\$ 40,693,454	\$ 97,674,618	\$ 96,532,204	\$ 41,835,868

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

JASPER 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 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. Receipts are recorded when received and disbursements are recorded when paid.

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

C. Cash and Investments

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

D. Receipts

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

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

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

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state,

JASPER COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

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

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

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

E. Disbursements

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

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

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

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

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

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

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

JASPER 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.

JASPER COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the County authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

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

JASPER 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. 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. 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.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the County's 2011 Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Annual Report of the County which is referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The supplementary information presented was approved by management of the County. It is presented as intended by the County.

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011

	GENERAL	MOTOR VEHICLE HIGHWAY	LOCAL ROAD AND STREET	AVIATION	ACCIDENT REPORT	FIREARMS TRAINING	HEALTH
Cash and investments - beginning	\$ 3,966,982	\$ 413,709	\$ 73,367	\$ 222,593	\$ 1,469	\$ 5,001	\$ 233,901
Receipts:							
Taxes	8,280,747	-	-	-	-	-	77,620
Licenses and permits	1,502	3,400	-	-	-	10,485	-
Intergovernmental	476,617	2,146,868	334,052	-	-	-	8,943
Charges for services	457,042	-	-	112,381	3,260	-	48,579
Fines and forfeits	426	-	-	-	-	-	-
Other receipts	436,664	539,903	91,584	6,434	-	-	40
Total receipts	<u>9,652,998</u>	<u>2,690,171</u>	<u>425,636</u>	<u>118,815</u>	<u>3,260</u>	<u>10,485</u>	<u>135,182</u>
Disbursements:							
Personal services	5,576,765	1,308,496	-	4,670	-	-	222,793
Supplies	480,387	512,033	-	87,935	-	-	4,152
Other services and charges	1,580,673	128,344	416,672	52,330	-	-	6,533
Capital outlay	17,554	173,333	-	36,341	-	-	459
Other disbursements	1,836,016	5,574	-	-	1,675	11,032	-
Total disbursements	<u>9,491,395</u>	<u>2,127,780</u>	<u>416,672</u>	<u>181,276</u>	<u>1,675</u>	<u>11,032</u>	<u>233,937</u>
Excess (deficiency) of receipts over disbursements	<u>161,603</u>	<u>562,391</u>	<u>8,964</u>	<u>(62,461)</u>	<u>1,585</u>	<u>(547)</u>	<u>(98,755)</u>
Cash and investments - ending	<u>\$ 4,128,585</u>	<u>\$ 976,100</u>	<u>\$ 82,331</u>	<u>\$ 160,132</u>	<u>\$ 3,054</u>	<u>\$ 4,454</u>	<u>\$ 135,146</u>

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	EMERGENCY MEDICAL SERVICES	COUNTY'S LAW ENFORC CONTIN ED	CLERK'S RECORDS PERPETUATION	EMERGENCY TELEPHONE SYSTEM	DRUG FREE COMMUNITY	DRAINAGE MAINTENANCE	EMER PLANNING/RIGHT TO KNOW
Cash and investments - beginning	\$ 517,776	\$ 71,399	\$ 15,094	\$ 202,370	\$ 43,658	\$ 307,220	\$ 65,265
Receipts:							
Taxes	123,260	-	-	-	-	401,362	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	10,836	-	-	-	-	-	-
Charges for services	-	-	-	278,370	-	-	-
Fines and forfeits	-	6,619	1,386	-	30,516	-	-
Other receipts	-	-	109	5,199	2	35,565	271
Total receipts	<u>134,096</u>	<u>6,619</u>	<u>1,495</u>	<u>283,569</u>	<u>30,518</u>	<u>436,927</u>	<u>271</u>
Disbursements:							
Personal services	-	-	-	214,558	5,000	-	220
Supplies	-	-	-	-	1,037	-	-
Other services and charges	596,388	484	-	204,657	33,002	64,097	208
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	2,084	-	-	241,880	1,200
Total disbursements	<u>596,388</u>	<u>484</u>	<u>2,084</u>	<u>419,215</u>	<u>39,039</u>	<u>305,977</u>	<u>1,628</u>
Excess (deficiency) of receipts over disbursements	<u>(462,292)</u>	<u>6,135</u>	<u>(589)</u>	<u>(135,646)</u>	<u>(8,521)</u>	<u>130,950</u>	<u>(1,357)</u>
Cash and investments - ending	<u>\$ 55,484</u>	<u>\$ 77,534</u>	<u>\$ 14,505</u>	<u>\$ 66,724</u>	<u>\$ 35,137</u>	<u>\$ 438,170</u>	<u>\$ 63,908</u>

