

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

FEDERAL SINGLE AUDIT REPORT
OF
HAMILTON COUNTY, INDIANA
January 1, 2017 to December 31, 2017



FILED
07/25/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Robin Mills	01-01-17 to 12-31-20
County Treasurer	Jennifer Templeton	01-01-17 to 12-31-20
Clerk of the Circuit Court	Tamela Baitz	01-01-15 to 12-31-18
County Sheriff	Mark Bowen	01-01-15 to 12-31-18
County Recorder	Jennifer Hayden	01-01-15 to 12-31-18
President of the Board of County Commissioners	Christine Altman Mark Heirbrandt	01-01-17 to 12-31-17 01-01-18 to 12-31-18
President of the County Council	Fred Glynn Steve Schwartz	01-01-17 to 12-31-17 01-01-18 to 12-31-18



STATE OF INDIANA
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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
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

TO: THE OFFICIALS OF HAMILTON 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 statements of Hamilton County (County), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 14, 2018. Our report includes a reference to other auditors who audited the financial statements of Riverview Hospital, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, 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 statements, 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 statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2017-001, that we consider to be a material weakness.

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

Compliance and Other Matters


As part of obtaining reasonable assurance about whether the County's financial statements are 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*.

Hamilton 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 statements 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

June 14, 2018



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

TO: THE OFFICIALS OF HAMILTON COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Hamilton 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, 2017. 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.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE
(Continued)

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, 2017.

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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.


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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated June 14, 2018, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE
(Continued)

forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. 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 statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, 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 basic financial statements as a whole.


Paul D. Joyce, CPA
State Examiner

June 14, 2018

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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 prepared by management of the County. The schedule and notes are presented as intended by the County.

HAMILTON COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2017

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed on To Subrecipients	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553	FY 2017	\$ -	\$ 12,292
National School Lunch Program	10.555	FY 2017	-	17,810
Total for cluster			-	30,102
Total for federal grantor agency			-	30,102
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Direct Grant				
CDBG - Entitlement Grants Cluster				
Community Development Block Grants/Entitlement Grants	14.218	B-13-UC-18-0023	94,442	94,442
		B-14-UC-18-0023	219,635	219,635
		B-15-UC-18-0023	111,591	125,139
		B-16-UC-18-0023	648,178	648,178
		B-17-UC-18-0023	33,411	33,411
Total for cluster			1,107,257	1,120,805
Total for federal grantor agency			1,107,257	1,120,805
<u>U.S. DEPARTMENT OF INTERIOR</u>				
Pass Through Indiana Department of Natural Resources				
National Park Service				
Outdoor Recreation, Acquisition, Development and Planning	15.916	18-00519	-	5,487
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
Pass Through Indiana Department of Transportation				
Highway Planning and Construction Cluster				
Highway Planning and Construction	20.205	1500281	-	135,043
		1297770	-	2,633
		1383156	-	83,000
		1383157	-	341,773
		1400760	-	106,835
		1383154	-	167,008
		1383334	-	60,856
		1592415	-	46,307
		0500817	-	729
		0710991	-	196
Total for cluster			-	944,380
Pass Through Indiana Criminal Justice Institute				
Highway Safety Cluster				
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601			
2017 Operation Pullover		EDS #D3-17-11079	78,531	89,177
2017 DUI Taskforce		EDS #D3-17-11169	26,844	34,304
2018 Operation Pullover		EDS #D3-18-11882	18,720	21,511
2018 DUI Taskforce		EDS #D3-18-12046	6,739	8,955
Total for cluster			130,834	153,947
Direct Grant				
Airport Improvement Program	20.106	3-18-0103-026-2015	-	4,305
		3-18-0103-027-2016	-	76,816
Total for program			-	81,121

HAMILTON COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2017

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed on To Subrecipients	Total Federal Awards Expended
Pass Through Indiana Department of Transportation Formula Grants for Rural Areas.	20.509	EDS#A249-17-G150159 EDS#A249-17-G160032	671,234 207,600	671,234 207,600
Total for program			<u>878,834</u>	<u>878,834</u>
Pass Through Indiana Department of Homeland Security Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	HM-HMP-0548-16-01-00	-	9,725
Total for federal grantor agency			<u>1,009,668</u>	<u>2,068,007</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Pass Through Indiana Department of Health Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	16791 17397 17592 20359 13825 16088 A70-5-0532365	- - - - - -	540 23,153 6,318 32,880 22,177 74,791 19,002
Total for program			-	<u>178,861</u>
Pass Through Indiana Department of Health Centers for Disease Control and Prevention Immunization Cooperative Agreements	93.268	14959 17934	- -	2,684 54,659
Total for program			-	<u>57,343</u>
Pass Through Indiana Department of Child Services Child Support Enforcement	93.563			
County Clerk's Child Support Expenditures		FY 2017	-	124,844
County Prosecutor's Child Support Expenditures		FY 2017	-	501,077
County Clerk's Child Support Incentive Expenditures		FY 2017	-	12,428
County Prosecutor's Child Support Incentive Expenditures		FY 2017	-	56,469
County Child Support Incentive Expenditures		FY 2017	-	60,857
Indirect Costs		FY 2017	-	137,188
Total for program			-	<u>892,863</u>
Total for federal grantor agency			-	<u>1,129,067</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
Pass Through Indiana Department of Homeland Security Emergency Management Performance Grants	97.042	20003 17974	- -	77,886 31,782
Total for program			-	<u>109,668</u>
Total for federal grantor agency			-	<u>109,668</u>
Total federal awards expended			<u>\$ 2,116,925</u>	<u>\$ 4,463,136</u>

