

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
KOSCIUSKO COUNTY, INDIANA
January 1, 2016 to December 31, 2016



FILED
10/31/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Michelle L. Puckett	01-01-15 to 12-31-18
County Treasurer	Sue Ann Mitchell Rhonda Helser	01-01-13 to 12-31-16 01-01-17 to 12-31-20
County Prosecuting Attorney	Daniel H. Hampton	01-01-11 to 12-31-18
Clerk of the Circuit Court	Ann M. Torpy	03-19-13 to 12-31-20
President of the Board of County Commissioners	Ronald D. Truex Bradford Jackson Robert Conley	01-01-16 to 12-31-16 01-01-17 to 12-31-17 01-01-18 to 12-31-18
President of the County Council	Robert G. Sanders Jon Garber	01-01-16 to 06-07-17 06-08-17 to 12-31-17



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF KOSCIUSKO COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Kosciusko County (County), which comprises the financial position and results of operations for the year ended December 31, 2016, and the related notes to the financial statement as listed in the Table of Contents.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the County for the year ended December 31, 2016.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the County for the year ended December 31, 2016, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

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

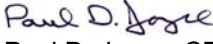
Other Information

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated September 20, 2018, 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 solely 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 effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

September 20, 2018



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

TO: THE OFFICIALS OF KOSCIUSKO COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of Kosciusko County (County), which comprises the financial position and results of operations for the year ended December 31, 2016, and the related notes to the financial statement, and have issued our report thereon dated September 20, 2018, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2016-001, 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
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(Continued)

Compliance and Other Matters


As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2016-001.

Kosciusko County's Response to Findings

The County's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. The County's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

September 20, 2018

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

The financial statement and accompanying notes were approved by management of the County. The financial statement and notes are presented as intended by the County.

KOSCIUSKO COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2016

Fund	Cash and Investments 01-01-16	Receipts	Disbursements	Cash and Investments 12-31-16
County General	\$ 8,558,606	\$ 15,112,814	\$ 14,805,030	\$ 8,866,390
Sheriff Accident Report	22,171	9,323	4,388	27,106
County Edit Fund	2,630,275	3,601,007	3,115,897	3,115,385
Child Abuse Prevention	6,675	-	50	6,625
City & Town Court Costs	-	20,826	8,843	11,983
Clerk Document Storage Fee	132,862	61,317	52,253	141,926
Cert Share Local Option Tax	545,891	4,836,579	4,032,607	1,349,863
Interest-Congressional	8,528	99	1,125	7,502
Principal Congressional	28,129	28,129	28,129	28,129
Assessor Ed/Sales Disclosure	123,544	11,475	-	135,019
Cum Bridge	579,908	636,319	284,136	932,091
County Cum Capital Developmnt	2,324,678	1,909,556	2,077,352	2,156,882
Drug Free Communities-KCODE	46,288	71,600	69,140	48,748
Electronic Data	32,084	761	-	32,845
Local Emergency Planning	49,208	7,097	7,948	48,357
County Extradition	3,108	1,523	3,903	728
Gun Permits	8,999	55,665	41,968	22,696
Gen. Drain Improvement	77,904	332,699	107,434	303,169
County Health	834,397	833,296	749,681	918,012
County ID Security Protection	21,798	7,555	3,750	25,603
Levy Excess Fund	281	-	281	-
Health Maintenance Grant	75,868	48,859	41,992	82,735
Local Road & Street	69,475	672,229	635,105	106,599
County Correction	-	48,121	48,121	-
Highway- MVH	1,336,931	6,456,335	6,647,011	1,146,255
Plat Book Fund	108,981	20,385	36,212	93,154
Rainy Day Fund	3,343,316	338,559	-	3,681,875
Records Record Perpetuation	55,454	138,148	76,912	116,690
Riverboat Revenue Sharing	-	458,246	458,246	-
Sex & Violent Offender Adm Co	3,433	4,568	-	8,001
Clerk Sheriff Pension	-	83,035	83,035	-
Surplus Tax	78,370	151,569	110,588	119,351
Surveyor Corner Perpetuation	99,809	19,705	7,170	112,344
Tax Sale Redemption	-	191,087	191,087	-
Tax Sale Surplus	809,200	812,848	1,059,885	562,163
Local Health Dept Trust Acct	157,838	34,816	54,340	138,314
CASA Capacity Building Grant	-	8,500	8,500	-
CASA	-	18,529	18,529	-
Statewide 9-1-1	214,658	744,472	599,738	359,392
Adult Probation User Fees	249,597	261,998	293,786	217,809
Juvenile Probation User Fees	24,091	5,417	-	29,508
Alternative Dispute Resolution	17,371	8,527	5,448	20,450
Drainage Maintenance	1,364,369	802,401	604,849	1,561,921
Sheriff Sale Fund	126,618	30,509	20,151	136,976
Health Clinic Administrative	115,277	35,366	27,622	123,021
Redevelopment Comm Dreyfus TIF	83,152	42,667	508	125,311
Employee Health Insurance Fund	2,492,581	4,261,028	4,637,005	2,116,604
Deferred Compensation	-	50,000	50,000	-
Withholding-Federal	-	1,255,166	1,255,166	-
Withholding-Co Option Tax	-	122,321	122,321	-
Withholding-P.E.R.F.	-	317,116	317,116	-
Withholding-Sheriff Pension	-	57,128	57,128	-
Withholding-State	-	387,216	387,216	-
Garnishment	-	57,608	57,608	-
Sheriff Pension Holding	14,075	19,825	-	33,900
Tax Distribution	-	76,126,458	76,126,458	-
Wheel Tax /Sur Tax	97,622	2,560,883	2,550,258	108,247
Commercial Vehicle Excise Tax	-	344,036	344,036	-
Sewage Charge Assessment Delq.	137,654	223,783	237,097	124,340
Financial Institution Fran Tax	-	479,488	479,488	-
Fines & Forfeitures	16,744	132,421	135,221	13,944
Clerk Of Court-Infraction	6,858	92,475	93,111	6,222
Special Death Benefit Fee	645	7,085	7,250	480
State Disclosure Of Sales	830	11,435	11,365	900
St Coroner Tr & C Education	830	7,361	7,603	588
Mortgage Fee Fund	692	8,209	8,157	744
Homestd Property Database DLGF	16	82	98	-
Sex & Violent Offender Adm St	26	508	489	45
Child Restraint Fines	25	50	75	-
IDHS Dist 2 Fuel Card	-	2,451	2,094	357
Inheritance Tax	2,939	713	3,652	-
Education Plate Fee Dist.	75	919	994	-
County Edit Tax	-	5,649,457	5,649,457	-
Cert Share Local Option	-	13,097,923	13,097,893	30
93.563 Prosecutor PCA	1,848	1,658	1,128	2,378
Clerk ARRA	24,584	-	20,705	3,879
93.563 Title IV-D Incentive	237,347	42,659	-	280,006
Prosecutor IV-D Incentive -New	121,708	64,177	117,596	68,289
Clerk IV-D Incentive (NEW)	158,090	57,142	23,598	191,634
Clerk's Trust SAR	980,779	7,760,825	7,505,934	1,235,670
Clerk's ISETS Support SAR	15,489	996,543	993,497	18,535
Sheriff's Inmate Meals SAR	5,552	359,824	358,276	7,100
Sheriff's Inmate Trust SAR	57,587	1,313,833	1,281,214	90,206
Work Release Inmate Trust SAR	20,448	75,522	81,370	14,600
Sheriff's Cash Book SAR	-	-	-	-

