

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

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



FILED
12/14/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Robert K. Coddington Kimberly A. Walton	01-01-15 to 06-04-17 06-05-17 to 12-31-18
County Treasurer	Cathy Williams	01-01-13 to 12-31-20
Clerk of the Circuit Court	Debra Berry	01-01-14 to 12-31-20
County Sheriff	Jeff Cappa	01-01-15 to 12-31-18
County Recorder	Debra S. Tiemann	01-01-15 to 12-31-18
President of the Board of County Commissioners	Kenneth E. Paust	01-01-16 to 12-31-18
President of the County Council	Peter Zaleski Jeffrey C. Plasterer	01-01-16 to 12-31-17 01-01-18 to 12-31-18



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF WAYNE COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Wayne 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 and Schedule of Leases and Debt, 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 November 7, 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

November 7, 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 WAYNE 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 Wayne 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 November 7, 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.

Wayne 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

November 7, 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.

WAYNE 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	\$ 6,473,300	\$ 18,130,358	\$ 18,341,362	\$ 6,262,296
Accident Report-Sheriff	22,057	6,336	7,600	20,793
Aviation -Sheriff Department	704	-	-	704
Contractor's Bid	22,370	-	-	22,370
CAGIT- County Certified Shares	320,763	3,542,832	3,181,780	681,815
Campaign Finance Enforcement	4,515	125	-	4,640
Wayne Co EDIT Unincorporated	1,696,762	468,324	52,270	2,112,816
City and Town Court Costs	79,625	18,540	91,425	6,740
Clerk Record Perpetuation	107,102	63,295	82,213	88,184
Community Correction Fund	95,080	338,001	308,342	124,739
DOC Community Transition	45,136	15,750	849	60,037
County Sales Disclosure	24,996	8,274	9,017	24,253
Bridge 1135	5,883,609	1,359,555	1,495,907	5,747,257
Cumulative Capital Development-Co	1,157,959	378,656	964,036	572,579
Cumulative Building Courthouse	1,327,976	271,981	283,583	1,316,374
County Drug Free Community	68,097	56,251	69,293	55,055
GIS-Interlocal Agreement	271,215	200,100	159,475	311,840
Emergency Planning/Right	64,384	5,906	16,215	54,075
Wayne County 911 Fund	476,767	770,023	663,634	583,156
Recorder Enhanced Access	24,589	916	-	25,505
Extradition and Sheriff Assistance	22,748	282	1,979	21,051
Firearms-Sheriff	10,455	41,752	42,027	10,180
General Drain Improvement	34,594	754	-	35,348
Health Department	1,369,282	3,267,647	3,328,146	1,308,783
ID Security Protection	25,553	5,123	2,750	27,926
Levy Excess Fund	1,893	-	-	1,893
Health Maintenance Fund	20,750	73,288	64,299	29,739
Local Road and Street 1169	86,737	359,810	439,502	7,045
Co Med Care Inmates	50,834	10,419	28,180	33,073
Misdemeanant -Sheriff	88,346	50,102	34,914	103,534
Highway1176	785,703	3,188,247	3,061,999	911,951
Plat Book Maintenance	58,282	15,100	16,078	57,304
Rainy Day Fund	2,890,514	1,000,000	-	3,890,514
Recorder's Perpetuation	278,014	100,815	79,382	299,447
Riverboat Revenue Sharing	-	408,244	408,244	-
Sex & Violent Offenders Reg.	-	5,418	1,540	3,878
Supp Public Defender Fund	195,793	70,565	62,920	203,438
Surplus Tax	11,921	31,148	16,861	26,208
Surveyor Corner Perpetuation	71,316	13,100	4,843	79,573
Tax Sale Redemption	31,430	59,326	66,432	24,324
Tax Sale Surplus	276,295	195,558	287,568	184,285
Unsafe Building-County	1,264	-	-	1,264
Victim Assist Coord Grant	(26,444)	30,959	52,868	(48,353)
Gal/Casa Program Fund	127,885	56,365	24,780	159,470
Elected Officials Training	21,040	5,150	2,006	24,184
County Offender Transportation	5,250	375	-	5,625
Reassessment 2015	386,869	84	109,500	277,453
Adult Probation Users	8,120	186,143	169,450	24,813
Juvenile Probation Users	1,861	4,829	-	6,690
General Drain Maintenance	76,382	3,181	18,436	61,127
Convention -Bond and Int Acct	6	52,584	52,584	6
Drug Task Force	29,900	32,840	40,209	22,531
DUI Task Force Indiana-City/Co	5	10,367	13,611	(3,239)
Community Health Center	83,371	226,447	267,517	42,301
Jail Bond Debt Service	8,578,965	2,849,657	2,250,776	9,177,846
Wayne Employee Health Trust	1,215,551	3,602,294	3,320,001	1,497,844
Health Insurance-Retirees	2,722	24,148	9,591	17,279