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

HAMILTON 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, 2017. 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 in accordance with the generally accepted accounting principles basis of accounting used in the preparation of the financial statements. 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. The County has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

HAMILTON COUNTY
SCHEDULE OF FINDING AND QUESTIONED COST

Section I - Summary of Auditor's Results

Financial Statements:

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

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	no

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

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

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

Auditee qualified as low-risk auditee?	yes
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Section II - Financial Statement Finding

FINDING 2017-001

Subject: Financial Transactions and Reporting
Audit Finding: Material Weakness

Repeat Finding

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2016-001.

Condition

The County hired a consultant to prepare the financial statements and notes. The County reviewed the financial statements and notes; however, the control was not effective.

HAMILTON COUNTY
SCHEDULE OF FINDING AND QUESTIONED COST
(Continued)

The following errors were identified during the audit of the financial statements and notes:

- There was no subsequent event note included in the notes to the financial statements for the issuance of new bonds in 2018 in the amount of \$8,940,000.
- The Pledged Revenues note did not include a disclosure of TIF revenues recognized during the audit period. This error was not corrected in the notes.

Except as noted above, adjustments for the notes listed above were proposed, accepted by the County, and made to the financial statements and notes.

Context

The lack of controls was a systemic issue, which occurred throughout the audit period.

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

Cause

Management had not established a proper system of internal controls.

Effect

The failure to establish effective controls enabled misstatements to remain undetected.

Recommendation

We recommended that the County's management establish a system of internal controls related to financial transactions and reporting.

Views of Responsible Officials

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

AUDITEE PREPARED DOCUMENTS

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



June 1, 2018

TO: State Board of Accounts
FR: Robin M. Mills, Hamilton County Auditor

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2016-001

Fiscal year in which the finding initially occurred: January 1, 2016 – December 31, 2016
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Lee Graham / Robin M. Mills
Contact Phone Number: 317-770-8861 / 317-770-4424

Status of Audit Finding:

As stated in my Corrective Action Plan dated 08/02/2017 this correction was completed during the audit.

Lee Graham, Suzanne Miller and I discussed prevention. Graham will check back to the Treasurer daily for cashbook totals. Proofing measures have been set in place and the Settlement Team is to check formulas in spreadsheets.

FINDING 2016-002

Fiscal year in which the finding initially occurred: January 1, 2016 – December 31, 2016
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Kim Rauch / Cindy Duncan / Robin M. Mills
Contact Phone Number: 317-776-8462 / 317-776-8422 / 317-770-4424

Status of Audit Finding:

The corrective action plans for Parks, Highway and Airport Authority will begin immediately following the 2017 Exit Conference and be on going from this audit forward.

Parks Department:

- #8220 – Hamilton County Archery Range Grant was in the process of being closed out. The Parks Department submitted/obtain all the required close out documents
- #8122 – Monon Greenway Right Away Fund had been inactive for 18 months due to court proceedings on a condemnation and is currently in the final stages of the close out process. The Parks Department and the Auditor's Grant Administrator are in contact with the State and grant close out is immanent
- #8250 – Wildlife Habitat Grasses Grant does not require the submission of any action reports or audits
- #8105 – the Land and Water Conservation fund is no longer a Federal Grant. Throughout the grant period the Parks Department was in contact with the State (Britt Long) on several occasions to amend the project agreement, but no other action reports were required to be submitted per the project agreement



Highway Department:

Highway staff is sending their project tracking sheet to the Auditor which tracks the breakdown of federal and local share, the project expenditures showing the balance of funds available to be reimbursed. It also shows the local fund number the invoice was paid from, the date of the invoice, a copy of the invoice and the cancelled check along with a copy of the INDOT Pay Voucher.

Airport Authority:

Upon further discussion with SBOA it has been determined that the Indianapolis Executive Airport is a component unit of Hamilton County and the airport SEFA monies will be included in the Hamilton County SEFA Report and Audit.