KOSCIUSKO COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2016

Fund	Cash and Investments 01-01-16	Receipts	Disbursements	Cash and Investments 12-31-16
Sheriff's Commissary SAR	263,637	549,949	496,492	317,094
Sheriff's Crime Stoppers SAR	22,891	2	800	22,093
Treasurer Cash Change SAR	500	-	-	500
Treasurer's Unsettled Tax SAR	2,386,133	2,235,589	2,386,133	2,235,589
Property Reassessment 2017	1,269,199	396,131	581,164	1,084,166
LOIT Special Distribution	-	1,015,677	774,271	241,406
Drug & Alcohol User Fees	168,992	119,347	174,262	114,077
Jury Fee	71,761	8,274	23,809	56,226
Pre-Trial Diversion Fund	56,233	97,400	135,453	18,180
Infraction Deferral	57,179	33,150	50,000	40,329
Town & County User Fees	42,595	15,171	13,854	43,912
Problem Solving Court Fee	22,138	32,369	15,246	39,261
County Elected Officials Train	33,725	7,568	2,480	38,813
SHOT Team Donation	600	-	-	600
D.A.R.E. Donations	809	932	1,093	648
Sheriff Donation Fund	11,492	10,050	9,493	12,049
Redevelopment Com Leesburg TIF	-	37,059	37,059	-
Redevelopment Com VanBuren TIF	156,833	77,943	-	234,776
Law Enforcement Data Access	141,900	40,500	-	182,400
Ineligible Deduction Fund Coun	126,847	8,136	19,790	115,193
Promotional Fund	5,020	2,477	2,939	4,558
Community Corrections Fund	-	64,308	-	64,308
Inkeepers Tax	35,612	597,063	588,960	43,715
Dreyfus TIF Bond Repayment	309,360	295,961	365,000	240,321
Trupointe TIF Bond Repayment	22,210	68,746	69,790	21,166
Co Sheriff Cont Education	649	3,245	2,010	1,884
KCCRVC Commission	646,608	649,419	551,147	744,880
Law Enforcement Forfeit Sheriff	66,077	11,010	5,676	71,411
Recorder Refund	305	-	-	305
Etna Green Sheriff Patrol	-	8,480	8,480	-
Direct Deposit	-	7,807,676	7,807,676	-
Colonial Insurance	-	13,729	13,729	-
Insurance EFT Account	-	3,450,223	3,439,553	10,670
Flexible Spending Acct	14,434	45,949	45,400	14,983
Aflac	-	13,754	13,754	-
Boston Mutual Life Insurance	-	53,110	53,110	-
Dental Insurance	-	64,747	64,747	-
United Way	-	40	40	-
Withholding-Medicare	-	168,380	168,380	-
Withholding - Oasi	-	719,785	719,785	-
LOIT 2016 Special Distribution	-	3,023,419	3,023,419	-
Weed Cutting Assessments	2,503	2,570	2,789	2,284
Public Mass Trans Fed 2015	-	79,138	79,138	-
Public Mass Trans FEDERAL 2016	-	243,745	243,745	-
Public Mass Trans Capital 2016	-	86,381	86,381	-
Pub Mass Trans STATE 2015	-	40,105	40,105	-
Pub Mass Trans STATE 2016	-	94,551	94,551	-
DUI Reimbursement	972	7,240	8,212	-
Fire District 2 6/15-6/17	(2,485)	64,246	61,761	-
Fire District 2 Training 10/11	100	-	-	100
VOCA 13VA2388	-	12,241	9,824	2,417
VOCA 14VAGX0062	(15,463)	15,463	-	-
VOCA	(8,798)	44,897	36,099	-
Prenatal	73,536	30,900	33,214	71,222
ADR Plan	2,090	-	2,090	-
Signage Pavement Markings	(8,088)	-	22,400	(30,488)
Closure	(14,874)	-	-	(14,874)
Fire District 2 2013/2014	200	-	-	200
Fire District 2 11/12/13	200	541	-	741
2014 Dist 2 SHSP	-	17,243	17,243	-
2015 EMAI	-	4,000	4,000	-
2015 EMPG	-	5,111	5,111	-
2015 District 2 Training	-	-	25,000	(25,000)
2015 Co Based Competitive Proj	-	44,800	44,800	-
2016 HMEP LEPC	-	6,950	6,950	-
Bioterrorism Preparedness 2015	2,433	26,914	21,640	7,707
Drug Prosecution Fund	-	3,543	3,543	-
Operation Pull Over PT-08-04-0	-	25,573	25,573	-
Summer Impaired Driving Enforc	-	279	279	-
Community Corrections Grant	107,542	55,625	111,408	51,759
Comm Corrections Grant 16-17	-	222,625	65,951	156,674
TB Medical Expenses	30,000	-	-	30,000
Pandemic Fund	1,908	-	-	1,908
Court Interpreter Grant	10,235	4,500	6,538	8,197
Well Child / Health Clinic	24,684	1,396	20	26,060
DNR Grant 2014	12	15,000	14,870	142
Community Transition Program	18,925	30,875	49,800	-
Adult Drug Court Grant	-	116,053	116,053	-
Community Crossing Grant	-	1,548,542	445,519	1,103,023
Totals	<u>\$ 34,923,557</u>	<u>\$ 179,517,679</u>	<u>\$ 175,794,025</u>	<u>\$ 38,647,211</u>

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

KOSCIUSKO COUNTY
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The County was established under the laws of the State of Indiana. The County operates under a Council-Commissioner form of government and provides some or all of the following services: public safety (police), highways and streets, health welfare and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

The accompanying financial statement presents the financial information for the County.

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

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

C. Cash and Investments

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

D. Receipts

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

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

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

KOSCIUSKO COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Intergovernmental receipts. Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of intergovernmental receipts include, but are not limited to, the following: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the County.

Charges for services. Amounts received for services including, but not limited to, the following: planning commission charges, building department charges, copies of public records, copy machines 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. Amounts received 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. Amounts received from various sources, including, but not limited to, the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution, or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

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

Personal services. Amounts disbursed 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. Amounts disbursed for 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, but are not limited to, the following: office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges. Amounts disbursed for services including, but not limited to, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Capital outlay. Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Other disbursements. Amounts disbursed for various other purposes including, but 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.

KOSCIUSKO COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

F. Interfund Transfers

The County may, from time to time, make transfers 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 amounts 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 amounts 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 lien date (March 1 in a year ending before January 1, 2016 and January 1 in a year beginning after December 31, 2015) 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.

KOSCIUSKO COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

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

KOSCIUSKO COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

B. County Police Retirement Plan

Plan Description

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

Funding Policy

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

C. County Police Benefit Plan

Plan Description

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

Funding Policy

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

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of funds being set up for reimbursement grants. The reimbursements for expenditures made by the County were not received by December 31, 2016.

KOSCIUSKO COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. Combined Funds

Funds related to Drug and Alcohol User Fees were combined in the prior financial statements, but were reported as seven individual funds for the current financial statement. Funds related to SHOT Team Donation were combined in the prior financial statements, but were reported as three individual funds for the current financial statement. Funds related to Redevelopment Comm Dreyfus TIF were combined in the prior financial statements, but were reported as two individual funds for the current financial statement. Funds related to Deferred Compensation were combined in the prior financial statements, but were reported as six individual funds for the current financial statement.