WAYNE 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
Health Insurance Withholding	2,232	614,958	614,694	2,496
Boston Mutual Life	18	60,204	60,222	-
Garnishee-Child Support	-	30,667	30,665	2
Future Funds -Hoosier Start	-	52,405	52,405	-
Federal Withholding	-	1,539,063	1,539,063	-
FICA Withholding	-	1,054,938	1,054,938	-
Sec 125 Reimbursement	-	63,222	63,222	-
CAGIT Withholding	-	203,089	203,089	-
County Retirement	182	425,969	426,151	-
Wayne County Property Taxes	-	16,538	16,538	-
Sheriff Retirement W-Hold	-	85,503	85,503	-
State Withholding	-	454,568	454,568	-
Garnishee Withholding	-	29,612	29,612	-
Sheriff Pension Trust	52,181	97,742	80,228	69,695
Late Payment Special Assessment	-	46,845,553	46,836,636	8,917
Commercial Vehicle Excise 6023	-	616,540	616,540	-
Weed Collections	-	11,475	11,475	-
Sewer Collections	-	108,887	108,887	-
Financial Institution Tax	-	879,214	879,214	-
State Fines and Forfeitures	86,154	26,747	107,126	5,775
Infraction Deferral Program	8,004	34,735	38,154	4,585
Overweight Vehicles	13,630	145,461	146,490	12,601
Spec Death Benefit Fees	310	4,895	4,870	335
State Sales Disclosure	935	8,255	8,220	970
Coroners Cont Educ Fund	1,176	21,126	21,262	1,040
Interstate Compact Fees-Prob	188	375	500	63
Mortgage Fee Fund	315	5,433	5,275	473
Sex/Violent Offender Fees St	-	194	136	58
Child Restraint Syst Violation	50	750	750	50
Inheritance Tax	16,272	2,339	16,272	2,339
Education Plate Fee	150	881	881	150
Convention Bureau	61,760	627,760	608,292	81,228
Prosecutor Law Enforcement	14,216	2,799	5,530	11,485
Certified Shares - Local	-	8,548,978	8,548,978	-
Edit Fund	-	3,032,396	2,918,479	113,917
Clerk ARRA 8894	4,132	-	780	3,352
Title Iv-D Incentive-8895	194,842	33,306	-	228,148
New-Prosecutor 4D Incent-8897	180,021	50,104	66,697	163,428
Clerk 4D Incentive	105,794	-	92	105,702
New-Clerk 4D Incentive-8899	160,426	33,305	18,135	175,596
Bioterrorism Grant-Health	5,741	27,581	24,687	8,635
Inmate Trust	9,549	1,189,001	1,168,459	30,091
Sheriff Commissary	196,699	392,608	382,075	207,232
Clerk Trust	1,034,469	6,738,637	6,771,586	1,001,520
Clerk Child Support	14,779	936,545	934,051	17,273
Treasurer After Settlement Collection	1,696,825	1,599,691	1,696,125	1,600,391
JDAI Coordination Grant	(374)	89,106	51,848	36,884
Justice Reinvestment Grant	51,000	44,156	74,438	20,718
Capacity Building Grant	-	10,114	3,150	6,964
IDOC Juvenile	-	10,791	7,194	3,597
User Fee Fund	571,122	27,329	2,744	595,707
Translator Fees	11,295	-	888	10,407
Dare Donations-Sheriff-Misc	1,575	-	197	1,378
Donations For County Use	525	-	500	25
Health Donations	7,223	1,117	-	8,340
Fairgrounds Donations	181	301	-	482
K-9 Donations-Sheriff-Misc	14,002	8,000	6,894	15,108

