

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

HUNTINGTON COUNTY, INDIANA

January 1, 2014 to December 31, 2014



**FILED**  
11/06/2015



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Cindy Yeiter	01-01-11 to 12-31-18
County Treasurer	Brenda Hamilton	01-01-13 to 12-31-16
Clerk of the Circuit Court	Kittie Keiffer	01-01-11 to 12-31-18
County Sheriff	Terry Stoffel	01-01-11 to 12-31-18
County Recorder	Cheryl A. Schenkel	01-01-11 to 12-31-18
President of the Board of County Commissioners	Larry Buzzard Tom Wall	01-01-14 to 12-31-14 01-01-15 to 12-31-15
President of the County Council	Kendall Mickley	01-01-14 to 12-31-15



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF HUNTINGTON COUNTY, INDIANA

This report is supplemental to our audit report of Huntington County (County), for the period from January 1, 2014 to December 31, 2014. It has been provided as a separate report so that the reader may easily identify any Federal Findings that pertain to the County. It should be read in conjunction with our Financial Statement and Federal Single Audit Report of the County, which provides our opinions on the County's financial statement and federal program compliance. This report may be found at [www.in.gov/sboa/](http://www.in.gov/sboa/).

The Federal Finding, identified in the above referenced audit report, is included in this report.

Any Corrective Action Plan for the Federal Finding, incorporated within this report, was not verified for accuracy.

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

August 20, 2015

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COUNTY AUDITOR  
HUNTINGTON COUNTY

COUNTY AUDITOR  
HUNTINGTON COUNTY  
FEDERAL FINDING

***FINDING 2014-001 - INTERNAL CONTROLS OVER THE PREPARATION  
OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS***

The County did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The County should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected.

During the audit of the SEFA, we noted the following errors: an amount of \$1,734 for State and Community Highway Safety (CFDA 20.600) was omitted from the SEFA; an amount of \$47,740 for Formula Grants for Rural Areas (CFDA 20.509) was omitted from the SEFA; an amount of \$114,330 for Child Support Enforcement (CFDA 93.563) was omitted from the SEFA; an amount of \$40,616 for Disaster Grants - Public Assistance (Presidentially Declared Disasters) (CFDA 97.036) was omitted from the SEFA; and five grants totaling \$119,204 were reported on the SEFA that were not federal grants. Audit adjustments were proposed, accepted by the County, and made to the SEFA presented in this report.

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

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

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

COUNTY AUDITOR  
HUNTINGTON COUNTY  
FEDERAL FINDING  
(Continued)

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

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

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



HUNTINGTON COUNTY AUDITOR'S OFFICE  
CINDY YEITER, AUDITOR  
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### Corrective Action Plan

AUDIT PERIOD: JANUARY 1, 2014 – DECEMBER 31, 2014

Contact Person Responsible for Corrective Action: Cindy Yeiter (Auditor)  
Contact Information: (260)358-4805, [cindy.yeiter@huntington.in.us](mailto:cindy.yeiter@huntington.in.us)

#### FINDING 2014-001- INTERNAL CONTROLS OVER THE PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Huntington County Auditor will correct the internal controls related to Schedule of Expenditures of Federal Awards immediately by having a reviewer conduct an Annual checklist of Federal Awards and sign off confirming the completion and timely submission. The Auditor will execute these reports and ensure the transmittals are submitted prior to the due date.

*Cindy Yeiter*

Auditor – Cindy Yeiter

*8/20/15*

Date

COUNTY AUDITOR  
HUNTINGTON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on August 20, 2015, with Cindy Yeiter, County Auditor; Tom Wall, President of the Board of County Commissioners; and Kendall Mickley, President of the County Council.