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OTHER INFORMATION - UNAUDITED

The County's Annual Financial Report information can be found on the Indiana Gateway for Government Units website: <https://gateway.ifionline.org/>.

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

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

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	County General	Sheriff Accident Report	County Edit Fund	Child Abuse Prevention	City & Town Court Costs	Clerk Document Storage Fee
Cash and investments - beginning	\$ 8,558,606	\$ 22,171	\$ 2,630,275	\$ 6,675	\$ -	\$ 132,862
Receipts:						
Taxes	9,144,880	-	3,513,184	-	-	-
Licenses and permits	42,732	-	-	-	-	-
Intergovernmental receipts	1,060,994	-	-	-	-	-
Charges for services	2,850,180	9,323	-	-	-	-
Fines and forfeits	326,821	-	-	-	20,826	59,772
Other receipts	1,687,207	-	87,823	-	-	1,545
Total receipts	15,112,814	9,323	3,601,007	-	20,826	61,317
Disbursements:						
Personal services	9,279,978	-	-	-	-	-
Supplies	533,791	-	-	-	-	-
Other services and charges	4,329,670	4,388	2,150,388	50	8,843	51,853
Capital outlay	661,591	-	965,509	-	-	400
Other disbursements	-	-	-	-	-	-
Total disbursements	14,805,030	4,388	3,115,897	50	8,843	52,253
Excess (deficiency) of receipts over disbursements	307,784	4,935	485,110	(50)	11,983	9,064
Cash and investments - ending	\$ 8,866,390	\$ 27,106	\$ 3,115,385	\$ 6,625	\$ 11,983	\$ 141,926

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Cert Share Local Option Tax	Interest- Congressional	Principal Congressional	Assessor Ed/Sales Disclosure	Cum Bridge	County Cum Capital Developmnt
Cash and investments - beginning	\$ 545,891	\$ 8,528	\$ 28,129	\$ 123,544	\$ 579,908	\$ 2,324,678
Receipts:						
Taxes	4,829,270	-	-	-	542,654	1,708,554
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	45,717	143,941
Charges for services	-	-	-	-	-	57,024
Fines and forfeits	-	-	-	11,475	-	-
Other receipts	7,309	99	28,129	-	47,948	37
Total receipts	4,836,579	99	28,129	11,475	636,319	1,909,556
Disbursements:						
Personal services	4,032,607	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	1,125	28,129	-	284,136	974,056
Capital outlay	-	-	-	-	-	1,103,296
Other disbursements	-	-	-	-	-	-
Total disbursements	4,032,607	1,125	28,129	-	284,136	2,077,352
Excess (deficiency) of receipts over disbursements	803,972	(1,026)	-	11,475	352,183	(167,796)
Cash and investments - ending	\$ 1,349,863	\$ 7,502	\$ 28,129	\$ 135,019	\$ 932,091	\$ 2,156,882

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Drug Free Communities- KCODE	Electronic Data	Local Emergency Planning	County Extradition	Gun Permits	Gen. Drain Improvement
Cash and investments - beginning	\$ 46,288	\$ 32,084	\$ 49,208	\$ 3,108	\$ 8,999	\$ 77,904
Receipts:						
Taxes	-	-	-	-	-	332,699
Licenses and permits	-	-	-	-	55,665	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	761	-	1,523	-	-
Fines and forfeits	71,600	-	-	-	-	-
Other receipts	-	-	7,097	-	-	-
Total receipts	71,600	761	7,097	1,523	55,665	332,699
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	4,526	-	39,568	-
Other services and charges	69,140	-	2,821	3,903	2,400	107,434
Capital outlay	-	-	601	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	69,140	-	7,948	3,903	41,968	107,434
Excess (deficiency) of receipts over disbursements	2,460	761	(851)	(2,380)	13,697	225,265
Cash and investments - ending	\$ 48,748	\$ 32,845	\$ 48,357	\$ 728	\$ 22,696	\$ 303,169

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	County Health	County ID Security Protection	Levy Excess Fund	Health Maintenance Grant	Local Road & Street	County Correction
Cash and investments - beginning	\$ 834,397	\$ 21,798	\$ 281	\$ 75,868	\$ 69,475	\$ -
Receipts:						
Taxes	687,720	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	57,938	-	-	-	672,229	-
Charges for services	87,627	-	-	-	-	-
Fines and forfeits	-	7,545	-	-	-	-
Other receipts	11	10	-	48,859	-	48,121
Total receipts	833,296	7,555	-	48,859	672,229	48,121
Disbursements:						
Personal services	662,853	-	-	14,692	-	48,121
Supplies	44,445	-	-	-	635,105	-
Other services and charges	42,383	3,750	281	-	-	-
Capital outlay	-	-	-	27,300	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	749,681	3,750	281	41,992	635,105	48,121
Excess (deficiency) of receipts over disbursements	83,615	3,805	(281)	6,867	37,124	-
Cash and investments - ending	\$ 918,012	\$ 25,603	\$ -	\$ 82,735	\$ 106,599	\$ -

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Highway- MVH	Plat Book Fund	Rainy Day Fund	Records Record Perpetuation	Riverboat Revenue Sharing	Sex & Violent Offender Adm Co
Cash and investments - beginning	\$ 1,336,931	\$ 108,981	\$ 3,343,316	\$ 55,454	\$ -	\$ 3,433
Receipts:						
Taxes	1,829,781	-	338,559	-	-	-
Licenses and permits	40,740	-	-	-	-	-
Intergovernmental receipts	4,561,948	-	-	-	458,246	-
Charges for services	8,768	-	-	138,148	-	-
Fines and forfeits	-	20,385	-	-	-	-
Other receipts	15,098	-	-	-	-	4,568
Total receipts	<u>6,456,335</u>	<u>20,385</u>	<u>338,559</u>	<u>138,148</u>	<u>458,246</u>	<u>4,568</u>
Disbursements:						
Personal services	2,557,086	28,137	-	2,311	-	-
Supplies	1,242,381	-	-	-	-	-
Other services and charges	327,917	8,075	-	74,601	458,246	-
Capital outlay	2,519,627	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>6,647,011</u>	<u>36,212</u>	<u>-</u>	<u>76,912</u>	<u>458,246</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(190,676)</u>	<u>(15,827)</u>	<u>338,559</u>	<u>61,236</u>	<u>-</u>	<u>4,568</u>
Cash and investments - ending	<u>\$ 1,146,255</u>	<u>\$ 93,154</u>	<u>\$ 3,681,875</u>	<u>\$ 116,690</u>	<u>\$ -</u>	<u>\$ 8,001</u>

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Clerk Sheriff Pension	Surplus Tax	Surveyor Corner Perpetuation	Tax Sale Redemption	Tax Sale Surplus	Local Health Dept Trust Acct
Cash and investments - beginning	\$ -	\$ 78,370	\$ 99,809	\$ -	\$ 809,200	\$ 157,838
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	19,705	190,259	-	-
Fines and forfeits	83,035	-	-	-	-	-
Other receipts	-	151,569	-	828	812,848	34,816
Total receipts	83,035	151,569	19,705	191,087	812,848	34,816
Disbursements:						
Personal services	-	-	-	-	-	54,340
Supplies	-	-	-	-	-	-
Other services and charges	83,035	110,588	7,170	191,087	1,059,885	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	83,035	110,588	7,170	191,087	1,059,885	54,340
Excess (deficiency) of receipts over disbursements	-	40,981	12,535	-	(247,037)	(19,524)
Cash and investments - ending	\$ -	\$ 119,351	\$ 112,344	\$ -	\$ 562,163	\$ 138,314