WAYNE 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 Donations	2,088	3,000	3,000	2,088
Foreign Language Interpreter Grant	3,225	5,000	6,389	1,836
Adult Protection Fund	(8,587)	106,009	107,211	(9,789)
4-D Court	98,486	104,867	157,665	45,688
County Law Enforce Continuing Ed	7,117	-	3,394	3,723
Comm Correction Project Income	202,420	64,997	75,283	192,134
Rainy Day Restricted	-	713,232	-	713,232
Consolidated Edit Fund	3,669,347	1,386,368	1,650,919	3,404,796
2013 EMA Performance Grant	59,463	20,601	70,564	9,500
Local Option Property Tax Replace	-	7,578,114	7,578,114	-
State General Fees	3,496	63,860	63,907	3,449
Health/Navigator Outreach	(4,500)	75,240	81,378	(10,638)
Highway Safety Big City/County	1,227	23,373	12,043	12,557
Commissioners Tax Sale	41,457	128,247	93,627	76,077
JDAI Alternative Program	72,031	51,570	59,355	64,246
Health Master Tobacco Settlement	25,593	48,163	31,431	42,325
Maternal and Child Health (Mch)	38,543	-	38,543	-
Meaningful Use Funds-Health	6,414	25,501	8,498	23,417
Mobile Home Tax Sale Cost	4,299	1,330	975	4,654
Pre-Trial Diversion	10,488	1,950	3,800	8,638
Revolving Loan Fund	457,830	37,188	-	495,018
Sheriff's Federal Seizure	6,168	-	-	6,168
Wayne Co Redevelopment Commiss	131,704	317,927	190,116	259,515
Sec 125 Dental Withholding	2,379	131,414	131,414	2,379
AFLAC Section 125 Insurance	-	24,307	24,307	-
AIG Insurance	-	3,437	3,437	-
Voluntary Life Insurance	830	38,733	38,733	830
United Way Withholding	-	3,074	3,074	-
FOP Dues-Sheriff	-	4,845	2,817	2,028
Republican Party Withholding	-	4,664	4,664	-
Fringe Benefit Clearing	-	3,633	3,633	-
AFLAC Group	-	16,546	16,546	-
McCready & Keene Post Tax	-	9,210	9,210	-
McCready & Keene Pre Tax	-	1,040	1,040	-
Highway Retirement Withholding	-	17,508	17,508	-
PERF-Voluntary Post	28	5,501	5,529	-
H1N1 Grant	3,251	-	-	3,251
Federal Equitable Sharing Acct	10,856	1,300	-	12,156
EMA Performance Comp Grant	-	4,855	4,855	-
Health/Immunization Grant	(8,674)	59,168	57,746	(7,252)
HIV Grant	23,553	47,781	45,626	25,708
HRSA FQHC Grant	(5,332)	738,115	912,168	(179,385)
IPHCA Navigator Grant	(1,408)	15,376	15,576	(1,608)
Pdfwc Spf-Sig Grant-Comm Corr	23,961	-	-	23,961
VASIA Grant	-	139,500	139,500	-
Probation Intake Assess Screen	-	-	21,383	(21,383)
MRT (Moral Reconation Therapy)	-	13,781	-	13,781
2015 SHSP Grant	-	33,750	33,750	-
DSHII	-	48,726	48,726	-
HRSA Quality Incentive Bonus	-	17,263	17,263	-
HRSA PCMH	-	14,594	15,400	(806)
Bridge 1-2017	-	20,000	-	20,000
Totals	<u>\$ 44,385,565</u>	<u>\$ 130,636,965</u>	<u>\$ 128,621,516</u>	<u>\$ 46,401,014</u>

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

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

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,

WAYNE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

WAYNE 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.

WAYNE 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.

WAYNE 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 the funds being set up for reimbursement grants.

Note 8. Holding Corporation

The County has entered into a capital lease with Wayne County Jail Holding Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related-party of the County. Lease payments during the year 2016 totaled \$1,991,000.

WAYNE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 9. Other Postemployment Benefits

The County provides to eligible retirees and their spouses the following benefits: stipends toward COBRA insurance costs based on years of service. These benefits pose a liability to the County for this year and in future years. Information regarding the benefits can be obtained by contacting the County.

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.