FINDING 2016-003

Fiscal year in which the finding initially occurred: January 1, 2016 – December 31, 2016
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Brad Cozza / Cindy Duncan / Robin M. Mills
Contact Phone Number: 317-385-3015 / 317-776-8422 / 317-770-4424

Status of Audit Finding:

As stated in my Corrective Action Plan dated 08/02/2017 this correction was set in place in 2017 and will continue.

This plan was set in place in 2017 and shall remain in effect. Hamilton County Airport Authority adopted the same internal control policy as Hamilton County in 2017 and hired an Airport Director in July of 2017. Once the Director (Brad Cozza) came on Board the Auditor began making the necessary changes to the whole process of receipting and disbursing of cash and account practices at Indianapolis Executive Airport as set out in the internal control policy.

FINDING 2016-004

Fiscal year in which the finding initially occurred: January 1, 2016 – December 31, 2016
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Brad Cozza / Cindy Duncan / Robin M. Mills
Contact Phone Number: 317-385-3015 / 317-776-8422 / 317-770-4424

Status of Audit Finding:

As stated in my Corrective Action Plan dated 08/02/2017 the intent was to send out an RFP in late 2017 for fiscal year 2018 that will follow the three to five year recommendation as set forth by the FAA.

The 2017 RFP time line was not met, see the time line below regarding this corrective action plan:



Request for Qualifications—Hamilton County Airport Authority Timeline

August, 2017:

- Initial Finding 2016 Audit (Finding 2016-004 - Procurement and Suspension and Debarment)
- Response by Auditor/Corrective Action Plan
 - Though FAA regulations do not require an RFP for selection of engineers, a corrective action plan was established. RFP would include annual renewal for selected engineering firm beginning on April 1st of each year. Plan to be set in place and send out an RFP in late 2017 for fiscal year 2018. Attorney Howard to take care of.

April 4, 2018:

- C. Duncan notified Auditor that RFP process had not begun. Auditor asked if Duncan or B. Cozza had followed up with Attorney Howard's office.
- Duncan followed up with Cozza. Cozza stated Howard had put responsibility back on him. Cozza hoped to have it done April/May.
- Auditor asked Duncan to inform Cozza that it needed to go to top of his list
- Auditor spoke to Cozza in person at County Council meeting to emphasize need to get RFP done.

April 24, 2018

- Cozza provided a first draft of RFQ to Auditor. He emailed a copy to Howard's office and requested a meeting with Howard for May 3, 2018. Cozza requested further guidance/feedback to his first draft

May 8, 2018

- Cozza provided updated RFQ to Howard's office

May 9, 2018

- Cozza provided a list of Indiana airport consultants to Howard's office.
- K. Rauch confirmed with Howard's office that they would take care of publishing legal notice

May 15, 2018

- RFQ publication request sent + one additional time to the Hamilton County and Lebanon Reporter newspapers

May 21, 2018

- Cozza provided copies of RFQ to list of airport consultants in addition to publications to follow in newspapers

May 24 & 31, 2018

- Publication in Hamilton County Reporter stating RFQ due by June 13, 2018

May 26 & June 2, 2018

- Publication in Lebanon Reporter stating RFQ due by June 13, 2018

Robin M. Mills

Hamilton County Auditor



33 North Ninth Street, Suite L21
Noblesville, Indiana 46060

Robin M Mills

(Signature)

Auditor

(Title)

06-01-18

(Date)

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



CORRECTIVE ACTION PLAN

FINDING 2017-001

Contact Person Responsible for Corrective Action: Robin M. Mills
Contact Phone Number: 317-770-4424

Views of Responsible Official:

- There was a subsequent note included in the notes to the financial statements for issuance of new bonds in 2018. It was the amount that was incorrect. Upon this being brought to Hamilton County's attention the amount was corrected and the note corrected as well.
- Pledged Revenues: As stated on the 2016 Form 22 from the SBOA there was no adjustment made due to immateriality in the previous year. However, Hamilton County's Fiscal Plan does include ten years of "Governmental Activities Pledged Revenue Coverage". Therefore, since Hamilton County completes a CAFR each year, the pledged revenue note is included in the Statistical section of the report and includes ten years of data.

Description of Corrective Action Plan:

Hamilton County has received the "Certificate of Achievement for Excellence in Financial Reporting since 1988. Hamilton County strives for excellence and in doing have hired the best in the field to compile our CAFR. Hamilton County has worked hard to put in place internal controls to field and catch errors.

Due to the subjective nature of these findings creating a corrective action plan is only as good as the opinions of those conducting the audit.

Anticipated Completion Date:

The completion date of the above findings were done during the audit.

The pledged revenue note is included in the report Statistical Section – so all findings were completed during the audit.

Robin M Mills

(Signature)

Hamilton County Auditor

(Title)

07-19-18

(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/>.