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	CASA Capacity Building Grant	CASA	Statewide 9-1-1	Adult Probation User Fees	Juvenile Probation User Fees	Alternative Dispute Resolution
Cash and investments - beginning	\$ -	\$ -	\$ 214,658	\$ 249,597	\$ 24,091	\$ 17,371
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	1,250	-	-
Fines and forfeits	-	-	-	243,386	5,417	7,447
Other receipts	8,500	18,529	744,472	17,362	-	1,080
Total receipts	8,500	18,529	744,472	261,998	5,417	8,527
Disbursements:						
Personal services	-	-	522,783	247,245	-	-
Supplies	-	-	-	17,961	-	-
Other services and charges	8,500	18,529	76,955	28,580	-	5,448
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	8,500	18,529	599,738	293,786	-	5,448
Excess (deficiency) of receipts over disbursements	-	-	144,734	(31,788)	5,417	3,079
Cash and investments - ending	\$ -	\$ -	\$ 359,392	\$ 217,809	\$ 29,508	\$ 20,450

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Drainage Maintenance	Sheriff Sale Fund	Health Clinic Administrative	Redevelopment Comm Dreyfus TIF	Employee Health Insurance Fund	Deferred Compensation
Cash and investments - beginning	\$ 1,364,369	\$ 126,618	\$ 115,277	\$ 83,152	\$ 2,492,581	\$ -
Receipts:						
Taxes	802,401	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	30,509	-	42,667	3,777,063	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	35,366	-	483,965	50,000
Total receipts	802,401	30,509	35,366	42,667	4,261,028	50,000
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	2,008	-	50,178	-
Other services and charges	604,849	20,151	25,614	508	4,584,820	50,000
Capital outlay	-	-	-	-	2,007	-
Other disbursements	-	-	-	-	-	-
Total disbursements	604,849	20,151	27,622	508	4,637,005	50,000
Excess (deficiency) of receipts over disbursements	197,552	10,358	7,744	42,159	(375,977)	-
Cash and investments - ending	\$ 1,561,921	\$ 136,976	\$ 123,021	\$ 125,311	\$ 2,116,604	\$ -

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Withholding- Federal	Withholding-Co Option Tax	Withholding- P.E.R.F.	Withholding- Sheriff Pension	Withholding- State	Garnishment
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	1,255,166	122,321	317,116	57,128	387,216	57,608
Total receipts	1,255,166	122,321	317,116	57,128	387,216	57,608
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	1,255,166	122,321	317,116	57,128	387,216	57,608
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	1,255,166	122,321	317,116	57,128	387,216	57,608
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Sheriff Pension Holding	Tax Distribution	Wheel Tax /Sur Tax	Commercial Vehicle Excise Tax	Sewage Charge Assessment Delq.	Financial Institution Fran Tax
Cash and investments - beginning	\$ 14,075	\$ -	\$ 97,622	\$ -	\$ 137,654	\$ -
Receipts:						
Taxes	-	68,314,984	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	7,811,474	-	344,036	-	-
Charges for services	-	-	-	-	223,783	479,488
Fines and forfeits	19,825	-	-	-	-	-
Other receipts	-	-	2,560,883	-	-	-
Total receipts	19,825	76,126,458	2,560,883	344,036	223,783	479,488
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	76,126,458	2,550,258	344,036	237,097	479,488
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	76,126,458	2,550,258	344,036	237,097	479,488
Excess (deficiency) of receipts over disbursements	19,825	-	10,625	-	(13,314)	-
Cash and investments - ending	\$ 33,900	\$ -	\$ 108,247	\$ -	\$ 124,340	\$ -

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Fines & Forfeitures	Clerk Of Court-Infraction	Special Death Benefit Fee	State Disclosure Of Sales	St Coroner Tr & C Education	Mortgage Fee Fund
Cash and investments - beginning	\$ 16,744	\$ 6,858	\$ 645	\$ 830	\$ 830	\$ 692
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	11,435	7,361	8,209
Fines and forfeits	132,421	92,475	7,085	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	132,421	92,475	7,085	11,435	7,361	8,209
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	135,221	93,111	7,250	11,365	7,603	8,157
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	135,221	93,111	7,250	11,365	7,603	8,157
Excess (deficiency) of receipts over disbursements	(2,800)	(636)	(165)	70	(242)	52
Cash and investments - ending	\$ 13,944	\$ 6,222	\$ 480	\$ 900	\$ 588	\$ 744

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Homestd Property Database DLGF	Sex & Violent Offender Adm St	Child Restraint Fines	IDHS Dist 2 Fuel Card	Inheritance Tax	Education Plate Fee Dist.
Cash and investments - beginning	\$ 16	\$ 26	\$ 25	\$ -	\$ 2,939	\$ 75
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	919
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	713	-
Fines and forfeits	-	-	50	-	-	-
Other receipts	82	508	-	2,451	-	-
Total receipts	82	508	50	2,451	713	919
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	2,094	-	-
Other services and charges	98	489	75	-	3,652	994
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	98	489	75	2,094	3,652	994
Excess (deficiency) of receipts over disbursements	(16)	19	(25)	357	(2,939)	(75)
Cash and investments - ending	\$ -	\$ 45	\$ -	\$ 357	\$ -	\$ -

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	County Edit Tax	Cert Share Local Option	93.563 Prosecutor PCA	Clerk ARRA	93.563 Title IV-D Incentive	Prosecutor IV-D Incentive -New
Cash and investments - beginning	\$ -	\$ -	\$ 1,848	\$ 24,584	\$ 237,347	\$ 121,708
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	5,649,457	13,097,923	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	1,658	-	42,659	64,177
Total receipts	5,649,457	13,097,923	1,658	-	42,659	64,177
Disbursements:						
Personal services	-	-	-	20,705	-	48,028
Supplies	-	-	-	-	-	4,151
Other services and charges	5,649,457	13,097,893	1,128	-	-	26,217
Capital outlay	-	-	-	-	-	39,200
Other disbursements	-	-	-	-	-	-
Total disbursements	5,649,457	13,097,893	1,128	20,705	-	117,596
Excess (deficiency) of receipts over disbursements	-	30	530	(20,705)	42,659	(53,419)
Cash and investments - ending	\$ -	\$ 30	\$ 2,378	\$ 3,879	\$ 280,006	\$ 68,289

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Clerk IV-D Incentive (NEW)	Clerk's Trust SAR	Clerk's ISETS Support SAR	Sheriff's Inmate Meals SAR	Sheriff's Inmate Trust SAR	Work Release Inmate Trust SAR
Cash and investments - beginning	\$ 158,090	\$ 980,779	\$ 15,489	\$ 5,552	\$ 57,587	\$ 20,448
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	57,142	7,760,825	996,543	359,824	1,313,833	75,522
Total receipts	57,142	7,760,825	996,543	359,824	1,313,833	75,522
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	23,598	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	7,505,934	993,497	358,276	1,281,214	81,370
Total disbursements	23,598	7,505,934	993,497	358,276	1,281,214	81,370
Excess (deficiency) of receipts over disbursements	33,544	254,891	3,046	1,548	32,619	(5,848)
Cash and investments - ending	\$ 191,634	\$ 1,235,670	\$ 18,535	\$ 7,100	\$ 90,206	\$ 14,600