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	EXTRADITION	ADULT PROBATION ADMINISTRATIVE	RECORDER'S RECORD PERPETUATION	MARIJUANA ERADICATION	PRETRIAL DIVERSION	MISDEMEANANT	SUPPL PUBLIC DEFENDER SERVICES
Cash and investments - beginning	\$ 64,593	\$ 152,775	\$ 68,654	\$ 16,230	\$ 47,859	\$ 79,739	\$ 5,878
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	18,489	-
Charges for services	-	27,312	-	-	-	-	-
Fines and forfeits	850	-	-	3,398	52,267	-	17,786
Other receipts	-	-	46,053	-	-	-	-
Total receipts	<u>850</u>	<u>27,312</u>	<u>46,053</u>	<u>3,398</u>	<u>52,267</u>	<u>18,489</u>	<u>17,786</u>
Disbursements:							
Personal services	-	-	31,250	-	89,845	-	-
Supplies	-	-	-	-	521	-	-
Other services and charges	1,425	-	35,254	-	-	-	2,903
Capital outlay	-	-	-	-	-	38,589	-
Other disbursements	-	-	477	-	-	1,260	7,436
Total disbursements	<u>1,425</u>	<u>-</u>	<u>66,981</u>	<u>-</u>	<u>90,366</u>	<u>39,849</u>	<u>10,339</u>
Excess (deficiency) of receipts over disbursements	<u>(575)</u>	<u>27,312</u>	<u>(20,928)</u>	<u>3,398</u>	<u>(38,099)</u>	<u>(21,360)</u>	<u>7,447</u>
Cash and investments - ending	<u>\$ 64,018</u>	<u>\$ 180,087</u>	<u>\$ 47,726</u>	<u>\$ 19,628</u>	<u>\$ 9,760</u>	<u>\$ 58,379</u>	<u>\$ 13,325</u>

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	SURVEYOR'S CORNER PERPETUATION	JURY PAY	TAX SALE FEES	RAINY DAY	SALES DISCLOSURE COUNTY SHARE	K-9	COMMUNITY CORRECTIONS PROJ INC
Cash and investments - beginning	\$ 51,602	\$ 5,584	\$ -	\$ 8,749,511	\$ 40,590	\$ 1,213	\$ 318,614
Receipts:							
Taxes	-	-	-	599	-	-	-
Licenses and permits	-	-	-	-	-	24	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	186,338
Fines and forfeits	-	4,120	-	-	-	-	-
Other receipts	5,606	305	6,230	-	3,042	-	96
Total receipts	<u>5,606</u>	<u>4,425</u>	<u>6,230</u>	<u>599</u>	<u>3,042</u>	<u>24</u>	<u>186,434</u>
Disbursements:							
Personal services	-	4,382	-	-	-	-	60,066
Supplies	414	-	-	-	-	-	47,633
Other services and charges	2,090	-	-	-	-	928	50,810
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	6,230	-	-	-	295
Total disbursements	<u>2,504</u>	<u>4,382</u>	<u>6,230</u>	<u>-</u>	<u>-</u>	<u>928</u>	<u>158,804</u>
Excess (deficiency) of receipts over disbursements	<u>3,102</u>	<u>43</u>	<u>-</u>	<u>599</u>	<u>3,042</u>	<u>(904)</u>	<u>27,630</u>
Cash and investments - ending	<u>\$ 54,704</u>	<u>\$ 5,627</u>	<u>\$ -</u>	<u>\$ 8,750,110</u>	<u>\$ 43,632</u>	<u>\$ 309</u>	<u>\$ 346,244</u>

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	LEVY EXCESS	IDENTIFICATION SECURITY PROTEC	COURT INTERPRETERS	CEDIT COUNTY SHARE	COMMUNITY TRANSITION PROGRAM	GAL/CASA	REASSESSMENT 2009
Cash and investments - beginning	\$ 1,856,001	\$ 63,589	\$ 4,099	\$ 1,891,150	\$ -	\$ -	\$ 316,358
Receipts:							
Taxes	-	-	-	1,125,394	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	7,340	-	1,275	5,411	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	7,878	-	27,302	1,420	10,831	403
Total receipts	-	7,878	7,340	1,152,696	2,695	16,242	403
Disbursements:							
Personal services	-	-	-	-	-	-	140,913
Supplies	-	-	-	232,415	-	-	3,197
Other services and charges	-	25,000	5,153	994,518	1,491	-	578
Capital outlay	-	-	-	20,320	-	-	-
Other disbursements	241,943	-	-	-	-	6,706	-
Total disbursements	241,943	25,000	5,153	1,247,253	1,491	6,706	144,688
Excess (deficiency) of receipts over disbursements	(241,943)	(17,122)	2,187	(94,557)	1,204	9,536	(144,285)
Cash and investments - ending	\$ 1,614,058	\$ 46,467	\$ 6,286	\$ 1,796,593	\$ 1,204	\$ 9,536	\$ 172,073