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

	County General	Accident Report-Sheriff	Aviation -Sheriff Department	Contractor's Bid	CAGIT- County Certified Shares	Campaign Finance Enforcement
Cash and investments - beginning	\$ 6,473,300	\$ 22,057	\$ 704	\$ 22,370	\$ 320,763	\$ 4,515
Receipts:						
Taxes	13,262,544	-	-	-	1,481,399	-
Licenses and permits	106,700	-	-	-	-	-
Intergovernmental receipts	2,997,542	-	-	-	-	-
Charges for services	776,197	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	987,375	6,336	-	-	2,061,433	125
Total receipts	<u>18,130,358</u>	<u>6,336</u>	<u>-</u>	<u>-</u>	<u>3,542,832</u>	<u>125</u>
Disbursements:						
Personal services	12,600,315	-	-	-	2,990,056	-
Supplies	544,044	-	-	-	-	-
Other services and charges	5,126,988	-	-	-	-	-
Capital outlay	70,015	7,600	-	-	191,724	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>18,341,362</u>	<u>7,600</u>	<u>-</u>	<u>-</u>	<u>3,181,780</u>	<u>-</u>
Excess (deficiency) of receipts over (under) disbursements	<u>(211,004)</u>	<u>(1,264)</u>	<u>-</u>	<u>-</u>	<u>361,052</u>	<u>125</u>
Cash and investments - ending	<u>\$ 6,262,296</u>	<u>\$ 20,793</u>	<u>\$ 704</u>	<u>\$ 22,370</u>	<u>\$ 681,815</u>	<u>\$ 4,640</u>

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

	Wayne Co EDIT Unincorporated	City and Town Court Costs	Clerk Record Perpetuation	Community Correction Fund	DOC Community Transition	County Sales Disclosure
Cash and investments - beginning	\$ 1,696,762	\$ 79,625	\$ 107,102	\$ 95,080	\$ 45,136	\$ 24,996
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	468,324	18,540	63,295	338,001	15,750	8,274
Total receipts	468,324	18,540	63,295	338,001	15,750	8,274
Disbursements:						
Personal services	-	-	46,074	266,395	-	-
Supplies	-	-	-	4,484	-	-
Other services and charges	50,000	-	-	32,518	849	9,017
Capital outlay	2,270	91,425	36,139	4,945	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	52,270	91,425	82,213	308,342	849	9,017
Excess (deficiency) of receipts over (under) disbursements	416,054	(72,885)	(18,918)	29,659	14,901	(743)
Cash and investments - ending	\$ 2,112,816	\$ 6,740	\$ 88,184	\$ 124,739	\$ 60,037	\$ 24,253

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

	Bridge 1135	Cumulative Capital Development-Co	Cumulative Building Courthouse	County Drug Free Community	GIS-Interlocal Agreement	Emergency Planning/Right
Cash and investments - beginning	\$ 5,883,609	\$ 1,157,959	\$ 1,327,976	\$ 68,097	\$ 271,215	\$ 64,384
Receipts:						
Taxes	920,907	345,340	251,156	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	76,358	28,635	20,825	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	362,290	4,681	-	56,251	200,100	5,906
Total receipts	<u>1,359,555</u>	<u>378,656</u>	<u>271,981</u>	<u>56,251</u>	<u>200,100</u>	<u>5,906</u>
Disbursements:						
Personal services	163,201	-	-	-	79,395	-
Supplies	283,381	-	-	-	-	-
Other services and charges	1,048,855	109,084	283,583	69,293	65,301	10,711
Capital outlay	470	854,952	-	-	14,779	5,504
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>1,495,907</u>	<u>964,036</u>	<u>283,583</u>	<u>69,293</u>	<u>159,475</u>	<u>16,215</u>
Excess (deficiency) of receipts over (under) disbursements	<u>(136,352)</u>	<u>(585,380)</u>	<u>(11,602)</u>	<u>(13,042)</u>	<u>40,625</u>	<u>(10,309)</u>
Cash and investments - ending	<u>\$ 5,747,257</u>	<u>\$ 572,579</u>	<u>\$ 1,316,374</u>	<u>\$ 55,055</u>	<u>\$ 311,840</u>	<u>\$ 54,075</u>