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Sheriff's Cash Book SAR	Sheriff's Commissary SAR	Sheriff's Crime Stoppers SAR	Treasurer Cash Change SAR	Treasurer's Unsettled Tax SAR	Property Reassessment 2017
Cash and investments - beginning	\$ -	\$ 263,637	\$ 22,891	\$ 500	\$ 2,386,133	\$ 1,269,199
Receipts:						
Taxes	-	-	-	-	-	365,351
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	30,780
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	549,949	2	-	2,235,589	-
Total receipts	-	549,949	2	-	2,235,589	396,131
Disbursements:						
Personal services	-	-	-	-	-	392,338
Supplies	-	-	-	-	-	100
Other services and charges	-	-	-	-	-	36,246
Capital outlay	-	-	-	-	-	152,480
Other disbursements	-	496,492	800	-	2,386,133	-
Total disbursements	-	496,492	800	-	2,386,133	581,164
Excess (deficiency) of receipts over disbursements	-	53,457	(798)	-	(150,544)	(185,033)
Cash and investments - ending	\$ -	\$ 317,094	\$ 22,093	\$ 500	\$ 2,235,589	\$ 1,084,166

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	LOIT Special Distribution	Drug & Alcohol User Fees	Jury Fee	Pre-Trial Diversion Fund	Infraction Deferral	Town & County User Fees
Cash and investments - beginning	\$ -	\$ 168,992	\$ 71,761	\$ 56,233	\$ 57,179	\$ 42,595
Receipts:						
Taxes	1,015,677	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	33,150	-
Fines and forfeits	-	-	8,194	97,200	-	-
Other receipts	-	119,347	80	200	-	15,171
Total receipts	1,015,677	119,347	8,274	97,400	33,150	15,171
Disbursements:						
Personal services	-	134,081	-	91,595	-	-
Supplies	-	15,730	-	3,950	-	-
Other services and charges	-	24,451	23,809	39,908	50,000	13,854
Capital outlay	774,271	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	774,271	174,262	23,809	135,453	50,000	13,854
Excess (deficiency) of receipts over disbursements	241,406	(54,915)	(15,535)	(38,053)	(16,850)	1,317
Cash and investments - ending	\$ 241,406	\$ 114,077	\$ 56,226	\$ 18,180	\$ 40,329	\$ 43,912

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Problem Solving Court Fee	County Elected Officials Train	SHOT Team Donation	D.A.R.E. Donations	Sheriff Donation Fund	Redevelopment Com Leesburg TIF
Cash and investments - beginning	\$ 22,138	\$ 33,725	\$ 600	\$ 809	\$ 11,492	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	32,369	7,554	-	-	-	-
Other receipts	-	14	-	932	10,050	37,059
Total receipts	32,369	7,568	-	932	10,050	37,059
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	895	-	-	-	-	-
Other services and charges	14,351	2,480	-	1,093	9,493	37,059
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	15,246	2,480	-	1,093	9,493	37,059
Excess (deficiency) of receipts over disbursements	17,123	5,088	-	(161)	557	-
Cash and investments - ending	\$ 39,261	\$ 38,813	\$ 600	\$ 648	\$ 12,049	\$ -

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Redevelopment Com VanBuren TIF	Law Enforcement Data Access	Ineligible Deduction Fund Coun	Promotional Fund	Community Corrections Fund	Innkeepers Tax
Cash and investments - beginning	\$ 156,833	\$ 141,900	\$ 126,847	\$ 5,020	\$ -	\$ 35,612
Receipts:						
Taxes	-	-	-	-	-	597,063
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	620	-	-
Fines and forfeits	-	-	-	-	64,308	-
Other receipts	77,943	40,500	8,136	1,857	-	-
Total receipts	77,943	40,500	8,136	2,477	64,308	597,063
Disbursements:						
Personal services	-	-	12,963	-	-	-
Supplies	-	-	820	1,934	-	-
Other services and charges	-	-	6,007	1,005	-	588,960
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	19,790	2,939	-	588,960
Excess (deficiency) of receipts over disbursements	77,943	40,500	(11,654)	(462)	64,308	8,103
Cash and investments - ending	\$ 234,776	\$ 182,400	\$ 115,193	\$ 4,558	\$ 64,308	\$ 43,715

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Dreyfus TIF Bond Repayment	Trupointe TIF Bond Repayment	Co Sheriff Cont Education	KCCRVC Commission	Law Enforcement Forfeit Sheriff	Recorder Refund
Cash and investments - beginning	\$ 309,360	\$ 22,210	\$ 649	\$ 646,608	\$ 66,077	\$ 305
Receipts:						
Taxes	-	-	-	588,960	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	295,961	68,746	-	-	11,010	-
Fines and forfeits	-	-	3,245	-	-	-
Other receipts	-	-	-	60,459	-	-
Total receipts	295,961	68,746	3,245	649,419	11,010	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	581	-
Other services and charges	365,000	69,790	2,010	551,147	3,000	-
Capital outlay	-	-	-	-	2,095	-
Other disbursements	-	-	-	-	-	-
Total disbursements	365,000	69,790	2,010	551,147	5,676	-
Excess (deficiency) of receipts over disbursements	(69,039)	(1,044)	1,235	98,272	5,334	-
Cash and investments - ending	\$ 240,321	\$ 21,166	\$ 1,884	\$ 744,880	\$ 71,411	\$ 305

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Etna Green Sheriff Patrol	Direct Deposit	Colonial Insurance	Insurance EFT Account	Flexible Spending Acct	Aflac
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 14,434	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	8,480	7,807,676	13,729	3,450,223	45,949	13,754
Total receipts	8,480	7,807,676	13,729	3,450,223	45,949	13,754
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	8,480	7,807,676	13,729	3,439,553	45,400	13,754
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	8,480	7,807,676	13,729	3,439,553	45,400	13,754
Excess (deficiency) of receipts over disbursements	-	-	-	10,670	549	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 10,670	\$ 14,983	\$ -

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Boston Mutual Life Insurance	Dental Insurance	United Way	Withholding- Medicare	Withholding - Oasi	LOIT 2016 Special Distribution
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	3,023,419
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	18	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	53,110	64,729	40	168,380	719,785	-
Total receipts	53,110	64,747	40	168,380	719,785	3,023,419
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	53,110	64,747	40	168,380	719,785	3,023,419
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	53,110	64,747	40	168,380	719,785	3,023,419
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Weed Cutting Assessments	Public Mass Trans Fed 2015	Public Mass Trans FEDERAL 2016	Public Mass Trans Capital 2016	Pub Mass Trans STATE 2015	Pub Mass Trans STATE 2016
Cash and investments - beginning	\$ 2,503	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	2,570	79,138	243,745	86,381	40,105	94,551
Total receipts	2,570	79,138	243,745	86,381	40,105	94,551
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	2,789	79,138	243,745	86,381	40,105	94,551
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	2,789	79,138	243,745	86,381	40,105	94,551
Excess (deficiency) of receipts over disbursements	(219)	-	-	-	-	-
Cash and investments - ending	\$ 2,284	\$ -	\$ -	\$ -	\$ -	\$ -