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	REASSESSMENT 2015	SUPPL ADULT PROBATION SERVICES	SUPPL JUVENILE PROB SERVICES	AUDITOR'S INELIGIBLE DEDUCTION	COUNTY ELECTED OFFICIALS TRAINING	CUMULATIVE CAPITAL DEVELOPMENT	CUMULATIVE BRIDGE
Cash and investments - beginning	\$ -	\$ 519,926	\$ 44,476	\$ -	\$ -	\$ 2,456,240	\$ 3,203,659
Receipts:							
Taxes	297,144	-	-	-	-	455,038	220,107
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	26,123	-	-	-	-	40,249	97,103
Charges for services	-	93,245	6,295	-	-	-	-
Fines and forfeits	-	170	-	-	-	-	-
Other receipts	306	-	-	2,175	1,178	9,351	5,350
Total receipts	<u>323,573</u>	<u>93,415</u>	<u>6,295</u>	<u>2,175</u>	<u>1,178</u>	<u>504,638</u>	<u>322,560</u>
Disbursements:							
Personal services	-	3,720	79	-	-	-	-
Supplies	-	4,112	-	-	-	24,639	-
Other services and charges	-	11,754	1,338	-	-	346,605	-
Capital outlay	-	3,996	-	-	-	194,980	167,174
Other disbursements	-	2,655	21	859	-	-	341,066
Total disbursements	<u>-</u>	<u>26,237</u>	<u>1,438</u>	<u>859</u>	<u>-</u>	<u>566,224</u>	<u>508,240</u>
Excess (deficiency) of receipts over disbursements	<u>323,573</u>	<u>67,178</u>	<u>4,857</u>	<u>1,316</u>	<u>1,178</u>	<u>(61,586)</u>	<u>(185,680)</u>
Cash and investments - ending	<u>\$ 323,573</u>	<u>\$ 587,104</u>	<u>\$ 49,333</u>	<u>\$ 1,316</u>	<u>\$ 1,178</u>	<u>\$ 2,394,654</u>	<u>\$ 3,017,979</u>

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	CUMULATIVE JAIL	CUMULATIVE CAPITAL IMPROVEMENT	GENERAL DRAIN IMPROVEMENT	CAGIT SPECIAL LEGISLATION	CONGRESSIONAL SCHOOL PRINCIPAL	CITY AND TOWN COURT COSTS	CORONERS TRAINING & CONT EDUC
Cash and investments - beginning	\$ 314,591	\$ 117,310	\$ 218,189	\$ 2,936,402	\$ 67,350	\$ 93,099	\$ 364
Receipts:							
Taxes	-	693,336	1,848	1,455,786	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	58,591	-	-	-	-	-
Charges for services	-	-	-	-	-	-	2,198
Fines and forfeits	-	-	-	-	-	9,459	-
Other receipts	120	-	241,923	568,818	-	-	133
Total receipts	120	751,927	243,771	2,024,604	-	9,459	2,331
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	681,500	-	-	-	-	-
Other services and charges	46,107	-	12,042	1,295,483	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	44,559	-	-	93,099	2,450
Total disbursements	46,107	681,500	56,601	1,295,483	-	93,099	2,450
Excess (deficiency) of receipts over disbursements	(45,987)	70,427	187,170	729,121	-	(83,640)	(119)
Cash and investments - ending	\$ 268,604	\$ 187,737	\$ 405,359	\$ 3,665,523	\$ 67,350	\$ 9,459	\$ 245

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	CONGRESSIONAL SCHOOL INTEREST	TAX SALE SURPLUS	TAX SALE REDEMPTION	SURPLUS TAX	SETTLEMENT	STATE FINES AND FORFEITURES	SALES DISCLOSURE STATE SHARE
Cash and investments - beginning	\$ 149,362	\$ 131,481	\$ -	\$ 178,186	\$ -	\$ 2,626	\$ 205
Receipts:							
Taxes	-	-	-	58,418	41,143,538	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	3,621,144	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	10,389	-
Other receipts	646	117,528	24,652	109	-	-	3,044
Total receipts	646	117,528	24,652	58,527	44,764,682	10,389	3,044
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	2,694	155,301	24,434	50,346	44,764,682	11,029	2,760
Total disbursements	2,694	155,301	24,434	50,346	44,764,682	11,029	2,760
Excess (deficiency) of receipts over disbursements	(2,048)	(37,773)	218	8,181	-	(640)	284
Cash and investments - ending	\$ 147,314	\$ 93,708	\$ 218	\$ 186,367	\$ -	\$ 1,986	\$ 489