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

	Wayne County 911 Fund	Recorder Enhanced Access	Extradition and Sheriff Assistance	Firearms-Sheriff	General Drain Improvement	Health Department
Cash and investments - beginning	\$ 476,767	\$ 24,589	\$ 22,748	\$ 10,455	\$ 34,594	\$ 1,369,282
Receipts:						
Taxes	-	-	-	-	-	456,267
Licenses and permits	-	-	-	-	-	217,933
Intergovernmental receipts	659,822	-	-	-	-	54,414
Charges for services	-	-	-	-	-	2,450,440
Fines and forfeits	-	-	-	-	-	-
Other receipts	110,201	916	282	41,752	754	88,593
Total receipts	770,023	916	282	41,752	754	3,267,647
Disbursements:						
Personal services	415,808	-	-	-	-	1,786,381
Supplies	-	-	-	-	-	504,447
Other services and charges	217,183	-	-	-	-	1,022,318
Capital outlay	30,643	-	1,979	42,027	-	15,000
Other disbursements	-	-	-	-	-	-
Total disbursements	663,634	-	1,979	42,027	-	3,328,146
Excess (deficiency) of receipts over (under) disbursements	106,389	916	(1,697)	(275)	754	(60,499)
Cash and investments - ending	\$ 583,156	\$ 25,505	\$ 21,051	\$ 10,180	\$ 35,348	\$ 1,308,783

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

	ID Security Protection	Levy Excess Fund	Health Maintenance Fund	Local Road and Street 1169	Co Med Care Inmates	Misdemeanant -Sheriff
Cash and investments - beginning	\$ 25,553	\$ 1,893	\$ 20,750	\$ 86,737	\$ 50,834	\$ 88,346
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	5,123	-	73,288	359,810	10,419	50,102
Total receipts	5,123	-	73,288	359,810	10,419	50,102
Disbursements:						
Personal services	-	-	2,699	-	-	-
Supplies	-	-	-	439,502	-	-
Other services and charges	-	-	61,600	-	-	-
Capital outlay	2,750	-	-	-	28,180	34,914
Other disbursements	-	-	-	-	-	-
Total disbursements	2,750	-	64,299	439,502	28,180	34,914
Excess (deficiency) of receipts over (under) disbursements	2,373	-	8,989	(79,692)	(17,761)	15,188
Cash and investments - ending	\$ 27,926	\$ 1,893	\$ 29,739	\$ 7,045	\$ 33,073	\$ 103,534

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

	Highway1176	Plat Book Maintenance	Rainy Day Fund	Recorder's Perpetuation	Riverboat Revenue Sharing	Sex & Violent Offenders Reg.
Cash and investments - beginning	\$ 785,703	\$ 58,282	\$ 2,890,514	\$ 278,014	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	11,120	-	-	-	-	-
Intergovernmental receipts	2,903,777	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	273,350	15,100	1,000,000	100,815	408,244	5,418
Total receipts	<u>3,188,247</u>	<u>15,100</u>	<u>1,000,000</u>	<u>100,815</u>	<u>408,244</u>	<u>5,418</u>
Disbursements:						
Personal services	1,254,078	14,102	-	49,916	-	-
Supplies	1,409,714	344	-	-	-	-
Other services and charges	374,122	1,587	-	-	-	-
Capital outlay	24,085	45	-	29,466	408,244	1,540
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>3,061,999</u>	<u>16,078</u>	<u>-</u>	<u>79,382</u>	<u>408,244</u>	<u>1,540</u>
Excess (deficiency) of receipts over (under) disbursements	<u>126,248</u>	<u>(978)</u>	<u>1,000,000</u>	<u>21,433</u>	<u>-</u>	<u>3,878</u>
Cash and investments - ending	<u>\$ 911,951</u>	<u>\$ 57,304</u>	<u>\$ 3,890,514</u>	<u>\$ 299,447</u>	<u>\$ -</u>	<u>\$ 3,878</u>

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

	Supp Public Defender Fund	Surplus Tax	Surveyor Corner Perpetuation	Tax Sale Redemption	Tax Sale Surplus	Unsafe Building-County
Cash and investments - beginning	\$ 195,793	\$ 11,921	\$ 71,316	\$ 31,430	\$ 276,295	\$ 1,264
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	70,565	31,148	13,100	59,326	195,558	-
Total receipts	70,565	31,148	13,100	59,326	195,558	-
Disbursements:						
Personal services	56,506	-	1,688	-	-	-
Supplies	-	-	1,638	-	-	-
Other services and charges	-	-	1,517	-	-	-
Capital outlay	6,414	16,861	-	66,432	287,568	-
Other disbursements	-	-	-	-	-	-
Total disbursements	62,920	16,861	4,843	66,432	287,568	-
Excess (deficiency) of receipts over (under) disbursements	7,645	14,287	8,257	(7,106)	(92,010)	-
Cash and investments - ending	\$ 203,438	\$ 26,208	\$ 79,573	\$ 24,324	\$ 184,285	\$ 1,264