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	DUI Reimbursement	Fire District 2 6/15-6/17	Fire District 2 Training 10/11	VOCA 13VA2388	VOCA 14VAGX0062	VOCA
Cash and investments - beginning	\$ 972	\$ (2,485)	\$ 100	\$ -	\$ (15,463)	\$ (8,798)
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	7,240	64,246	-	12,241	15,463	44,897
Total receipts	7,240	64,246	-	12,241	15,463	44,897
Disbursements:						
Personal services	-	-	-	9,824	-	36,099
Supplies	-	-	-	-	-	-
Other services and charges	8,212	61,761	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	8,212	61,761	-	9,824	-	36,099
Excess (deficiency) of receipts over disbursements	(972)	2,485	-	2,417	15,463	8,798
Cash and investments - ending	\$ -	\$ -	\$ 100	\$ 2,417	\$ -	\$ -

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Prenatal	ADR Plan	Signage Pavement Markings	Closure	Fire District 2 2013/2014	Fire District 2 11/12/13
Cash and investments - beginning	\$ 73,536	\$ 2,090	\$ (8,088)	\$ (14,874)	\$ 200	\$ 200
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	541
Fines and forfeits	-	-	-	-	-	-
Other receipts	30,900	-	-	-	-	-
Total receipts	30,900	-	-	-	-	541
Disbursements:						
Personal services	30,798	-	-	-	-	-
Supplies	2,416	-	22,400	-	-	-
Other services and charges	-	2,090	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	33,214	2,090	22,400	-	-	-
Excess (deficiency) of receipts over disbursements	(2,314)	(2,090)	(22,400)	-	-	541
Cash and investments - ending	\$ 71,222	\$ -	\$ (30,488)	\$ (14,874)	\$ 200	\$ 741

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	2014 Dist 2 SHSP	2015 EMAI	2015 EMPG	2015 District 2 Training	2015 Co Based Competitive Proj	2016 HMEP LEPC
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	17,243	4,000	5,111	-	44,800	6,950
Total receipts	17,243	4,000	5,111	-	44,800	6,950
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	17,243	4,000	5,111	25,000	44,800	6,950
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	17,243	4,000	5,111	25,000	44,800	6,950
Excess (deficiency) of receipts over disbursements	-	-	-	(25,000)	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ (25,000)	\$ -	\$ -

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Bioterrorism Preparedness 2015	Drug Prosecution Fund	Operation Pull Over PT-08-04-0	Summer Impaired Driving Enforc	Community Corrections Grant
Cash and investments - beginning	\$ 2,433	\$ -	\$ -	\$ -	\$ 107,542
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	26,914	3,543	25,573	279	55,625
Total receipts	26,914	3,543	25,573	279	55,625
Disbursements:					
Personal services	-	-	25,573	279	10,829
Supplies	21,640	-	-	-	8,701
Other services and charges	-	3,543	-	-	10,088
Capital outlay	-	-	-	-	81,790
Other disbursements	-	-	-	-	-
Total disbursements	21,640	3,543	25,573	279	111,408
Excess (deficiency) of receipts over disbursements	5,274	-	-	-	(55,783)
Cash and investments - ending	\$ 7,707	\$ -	\$ -	\$ -	\$ 51,759

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Comm Corrections Grant 16-17	TB Medical Expenses	Pandemic Fund	Court Interpreter Grant	Well Child / Health Clinic
Cash and investments - beginning	\$ -	\$ 30,000	\$ 1,908	\$ 10,235	\$ 24,684
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	222,625	-	-	4,500	1,396
Total receipts	222,625	-	-	4,500	1,396
Disbursements:					
Personal services	45,718	-	-	-	20
Supplies	4,612	-	-	-	-
Other services and charges	15,621	-	-	6,538	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	65,951	-	-	6,538	20
Excess (deficiency) of receipts over disbursements	156,674	-	-	(2,038)	1,376
Cash and investments - ending	\$ 156,674	\$ 30,000	\$ 1,908	\$ 8,197	\$ 26,060

KOSCIUSKO COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	DNR Grant 2014	Community Transition Program	Adult Drug Court Grant	Community Crossing Grant	Totals
Cash and investments - beginning	\$ 12	\$ 18,925	\$ -	\$ -	\$ 34,923,557
Receipts:					
Taxes	-	-	-	-	97,635,156
Licenses and permits	-	-	-	-	140,056
Intergovernmental receipts	-	-	-	-	33,934,683
Charges for services	-	-	-	-	8,355,842
Fines and forfeits	-	-	-	-	1,322,435
Other receipts	15,000	30,875	116,053	1,548,542	38,129,507
Total receipts	15,000	30,875	116,053	1,548,542	179,517,679
Disbursements:					
Personal services	11,180	-	62,885	-	18,383,068
Supplies	-	-	7,415	-	2,667,402
Other services and charges	3,690	49,800	45,753	445,519	135,309,672
Capital outlay	-	-	-	-	6,330,167
Other disbursements	-	-	-	-	13,103,716
Total disbursements	14,870	49,800	116,053	445,519	175,794,025
Excess (deficiency) of receipts over disbursements	130	(18,925)	-	1,103,023	3,723,654
Cash and investments - ending	\$ 142	\$ -	\$ -	\$ 1,103,023	\$ 38,647,211

KOSCIUSKO COUNTY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2016

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 1,135,376</u>	<u>\$ 3,951,130</u>

KOSCIUSKO COUNTY
 SCHEDULE OF LEASES AND DEBT
 December 31, 2016

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
General obligation bonds	Louis Dreyfus TIF	\$ 4,415,000	\$ 410,000
General obligation bonds	TruPointe TIF	1,403,000	109,650
Notes and loans payable	Munson Buildings	<u>192,806</u>	<u>103,692</u>
Totals		<u>\$ 6,010,806</u>	<u>\$ 623,342</u>

KOSCIUSKO COUNTY
SCHEDULE OF CAPITAL ASSETS
December 31, 2016

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.

	<u>Ending Balance</u>
Governmental activities:	
Infrastructure	\$ 51,378,065
Buildings	40,437,275
Machinery, equipment, and vehicles	<u>6,643,256</u>
Total capital assets	<u>\$ 98,458,596</u>

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF KOSCIUSKO COUNTY, INDIANA

Report on Compliance for the Major Federal Program

We have audited Kosciusko 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 its major federal program for the year ended December 31, 2016. The County's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with 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 the County's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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 the major federal program. However, our audit does not provide a legal determination of the County's compliance.

Basis for Qualified Opinion on Child Support Enforcement

As described in items 2016-002 and 2016-003 in the accompanying Schedule of Findings and Questioned Costs, the County did not comply with requirements regarding Equipment and Real Property Management and Allowable Costs/Cost Principles that are applicable to its Child Support Enforcement program. Compliance with such requirements is necessary, in our opinion, for the County to comply with requirements applicable to that program.

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

Qualified Opinion on Child Support Enforcement

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Child Support Enforcement* paragraph, 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 the Child Support Enforcement program for the year ended December 31, 2016.