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	OVERWEIGHT VEHICLE FINES	INFRACTION JUDGMENTS	INHERITANCE TAX	EDUCATION PLATE FEES AGENCY	CAGIT CERTIFIED SHARES	FINANCIAL INSTITUTION TAX	MORTG RECORD FEES - STATE SHARE
Cash and investments - beginning	\$ -	\$ 1,589	\$ 531,420	\$ -	\$ -	\$ -	\$ 260
Receipts:							
Taxes	-	-	1,511,972	-	363,947	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	216,482	-
Charges for services	-	-	-	-	-	-	3,203
Fines and forfeits	1,106	18,739	-	-	-	-	-
Other receipts	-	-	987	806	-	-	-
Total receipts	1,106	18,739	1,512,959	806	363,947	216,482	3,203
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	20,699	1,601,340	806	363,947	216,482	3,468
Total disbursements	-	20,699	1,601,340	806	363,947	216,482	3,468
Excess (deficiency) of receipts over disbursements	1,106	(1,960)	(88,381)	-	-	-	(265)
Cash and investments - ending	\$ 1,106	\$ (371)	\$ 443,039	\$ -	\$ -	\$ -	\$ (5)

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	CHILD RESTR VIOLATIONS FINES	INTERSTATE COMPACT STATE SHARE	CVET AGENCY	RIVERBOAT REVENUE SHARING	HOMESTEAD CREDIT REBATE	HEA 1001 ST HOMESTEAD CREDIT	LOIT PTRC
Cash and investments - beginning	\$ 250	\$ 38	\$ -	\$ 819,179	\$ -	\$ 1,588	\$ 278,370
Receipts:							
Taxes	-	-	-	-	-	-	5,823,145
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	8,287	575	-	-	-	-	-
Other receipts	-	-	393,645	188,010	9,983	814	-
Total receipts	8,287	575	393,645	188,010	9,983	814	5,823,145
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	5,520	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	8,512	675	393,645	1,001,669	9,983	-	5,978,109
Total disbursements	8,512	675	393,645	1,007,189	9,983	-	5,978,109
Excess (deficiency) of receipts over disbursements	(225)	(100)	-	(819,179)	-	814	(154,964)
Cash and investments - ending	\$ 25	\$ (62)	\$ -	\$ -	\$ -	\$ 2,402	\$ 123,406

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	LOIT PROP TAX OPER LEVIES REPL	LOIT PUBLIC SAFETY	LOIT STABILIZATION	CAGIT DISTRIBUTION	CEDIT DISTRIBUTION	CAR - CLERK	CAR - SHERIFF COMMISSARY
Cash and investments - beginning	\$ -	\$ -	\$ 1,294,877	\$ -	\$ -	\$ 848,118	\$ 27,348
Receipts:							
Taxes	2,040,048	-	179,738	5,459,199	1,356,558	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	1,698,417	-	-	-	-	-
Charges for services	-	-	-	-	-	-	122,807
Fines and forfeits	-	-	-	-	-	2,876,462	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>2,040,048</u>	<u>1,698,417</u>	<u>179,738</u>	<u>5,459,199</u>	<u>1,356,558</u>	<u>2,876,462</u>	<u>122,807</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	2,990,678	122,050
Capital outlay	-	-	-	-	-	-	-
Other disbursements	<u>2,040,048</u>	<u>1,698,417</u>	<u>-</u>	<u>5,459,199</u>	<u>1,356,558</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>2,040,048</u>	<u>1,698,417</u>	<u>-</u>	<u>5,459,199</u>	<u>1,356,558</u>	<u>2,990,678</u>	<u>122,050</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>179,738</u>	<u>-</u>	<u>-</u>	<u>(114,216)</u>	<u>757</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,474,615</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 733,902</u>	<u>\$ 28,105</u>

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	CAR - SHERIFF PENSION	CAR - COMMUNITY CORRECTIONS	CAR - PLAN & DEV	CAR - PROBATION	CAR - HEALTH	CAR - RECORDER	AFTER SETTLEMENT COLLECTIONS
Cash and investments - beginning	\$ 2,748,240	\$ 23,462	\$ 500	\$ 10,858	\$ 25	\$ 13,819	\$ 725,664
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	37,921	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	222,142	-	122,313	50,922	142,996	886,242
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	171,738	-	-	-	-	-	-
Total receipts	<u>171,738</u>	<u>222,142</u>	<u>37,921</u>	<u>122,313</u>	<u>50,922</u>	<u>142,996</u>	<u>886,242</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	210,463	35,970	127,427	50,922	140,907	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	232,124	-	-	-	-	-	725,664
Total disbursements	<u>232,124</u>	<u>210,463</u>	<u>35,970</u>	<u>127,427</u>	<u>50,922</u>	<u>140,907</u>	<u>725,664</u>
Excess (deficiency) of receipts over disbursements	<u>(60,386)</u>	<u>11,679</u>	<u>1,951</u>	<u>(5,114)</u>	<u>-</u>	<u>2,089</u>	<u>160,578</u>
Cash and investments - ending	<u>\$ 2,687,854</u>	<u>\$ 35,141</u>	<u>\$ 2,451</u>	<u>\$ 5,744</u>	<u>\$ 25</u>	<u>\$ 15,908</u>	<u>\$ 886,242</u>