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

	Victim Assist Coord Grant	Gal/Casa Program Fund	Elected Officials Training	County Offender Transportation	Reassessment 2015	Adult Probation Users
Cash and investments - beginning	\$ (26,444)	\$ 127,885	\$ 21,040	\$ 5,250	\$ 386,869	\$ 8,120
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	2,105	63	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	30,959	56,365	3,045	312	84	186,143
Total receipts	30,959	56,365	5,150	375	84	186,143
Disbursements:						
Personal services	52,868	15,634	-	-	-	169,450
Supplies	-	1,684	-	-	-	-
Other services and charges	-	7,462	2,006	-	109,500	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	52,868	24,780	2,006	-	109,500	169,450
Excess (deficiency) of receipts over (under) disbursements	(21,909)	31,585	3,144	375	(109,416)	16,693
Cash and investments - ending	\$ (48,353)	\$ 159,470	\$ 24,184	\$ 5,625	\$ 277,453	\$ 24,813

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

	Juvenile Probation Users	General Drain Maintenance	Convention -Bond and Int Acct	Drug Task Force	DUI Task Force Indiana-City/Co	Community Health Center
Cash and investments - beginning	\$ 1,861	\$ 76,382	\$ 6	\$ 29,900	\$ 5	\$ 83,371
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	4,829	3,181	52,584	32,840	10,367	226,447
Total receipts	4,829	3,181	52,584	32,840	10,367	226,447
Disbursements:						
Personal services	-	-	-	-	13,611	179,056
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	38,461
Capital outlay	-	18,436	52,584	40,209	-	50,000
Other disbursements	-	-	-	-	-	-
Total disbursements	-	18,436	52,584	40,209	13,611	267,517
Excess (deficiency) of receipts over (under) disbursements	4,829	(15,255)	-	(7,369)	(3,244)	(41,070)
Cash and investments - ending	\$ 6,690	\$ 61,127	\$ 6	\$ 22,531	\$ (3,239)	\$ 42,301

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

	Jail Bond Debt Service	Wayne Employee Health Trust	Health Insurance-Retirees	Health Insurance Withholding	Boston Mutual Life	Garnishee-Child Support
Cash and investments - beginning	\$ 8,578,965	\$ 1,215,551	\$ 2,722	\$ 2,232	\$ 18	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	2,849,657	3,602,294	24,148	614,958	60,204	30,667
Total receipts	2,849,657	3,602,294	24,148	614,958	60,204	30,667
Disbursements:						
Personal services	-	3,263,902	9,591	614,694	60,222	30,665
Supplies	-	-	-	-	-	-
Other services and charges	103,588	-	-	-	-	-
Capital outlay	2,147,188	56,099	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	2,250,776	3,320,001	9,591	614,694	60,222	30,665
Excess (deficiency) of receipts over (under) disbursements	598,881	282,293	14,557	264	(18)	2
Cash and investments - ending	\$ 9,177,846	\$ 1,497,844	\$ 17,279	\$ 2,496	\$ -	\$ 2

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

	Future Funds -Hoosier Start	Federal Withholding	FICA Withholding	Sec 125 Reimbursement	CAGIT Withholding	County Retirement
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 182
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	52,405	1,539,063	1,054,938	63,222	203,089	425,969
Total receipts	52,405	1,539,063	1,054,938	63,222	203,089	425,969
Disbursements:						
Personal services	52,405	1,539,063	1,054,938	63,222	203,089	426,151
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	52,405	1,539,063	1,054,938	63,222	203,089	426,151
Excess (deficiency) of receipts over (under) disbursements	-	-	-	-	-	(182)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	Wayne County Property Taxes	Sheriff Retirement W-Hold	State Withholding	Garnishee Withholding	Sheriff Pension Trust	Late Payment Special Assessment
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 52,181	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	16,538	85,503	454,568	29,612	97,742	46,845,553
Total receipts	<u>16,538</u>	<u>85,503</u>	<u>454,568</u>	<u>29,612</u>	<u>97,742</u>	<u>46,845,553</u>
Disbursements:						
Personal services	16,538	85,503	454,568	29,612	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	80,228	46,836,636
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>16,538</u>	<u>85,503</u>	<u>454,568</u>	<u>29,612</u>	<u>80,228</u>	<u>46,836,636</u>
Excess (deficiency) of receipts over (under) disbursements	-	-	-	-	17,514	8,917
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,695</u>	<u>\$ 8,917</u>