Other Matters

The County's response to the noncompliance findings identified in our audit is described in the accompanying Corrective Action Plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance


Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with 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 a 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 a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2016-002 and 2016-003, that we consider to be material weaknesses.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying Corrective Action Plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

KOSCIUSKO COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2016

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient	Total Federal Awards Expended
<u>Department of Justice</u>					
Crime Victim Assistance VOCA	Indiana Criminal Justice Institute	16.575	D3-16-10590	\$ -	\$ 27,910
Drug Court Discretionary Grant Program Adult Drug Court	Direct grant	16.585	2014-DC-BX-0061	-	116,053
Total - Department of Justice				-	143,963
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster Highway Planning and Construction Bridge Inspection	Indiana Department of Transportation	20.205	Des. 1382104	-	47,948
Total - Highway Planning and Construction Cluster				-	47,948
Federal Transit Cluster Bus and Bus Facilities Formula Program Kabs Capital Grant 2016	Indiana Department of Transportation	20.526	A249-16-G150056	86,381	86,381
Total - Federal Transit Cluster				86,381	86,381
Highway Safety Cluster State and Community Highway Safety Operation Pullover Operation Pullover	Town of Winona Lake	20.600	D3-16-10194 D3-17-11131	- -	24,321 1,252
Total - State and Community Highway Safety				-	25,573
Alcohol Impaired Driving Countermeasures Incentive Grants I DUI Task Force Indiana Enforcement	Town of Winona Lake	20.601	D3-16-10241	-	7,240
Total - Highway Safety Cluster				-	32,813
Formula Grants for Rural Areas Kabs Federal 2016 Kabs Federal 2015	Indiana Department of Transportation	20.509	A249-16-G150121 A249-15-320480	243,745 79,138	243,745 79,138
Total - Formula Grants for Rural Areas				322,883	322,883
Interagency Hazardous Materials Public Sector Training and Planning Grants 2016 HMEP LEPC	Indiana Department of Homeland Security	20.703	HM-HMP-0498-15-01-00	-	6,950
Total - Department of Transportation				409,264	496,975
<u>Department of Health and Human Services</u>					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements Bioterrorism Preparedness Response Supplements Bioterrorism Preparedness Response Supplements	Indiana Department of Health	93.074	13709 16062	- -	10,435 16,479
Total - Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements				-	26,914

KOSCIUSKO COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2016

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient	Total Federal Awards Expended
Child Support Enforcement	Indiana Department of Child Services	93.563			
Prosecutor Expenditures			FY 2016	-	384,352
Prosecutor Incentive			FY 2016	-	117,596
Indirect Costs			FY 2016	-	91,669
Clerk Incentive			FY 2016	-	23,598
Clerk Expenditures			FY 2016	-	18,073
COIT Commissioners			FY 2016	-	7,763
Document Storage			FY 2016	-	1,545
Total - Child Support Enforcement				-	644,596
Maternal and Child Health Services Block Grant to the States Prenatal	Indiana Department of Health	93.994	14538	-	30,900
Total - Department of Health and Human Services				-	702,410
<u>Department of Homeland Security</u>					
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042			
2015 EMAI			14832	-	4,000
2015 EMPG			14701	-	5,111
2015 EMPG			16447	-	40,046
Total - Emergency Management Performance Grants				-	49,157
Homeland Security Grant Program	Indiana Department of Homeland Security	97.067			
2014 SHSP Training			EMW-2014-SS-00138	-	17,243
2015 County Based Competitive Project			EMW-2015-SS-00049-S01	-	44,800
Total - Homeland Security Grant Program				-	62,043
Total - Department of Homeland Security				-	111,200
Total federal awards expended				\$ 409,264	\$ 1,454,548

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

KOSCIUSKO 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, 2016. 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* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the County, it is not intended to and does not present the financial position of the County.

Note 2. Summary of Significant Accounting Policies

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

KOSCIUSKO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

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

Identification of Major Program and type of auditor's report issued on compliance for it:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
93.563	Child Support Enforcement	Qualified

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

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

Section II - Financial Statement Findings

FINDING 2016-001

Subject: Preparation of the Schedule of Expenditures of Federal Awards
Audit Findings: Material Weakness, Noncompliance

Repeat Finding

This is a repeat finding from the immediately prior report. The prior audit finding number was 2015-001.

Condition

The County had not established effective internal controls to prevent, or detect and correct, errors in the financial information entered into the Indiana Gateway of Government Units financial reporting system, which was the source of the Schedule of Expenditures of Federal Awards (SEFA).

KOSCIUSKO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Context

The SEFA contained the following errors:

1. Not all CFDA numbers were listed.
2. Not all program titles were correct.
3. Not all Federal Grantor Agencies were listed correctly.
4. Not all Pass-Through Entities were listed correctly.
5. Not all Pass-Through identifying numbers were listed correctly.
6. The Crime Victim Assistance expenditures, in the amount of \$44,690, were overstated.
7. The Highway Planning and Construction expenditures, in the amount of \$47,948, were omitted.
8. The State and Community Highway Safety expenditures, in the amount of \$25,573, were omitted.
9. The Alcohol Impaired Driving Countermeasures Incentive Grants I expenditures, in the amount of \$7,240, were omitted.
10. The Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements expenditures, in the amount of \$106,766, were overstated.
11. The Child Support Enforcement expenditures, in the amount of \$159,824, were understated.
12. The Maternal and Child Health Services Block Grant to the states expenditures, in the amount of \$30,900, were overstated.
13. The Emergency Management Performance Grants expenditures, in the amount of \$40,046, were understated.
14. A state grant in the amount of \$14,870 was included.
15. Amounts passed through to subrecipients were overstated by \$1,161,247.

Audit adjustments were proposed, accepted by the County, and made to the SEFA.

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:

KOSCIUSKO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

"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. . . ."

2 CFR 200.508 states in part: "The auditee must: . . . (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with § 200.510 financial statements. . . ."

2 CFR 200.510(b) states:

"*Schedule of expenditures of Federal awards.* The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502 Basis for determining Federal awards expended. 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 Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal 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 must 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. For a cluster of programs also provide the total for the cluster.
- (4) Include the total amount provided to subrecipients from each Federal program.
- (5) For loan or loan guarantee programs described in § 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.

KOSCIUSKO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (6) Include notes that describe that significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in § 200.414 Indirect (F&A) costs."

Cause

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

Effect

Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA remained undetected. The SEFA contained the errors identified in the *Context*.

Recommendation

We recommended that the County's management establish controls related to the preparation of the SEFA.

Views of Responsible Officials

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

Section III - Federal Award Findings and Questioned Costs

FINDING 2016-002

Subject: Child Support Enforcement - Equipment and Real Property Management
Federal Agency: Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA Number: 93.563
Federal Award Number and Year (or Other Identifying Number): FY2016
Pass-Through Entity: Indiana Department of Child Services
Compliance Requirement: Equipment and Real Property Management
Audit Findings: Material Weakness, Modified Opinion

Condition

An effective internal control system was not in place at the County to ensure compliance with requirements related to the grant agreement and the equipment management requirements.

The County Prosecutor Attorney's office did not have an effective internal control system in place to ensure that federally funded equipment records were maintained and compared to a physical inventory at least once every two years. The County Prosecutor Attorney's office did not maintain any inventory records for equipment purchased during the audit period.

Context

The lack of controls and noncompliance were isolated to the County Prosecutor Attorney's office, but systemic throughout the audit period.

KOSCIUSKO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

CFR 200.313(d) states in part:

"*Management requirements.* Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place will, as a minimum, meet the following requirements: . . .

- (2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
- (3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated. . . ."

Cause

Management had not developed a system of internal controls that would have ensured compliance with the grant agreement and the equipment management requirements.