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	CAR - SHCB	CAR - PROSECUTOR	INMATE TRUST	GENERAL LOCAL HEALTH MAINT.	LOIT PUBLIC SAFETY - CNTY SHARE	RIVERBOAT	WIRELESS EMER TELEPHONE SYSTEM
Cash and investments - beginning	\$ -	\$ 9,787	\$ 803	\$ 4,761	\$ 989,028	\$ -	\$ 242,219
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	33,139	1,126,672	-	-
Charges for services	201,622	-	138,156	-	-	-	24,117
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	121	-	-	-	935,190	100,835
Total receipts	<u>201,622</u>	<u>121</u>	<u>138,156</u>	<u>33,139</u>	<u>1,126,672</u>	<u>935,190</u>	<u>124,952</u>
Disbursements:							
Personal services	-	-	-	36,072	1,060,212	-	-
Supplies	-	-	-	348	-	-	-
Other services and charges	-	-	138,010	800	-	13,283	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	201,622	2,945	-	-	-	-	-
Total disbursements	<u>201,622</u>	<u>2,945</u>	<u>138,010</u>	<u>37,220</u>	<u>1,060,212</u>	<u>13,283</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(2,824)</u>	<u>146</u>	<u>(4,081)</u>	<u>66,460</u>	<u>921,907</u>	<u>124,952</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 6,963</u>	<u>\$ 949</u>	<u>\$ 680</u>	<u>\$ 1,055,488</u>	<u>\$ 921,907</u>	<u>\$ 367,171</u>

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	PP JUDGMENT COLLECTIONS	CASH ACCOUNT	DEA FUND	PARTNERS DRUG FREE COMMUNITY	SHERIFF SMOKING CESSATION	IN LOCAL HEALTH DEPT TRUST ACT
Cash and investments - beginning	\$ 47	\$ 97,318	\$ 183	\$ 2,419	\$ 38	\$ 20,945
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	20,147
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	28	-	-	4,000	-	104
Total receipts	<u>28</u>	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>20,251</u>
Disbursements:						
Personal services	-	-	-	5,002	-	-
Supplies	-	-	-	-	-	20,110
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	28	-	-	-	-	-
Total disbursements	<u>28</u>	<u>-</u>	<u>-</u>	<u>5,002</u>	<u>-</u>	<u>20,110</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,002)</u>	<u>-</u>	<u>141</u>
Cash and investments - ending	<u>\$ 47</u>	<u>\$ 97,318</u>	<u>\$ 183</u>	<u>\$ 1,417</u>	<u>\$ 38</u>	<u>\$ 21,086</u>

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	COMM CORR - WORK RELEASE	COUNTY USER FEE	DONATIONS WARNING SIRENS	DONATIONS ANIMAL SHELTER	LOCAL PP COLLECTIONS	LOCAL COMMRS CERT TAX SALE
Cash and investments - beginning	\$ 115,412	\$ 30,933	\$ -	\$ 4,993	\$ -	\$ 1,000
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	5,240	-	-
Intergovernmental	12,154	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	58,411	-	-	-	-
Other receipts	-	2,782	21,023	1,564	230	-
Total receipts	12,154	61,193	21,023	6,804	230	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	26,108	68,393	-	-	-	-
Capital outlay	2,524	1,025	-	-	-	-
Other disbursements	-	-	6,493	-	230	-
Total disbursements	28,632	69,418	6,493	-	230	-
Excess (deficiency) of receipts over disbursements	(16,478)	(8,225)	14,530	6,804	-	-
Cash and investments - ending	\$ 98,934	\$ 22,708	\$ 14,530	\$ 11,797	\$ -	\$ 1,000

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	LOCAL JAIL PROP PROCEEDS	PAYROLL CLEARING	EMPLOYEE BENEFITS	SPECIAL DEATH BENEFIT	93.563 TITLE IV-D ARRA (CLERK)	93.563 TITLE IV-D ARRA (PROS)
Cash and investments - beginning	\$ 123,412	\$ 160,563	\$ 953,815	\$ 190	\$ 5,879	\$ 125
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	2,750	-	-
Other receipts	-	3,147,791	2,050,869	-	4,538	9,967
Total receipts	-	3,147,791	2,050,869	2,750	4,538	9,967
Disbursements:						
Personal services	-	3,123,790	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	2,253,094	2,930	-	-
Total disbursements	-	3,123,790	2,253,094	2,930	-	-
Excess (deficiency) of receipts over disbursements	-	24,001	(202,225)	(180)	4,538	9,967
Cash and investments - ending	\$ 123,412	\$ 184,564	\$ 751,590	\$ 10	\$ 10,417	\$ 10,092