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

	Commercial Vehicle Excise 6023	Weed Collections	Sewer Collections	Financial Institution Tax	State Fines and Forfeitures	Infraction Deferral Program
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 86,154	\$ 8,004
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	26,483
Other receipts	616,540	11,475	108,887	879,214	26,747	8,252
Total receipts	<u>616,540</u>	<u>11,475</u>	<u>108,887</u>	<u>879,214</u>	<u>26,747</u>	<u>34,735</u>
Disbursements:						
Personal services	-	-	-	-	-	7,007
Supplies	-	-	-	-	-	5,419
Other services and charges	-	-	-	-	-	25,728
Capital outlay	616,540	11,475	108,887	879,214	107,126	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>616,540</u>	<u>11,475</u>	<u>108,887</u>	<u>879,214</u>	<u>107,126</u>	<u>38,154</u>
Excess (deficiency) of receipts over (under) disbursements	-	-	-	-	(80,379)	(3,419)
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,775</u>	<u>\$ 4,585</u>

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

	Overweight Vehicles	Spec Death Benefit Fees	State Sales Disclosure	Coroners Cont Educ Fund	Interstate Compact Fees-Prob	Mortgage Fee Fund
Cash and investments - beginning	\$ 13,630	\$ 310	\$ 935	\$ 1,176	\$ 188	\$ 315
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	145,461	4,895	8,255	21,126	375	5,433
Total receipts	145,461	4,895	8,255	21,126	375	5,433
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	146,490	4,870	8,220	21,262	500	5,275
Other disbursements	-	-	-	-	-	-
Total disbursements	146,490	4,870	8,220	21,262	500	5,275
Excess (deficiency) of receipts over (under) disbursements	(1,029)	25	35	(136)	(125)	158
Cash and investments - ending	\$ 12,601	\$ 335	\$ 970	\$ 1,040	\$ 63	\$ 473

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

	Sex/Violent Offender Fees St	Child Restraint Syst Violation	Inheritance Tax	Education Plate Fee	Convention Bureau	Prosecutor Law Enforcement
Cash and investments - beginning	\$ -	\$ 50	\$ 16,272	\$ 150	\$ 61,760	\$ 14,216
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	194	750	2,339	881	627,760	2,799
Total receipts	194	750	2,339	881	627,760	2,799
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	136	750	16,272	881	608,292	5,530
Other disbursements	-	-	-	-	-	-
Total disbursements	136	750	16,272	881	608,292	5,530
Excess (deficiency) of receipts over (under) disbursements	58	-	(13,933)	-	19,468	(2,731)
Cash and investments - ending	\$ 58	\$ 50	\$ 2,339	\$ 150	\$ 81,228	\$ 11,485

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

	Certified Shares - Local	Edit Fund	Clerk ARRA 8894	Title Iv-D Incentive-8895	New-Prosecutor 4D Incent-8897	Clerk 4D Incentive
Cash and investments - beginning	\$ -	\$ -	\$ 4,132	\$ 194,842	\$ 180,021	\$ 105,794
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	18,452	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	8,548,978	3,032,396	-	14,854	50,104	-
Total receipts	8,548,978	3,032,396	-	33,306	50,104	-
Disbursements:						
Personal services	-	-	-	-	66,697	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	8,548,978	2,918,479	780	-	-	92
Other disbursements	-	-	-	-	-	-
Total disbursements	8,548,978	2,918,479	780	-	66,697	92
Excess (deficiency) of receipts over (under) disbursements	-	113,917	(780)	33,306	(16,593)	(92)
Cash and investments - ending	\$ -	\$ 113,917	\$ 3,352	\$ 228,148	\$ 163,428	\$ 105,702

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

	New-Clerk 4D Incentive-8899	Bioterrorism Grant-Health	Inmate Trust	Sheriff Commissary	Clerk Trust	Clerk Child Support
Cash and investments - beginning	\$ 160,426	\$ 5,741	\$ 9,549	\$ 196,699	\$ 1,034,469	\$ 14,779
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	27,581	-	-	-	-
Charges for services	-	-	1,189,001	392,608	-	-
Fines and forfeits	-	-	-	-	6,738,637	936,545
Other receipts	33,305	-	-	-	-	-
Total receipts	<u>33,305</u>	<u>27,581</u>	<u>1,189,001</u>	<u>392,608</u>	<u>6,738,637</u>	<u>936,545</u>
Disbursements:						
Personal services	11,252	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	24,687	1,168,459	382,075	-	-
Capital outlay	6,883	-	-	-	-	-
Other disbursements	-	-	-	-	6,771,586	934,051
Total disbursements	<u>18,135</u>	<u>24,687</u>	<u>1,168,459</u>	<u>382,075</u>	<u>6,771,586</u>	<u>934,051</u>
Excess (deficiency) of receipts over (under) disbursements	<u>15,170</u>	<u>2,894</u>	<u>20,542</u>	<u>10,533</u>	<u>(32,949)</u>	<u>2,494</u>
Cash and investments - ending	<u>\$ 175,596</u>	<u>\$ 8,635</u>	<u>\$ 30,091</u>	<u>\$ 207,232</u>	<u>\$ 1,001,520</u>	<u>\$ 17,273</u>