Effect

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

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the County's management establish controls related to the grant agreement and comply with the Equipment and Real Property Management compliance requirement.

Views of Responsible Officials

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

KOSCIUSKO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2016-003

Subject: Child Support Enforcement - Allowable Costs/Cost Principles
Federal Agency: Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA Number: 93.563
Federal Award Number and Year (or Other Identifying Number): FY2016
Pass-Through Entity: Indiana Department of Child Services
Compliance Requirement: Allowable Costs/Cost Principles
Audit Findings: Material Weakness, Modified Opinion

Condition

An effective internal control system was not in place at the County to ensure compliance with requirements related to the grant agreement and the Allowable Costs/Cost Principles compliance requirement. The County had implemented controls but they were not effective at preventing noncompliance.

A total of \$22,049 County Prosecuting Attorney's Child Support Enforcement Incentive and County General fund expenditures were not supported by evidence to substantiate that the costs were necessary and reasonable for proper and efficient performance of the Child Support Enforcement program. Bonuses were paid to non-Child Support Enforcement employees from Child Support Enforcement program funds.

A total of \$10,624 Clerk of the Circuit Court's Child Support Enforcement Incentive expenditures were not supported by evidence to substantiate that the costs were necessary and reasonable for proper and efficient performance of the Child Support Enforcement program. Equipment that was used for all child support payments, not only Child Support Enforcement, was purchased with Child Support Enforcement program funds; therefore, the costs should have been proportionately allocated to the federal program.

In June 2018, the Indiana Department of Child Services conducted a Quality Assurance Review of the Clerk of the Circuit Court and County Prosecuting Attorney's Child Support Enforcement procedures for the first quarter of 2017. Their review reported some of the issues described above.

Context

The lack of effective controls and the noncompliance were isolated to the items listed in the *Condition*.

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

KOSCIUSKO COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 200.420 states in part: ". . . Criteria outlined in § 200.403 Factors affecting allowability of costs must be applied in determining allowability. . . ."

2 CFR 200.403 states in part:

"Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards:

(a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles. . . .

(g) Be adequately documented. . . ."

Indiana Code 31-25-4-23.5 states in part:

"Title IV-D incentive fund; use of money. . . .

(c) Money in the fund may be used only for child support enforcement purposes. . . ."

Cause

The County had not established an effective system of internal controls that would have ensured compliance with the Allowable Costs/Cost Principles compliance requirement.

Effect

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

Questioned Costs

There were known questioned costs of \$32,673 as detailed in the *Condition*. Of those questioned costs, \$22,049 were for the County Prosecuting Attorney's office and \$10,624 were for the Clerk of the Circuit Court's office.

Recommendation

We recommended that the County's management establish controls to ensure compliance and comply with the Allowable Costs/Cost Principles compliance requirement.

Views of Responsible Officials

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

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AUDITEE-PREPARED DOCUMENTS

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



Michelle L. Puckett
Kosciusko County Auditor

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-001

Fiscal year in which the finding initially occurred: 2015
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: County Auditor
Contact Person Responsible for Corrective Action: Michelle L. Puckett
Contact Phone Number: 574-372-2328

Status of Audit Finding: Controls were put in place and are reflective in 2016. In experiencing a change in staffing 1/1/2017 some internal controls on the SEFA failed to continue. As training has continued for the new hire, internal controls are back in place and operational for 2018.

FINDING 2015-002

Fiscal year in which the finding initially occurred: 2015
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: County Auditor
Contact Person Responsible for Corrective Action: Michelle L. Puckett
Contact Phone Number: 574-372-2328

Status of Audit Finding: Controls were put in place for the Formula Grants for Rural Areas and are reflective in 2016 and going forward.

FINDING 2015-003

Fiscal year in which the finding initially occurred: 2015
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: County Auditor
Contact Person Responsible for Corrective Action: Michelle L. Puckett
Contact Phone Number: 574-372-2328

Status of Audit Finding: Controls were put in place for the Formula Grants for Rural Areas and are reflective in 2016 and going forward.



Michelle L. Puckett
Kosciusko County Auditor

Michelle L. Puckett

(Signature)

Auditor

(Title)

7-20-18

(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).)



Michelle L. Puckett
Kosciusko County Auditor

CORRECTIVE ACTION PLAN

FINDING 2016-001

Contact Person Responsible for Corrective Action: Michelle L. Puckett
Contact Phone Number: 574-372-2328

We concur with the finding.

Description of Corrective Action Plan:


In reviewing our current SEFA process and internal controls, it has been made clear that due to turnover in the grant deputy position that misstatements of the SEFA went undetected. 1/1/2017 a new grant deputy was hired to fill the vacant position. With the obvious gap in knowledge of grants during this transition period, misstatements went undetected.

At the time of each audit, we continue to learn and understand more about what is expected to be reported on the SEFA by the State Board of Accounts field examiners. We are beginning to cross train the entire grant process from initial application of grant to close out of the grant to help ensure accuracy in reporting the SEFA. All internal controls will be reviewed and updated during this process to address all points listed in the Financial Statement Findings. We are also implementing additional internal controls during the Annual Report process to further detect defects in the SEFA.

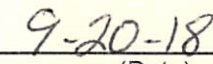
Anticipated Completion Date: 6/30/20



(Signature)



(Title)



(Date)

**Office of the
Prosecuting Attorney**

54th Indiana Judicial Circuit
Kosciusko County Indiana

Daniel H. Hampton
Prosecuting Attorney



Child Support Enforcement

121 North Lake Street
Warsaw, Indiana 46580

t: (574) 372-2425

f: (574) 372-2428

e: childsupport@kcgov.com

CORRECTIVE ACTION PLAN

FINDING 2016-002

Contact Person Responsible for Corrective Action: Robert Bishop
Contact Phone Number: 574-372-2425

Views of Responsible Official: The need for an inventory had already been determined and completed prior to the audit being conducted.

Description of Corrective Action Plan: This office had prepared an appropriate inventory in 2018 prior to the audit occurring.

Anticipated Completion Date: Already complete prior to the audit being conducted.

FINDING 2016-003

Contact Person Responsible for Corrective Action: Robert Bishop
Contact Phone Number: 574-372-2425

Views of Responsible Official: The finding relates not to the ability to augment the salaries but refers to whether the amount paid was properly cost-allocated.

Description of Corrective Action Plan: The office has been in discussion with the Child Support Bureau as to its proposed forms and policies that are structured to avoid these findings and will follow the Child Support Bureaus recommended policies.

Anticipated Completion Date: Upon completion of the discussions with the Child Support Bureau, but in any event no later than 11/1/18.



KOSCIUSKO CIRCUIT AND SUPERIOR COURTS

Ann Torpy, Clerk

Melissa Boggs, Chief Deputy

121 N Lake St, Room: D162, Warsaw, IN 46580

Telephone: 574-372-2331 Fax: 574-372-2338

Corrective Action Plan

Finding: 2016-003

Contact: Ann Torpy, Clerk

Phone: 574-265-2638

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

Clerk is working with CSB to make the necessary reimbursements to the incentive fund. The reimbursement will be based on the Title IV-D case load in the month the expense was completed. The Clerk will refer to the current case load percentage when utilizing this fund, in the future, for the reasonable and efficient performance of the Child Support Enforcement Program.

Anticipated Completion Date: December 31, 2018

Ann Torpy, Clerk
October 4, 2019

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/>.