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	93.563 TITLE IV-D (GEN)	93.563 TITLE IV-D (CLK)	93.563 TITLE IV-D (PROS)	97.047 WARNING SIRENS	97.042 EMER MGMT PERFORM	97.043 STATE HOMELAND SECURITY
Cash and investments - beginning	\$ -	\$ 87,433	\$ 131,289	\$ 21,023	\$ 3,000	\$ 4,234
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	198,492	3,744	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	462,029	30,685	48,495	-	-	-
Total receipts	<u>462,029</u>	<u>30,685</u>	<u>48,495</u>	<u>198,492</u>	<u>3,744</u>	<u>-</u>
Disbursements:						
Personal services	-	-	29,696	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	9,625	1,574	-	-	-
Capital outlay	-	-	-	198,492	6,744	4,234
Other disbursements	-	219	16,147	21,023	-	-
Total disbursements	<u>-</u>	<u>9,844</u>	<u>47,417</u>	<u>219,515</u>	<u>6,744</u>	<u>4,234</u>
Excess (deficiency) of receipts over disbursements	<u>462,029</u>	<u>20,841</u>	<u>1,078</u>	<u>(21,023)</u>	<u>(3,000)</u>	<u>(4,234)</u>
Cash and investments - ending	<u>\$ 462,029</u>	<u>\$ 108,274</u>	<u>\$ 132,367</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	81.041 COMPREHEN DEV BLOCK	07.218 COMPREHEN DEV BLOCK	93.069 PUBLIC HEALTH EMER PREV	20.106 AIRPORT IMPROVEMENT GRT	14.228 WALKER TWP FIRE TRUCK	XX.XXX COPS UNIVERSAL GRANT
Cash and investments - beginning	\$ -	\$ 6,129	\$ 13,547	\$ -	\$ -	\$ 1,180
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	23,381	-	15,587	42,639	133,945	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	3,847	-	6,930	-
Total receipts	<u>23,381</u>	<u>-</u>	<u>19,434</u>	<u>42,639</u>	<u>140,875</u>	<u>-</u>
Disbursements:						
Personal services	-	-	17,984	-	-	-
Supplies	-	-	557	-	-	-
Other services and charges	-	-	1,588	42,639	-	-
Capital outlay	-	-	3,020	-	-	-
Other disbursements	-	-	-	-	101,938	716
Total disbursements	<u>-</u>	<u>-</u>	<u>23,149</u>	<u>42,639</u>	<u>101,938</u>	<u>716</u>
Excess (deficiency) of receipts over disbursements	<u>23,381</u>	<u>-</u>	<u>(3,715)</u>	<u>-</u>	<u>38,937</u>	<u>(716)</u>
Cash and investments - ending	<u>\$ 23,381</u>	<u>\$ 6,129</u>	<u>\$ 9,832</u>	<u>\$ -</u>	<u>\$ 38,937</u>	<u>\$ 464</u>

JASPER COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	XX.XXX 1999 LOCAL LAW ENFORCEM	COMMUNITY CORRECT STATE GRANT	10-CRG-018 JASPER COURT REFORM	09VA058 VOCA GRANT	H1N1	Totals
Cash and investments - beginning	\$ 21	\$ 28,694	\$ -	\$ -	\$ 120	\$ 40,693,454
Receipts:						
Taxes	-	-	-	-	-	71,068,804
Licenses and permits	-	-	-	-	-	58,572
Intergovernmental	-	109,297	7,200	22,368	-	10,516,705
Charges for services	-	-	-	-	-	3,129,540
Fines and forfeits	-	-	-	-	-	3,103,716
Other receipts	-	-	-	-	-	9,797,281
Total receipts	-	109,297	7,200	22,368	-	97,674,618
Disbursements:						
Personal services	-	104,171	2,632	-	-	12,042,316
Supplies	-	16,428	-	-	-	2,117,418
Other services and charges	-	-	-	16,662	-	9,919,486
Capital outlay	-	-	-	-	-	868,785
Other disbursements	-	-	-	5,706	-	71,584,199
Total disbursements	-	120,599	2,632	22,368	-	96,532,204
Excess (deficiency) of receipts over disbursements	-	(11,302)	4,568	-	-	1,142,414
Cash and investments - ending	\$ 21	\$ 17,392	\$ 4,568	\$ -	\$ 120	\$ 41,835,868

JASPER COUNTY
 SCHEDULE OF DEBT
 December 31, 2011

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
General obligation bonds	Jasper County Detention Center	<u>\$ 7,275,000</u>	<u>\$ 863,683</u>

JASPER COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2011

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	\$ 625,381
Buildings	18,980,424
Improvements other than buildings	5,987,517
Machinery, equipment and vehicles	8,384,008
Total governmental activities	33,977,330
Total capital assets	\$ 33,977,330

JASPER COUNTY
OTHER REPORTS

The annual report presented herein was prepared in addition to other official reports prepared for the individual County offices listed below:

County Auditor
County Treasurer
County Clerk of the Circuit Court
County Sheriff

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF JASPER COUNTY, INDIANA

Compliance

We have audited the compliance of Jasper County (County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2011. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2011. The results of our auditing procedures also disclosed other instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2011-2.

Internal Control Over Compliance

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

A deficiency in internal control over compliance 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, 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.

Our consideration of the 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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying Schedule of Findings and Questioned Costs as item 2011-2. 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.

The County's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. We did not audit the County's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of the County's management, Board of County Commissioners, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

June 26, 2012

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

JASPER COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2011

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Indiana Office of the Lieutenant Governor CDBG-State Administered CDBG Cluster Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii Walker Township Fire Truck	14.228	FF10-102	\$ 75,000
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute Crime Victim Assistance 2010-VA-GX-0100 2010-VA-GX-076	16.575		5,250 17,118
Total for program			<u>22,368</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Direct Grant Airport Improvement Program 3-18-0070-07	20.106		42,085
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction PE 1000026 Bridge Inspection PE 0901135 Bridge 198 Replacement ARRA	20.205		29,126 44,824 177
Total for program			<u>74,127</u>
Total for federal grantor agency			<u>116,212</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass-Through Indiana Department of Health Public Health Emergency Preparedness BPRS136-71 BPRS136-70	93.069		15,096 5,165
Total for program			<u>20,261</u>
Pass-Through Indiana Department of Child Services Child Support Enforcement	93.563		333,462
Total for federal grantor agency			<u>353,723</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security Emergency Management Performance Grants C44P-1-201A C44P-1-326A	97.042		3,744 19,930
Total for program			<u>23,674</u>
Pre-Disaster Mitigation Warning Sirens	97.047		198,492
Homeland Security Cluster State Homeland Security Program (SHSP) C44P-9-487-A	97.073		4,234
Law Enforcement Terrorism Prevention Program (LETPP) C44P-1-032A	97.074		3,000
Total for cluster			<u>7,234</u>
Total for federal grantor agency			<u>229,400</u>
Total federal awards expended			<u>\$ 796,703</u>

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

JASPER COUNTY
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

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

JASPER COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiency identified?	none reported
Noncompliance material to financial statements noted?	no

Federal Awards:

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

Identification of Major Programs:

CFDA Number	<u>Name of Federal Program or Cluster</u>
93.563	Child Support Enforcement
97.047	Pre-Disaster Mitigation

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

FINDING 2011-1 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

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

1. Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the County to reduce risks to the achievement of financial reporting objectives. The County has not separated incompatible activities related to cash and investment balances. The failure to establish these controls could enable material misstatements or irregularities to go undetected.

JASPER COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2. **Preparing Financial Statements:** Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the County's audited financial statements and then determining how those identified risks should be managed. The County has not identified risks to the preparation of reliable financial statements and as a result has failed to design effective controls over the preparation of the financial statements to prevent or detect material misstatements, including notes to the financial statements.
3. **Monitoring of Controls:** Effective internal control over financial reporting requires the County Commissioners to monitor and assess the quality of the County's system of internal control. The County Commissioners has not performed either an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility places the County at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner. Additionally, the County has no process to identify or communicate corrective actions to improve controls.

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)

We recommended that County officials implement procedures to ensure that financial transactions and reporting will prevent material misstatements in a timely manner.

Section III – Federal Award Findings and Questioned Costs

FINDING 2011-2 - PUBLIC PURCHASES LAW

Federal Agency: U.S. Department of Homeland Security

Federal Program: Pre-Disaster Mitigation

CFDA: 97.047

Pass-Through: Indiana Department of Homeland Security

Jasper County Emergency Management Agency (EMA) in March 2011, purchased 14 Outdoor Warning Sirens. These purchases were funded by proceeds from the Pre-Disaster Mitigation grant. The total cost of the sirens was \$198,492. No evidence was presented for audit to indicate bids had been taken prior to the purchase of the sirens in accordance with IC 5-22-7-2. No internal control procedures were in place to ensure compliance with these requirements.

JASPER COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

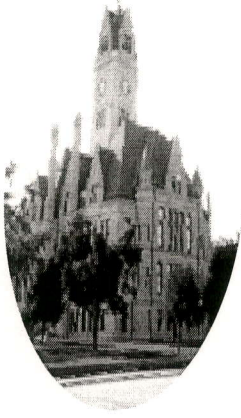
44 CFR 13.36 (b) states:

"Grantees and subgrantees will use their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section." Compliance requirements related to purchases made by governmental entities in the State of Indiana are located in IC 5-22-7-2. This law, which applies to public purchases in excess of \$150,000 states, "A purchasing agent shall issue an invitation of bids."

OMB Circular A-133 Section 300(b) states that the auditee shall: "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."

A failure to follow the required procurement laws of the State of Indiana could result in excessive amounts paid for products purchased. Additionally, a failure to follow the compliance requirements of the federal grant could jeopardize future grants.

We recommended that County officials develop internal control procedures to ensure that compliance requirements related to procurement are communicated to the individuals responsible for monitoring grant activities to ensure that equipment is purchased in compliance with applicable state and federal requirements in the future.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2010-1

Original SBA Audit Report Number: B39112
Finding Notation: Special Tests and Provisions
Auditee Contact Person: Donya Jordan
Title of Contact Person: Auditor
Phone Number: 219-866-4930
Fiscal Year: 2011

Status of Finding

Jasper County officials have implemented procedures to adequately monitor receipts and expenditures from ARRA funds. These procedures ensure that ARRA funds are accounted for in a separate fund and program transactions are the only activity in that fund.

FINDING 2010-2

Original SBA Audit Report Number: B39112
Finding Notation: Special Tests and Provisions
Auditee Contact Person: Donya Jordan
Title of Contact Person: Auditor
Phone Number: 219-866-4930
Fiscal Year: 2011

Status of Finding

Jasper County officials have implemented procedures to adequately monitor receipts and expenditures from ARRA funds. These procedures ensure that ARRA funds are accounted for in a separate fund and program transactions are the only activity in that fund.

Donya G. Jordan
Donya Jordan, Auditor

4/18/12
Date



CARLA S. ANDERSON
TREASURER OF JASPER COUNTY
115 W. WASHINGTON ST
SUITE 201
RENSSELAER, INDIANA 47978

PHONE (219) 866-4938
FAX (219) 866-9455

6/26/2012

Jasper County Treasurer
Corrective Action Plan

FEDERAL FINDING 2011-1, INTERNAL CONTROLS OVER FINANCIAL
TRANSACTIONS AND REPORTING

The Jasper County Treasurer did not comply with properly implementing an internal control system related to financial transactions as stated in the following:

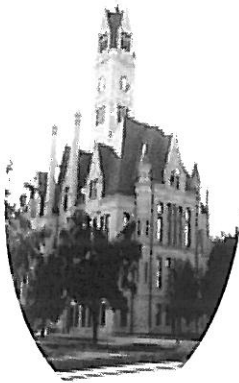
1. Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the County to reduce risks to achievement of financial reporting objectives. The County has not separated incompatible activities related to cash and investment balances. The failure to establish these controls could enable material misstatements or irregularities to occur undetected.
2. Monitoring of Controls: Effective internal control over financial reporting requires the County Commissioners to monitor and assess the quality of the County's system of internal control. The County Commissioners have not performed either an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility places the County at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner. Additionally, the County has no process to identify or communicate corrective actions to improve controls.

The Jasper County Treasurer has implemented procedures to ensure that financial transactions will prevent material misstatements in a timely manner.

Sincerely,

A handwritten signature in cursive script that reads "Carla S. Anderson". The signature is written in black ink and is positioned above the printed name.

Carla S Anderson
Treasurer



**Jasper County
Corrective Action Plan**

June 26, 2012

FEDERAL FINDING 2011-1, INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

Jasper County did not comply with properly implementing an internal control system related to financial transactions and reporting as stated in the following:

1. Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the County to reduce risks to achievement of financial reporting objectives. The County has not separated incompatible activities related to cash and investment balances. The failure to establish these controls could enable material misstatements or irregularities to undetected.
2. Preparing Financial Statements: Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the County's audited financial statements and then determining how those identified risks should be managed. The County has not identified risks to the preparation of reliable financial statements and as a result has failed to design effective controls over the preparation of the financial statements to prevent or detect material misstatements, including notes to the financial statements.
3. Monitoring of Controls: Effective internal control over financial reporting requires the County Commissioners to monitor and assess the quality of the County's system of internal control. The County Commissioners has not performed either an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility place the County at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner. Additionally, the County has no process to identify or communicate corrective actions to improve controls.

Jasper County has implemented procedures to ensure that financial transactions and reporting will prevent material misstatements in a timely manner.

FINDING 2011-2, - PUBLIC PURCHASES LAW

Federal Agency: U.S. Department of Homeland Security
Federal Program: Pre-Disaster Mitigation
CFDA: 97.047
Pass-Through: Indiana Department of Homeland Security

Jasper County Emergency Management Agency (EMA) did not comply with the Procurement procedures for warning sirens purchased by inviting bids to be taken to obtain these sirens.

Jasper County has implemented procedures to ensure that bidding procedures are being followed according to applicable laws and regulations.

Sincerely,


Donya Jordan
Auditor of Jasper County

JASPER COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 26, 2012, with Donya Jordan, Auditor, and Kendell Culp, President of the Board of County Commissioners. The officials concurred with our audit findings.