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

	Treasurer After Settlement Collection	JDAI Coordination Grant	Justice Reinvestment Grant	Capacity Building Grant	IDOC Juvenile	User Fee Fund
Cash and investments - beginning	\$ 1,696,825	\$ (374)	\$ 51,000	\$ -	\$ -	\$ 571,122
Receipts:						
Taxes	1,599,691	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	26,279
Other receipts	-	89,106	44,156	10,114	10,791	1,050
Total receipts	<u>1,599,691</u>	<u>89,106</u>	<u>44,156</u>	<u>10,114</u>	<u>10,791</u>	<u>27,329</u>
Disbursements:						
Personal services	-	45,532	35,560	3,150	-	-
Supplies	-	1,823	23,062	-	-	-
Other services and charges	-	743	2,015	-	7,194	-
Capital outlay	-	3,750	13,801	-	-	2,744
Other disbursements	1,696,125	-	-	-	-	-
Total disbursements	<u>1,696,125</u>	<u>51,848</u>	<u>74,438</u>	<u>3,150</u>	<u>7,194</u>	<u>2,744</u>
Excess (deficiency) of receipts over (under) disbursements	<u>(96,434)</u>	<u>37,258</u>	<u>(30,282)</u>	<u>6,964</u>	<u>3,597</u>	<u>24,585</u>
Cash and investments - ending	<u>\$ 1,600,391</u>	<u>\$ 36,884</u>	<u>\$ 20,718</u>	<u>\$ 6,964</u>	<u>\$ 3,597</u>	<u>\$ 595,707</u>

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

	Translator Fees	Dare Donations-Sheriff-Misc	Donations For County Use	Health Donations	Fairgrounds Donations
Cash and investments - beginning	\$ 11,295	\$ 1,575	\$ 525	\$ 7,223	\$ 181
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	-	1,117	301
Total receipts	-	-	-	1,117	301
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	888	-	-	-	-
Capital outlay	-	197	500	-	-
Other disbursements	-	-	-	-	-
Total disbursements	888	197	500	-	-
Excess (deficiency) of receipts over (under) disbursements	(888)	(197)	(500)	1,117	301
Cash and investments - ending	\$ 10,407	\$ 1,378	\$ 25	\$ 8,340	\$ 482

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

	K-9 Donations-Sheriff-Misc	Sheriff Donations	Foreign Language Interpreter Grant	Adult Protection Fund	4-D Court
Cash and investments - beginning	\$ 14,002	\$ 2,088	\$ 3,225	\$ (8,587)	\$ 98,486
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	8,000	3,000	5,000	106,009	104,867
Total receipts	<u>8,000</u>	<u>3,000</u>	<u>5,000</u>	<u>106,009</u>	<u>104,867</u>
Disbursements:					
Personal services	-	-	-	102,052	157,024
Supplies	-	-	-	2,586	129
Other services and charges	-	-	6,389	2,573	512
Capital outlay	6,894	3,000	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>6,894</u>	<u>3,000</u>	<u>6,389</u>	<u>107,211</u>	<u>157,665</u>
Excess (deficiency) of receipts over (under) disbursements	<u>1,106</u>	<u>-</u>	<u>(1,389)</u>	<u>(1,202)</u>	<u>(52,798)</u>
Cash and investments - ending	<u>\$ 15,108</u>	<u>\$ 2,088</u>	<u>\$ 1,836</u>	<u>\$ (9,789)</u>	<u>\$ 45,688</u>

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

	County Law Enforce Continuing Ed	Comm Correction Project Income	Rainy Day Restricted	Consolidated Edit Fund	2013 EMA Performance Grant	Local Option Property Tax Replace
Cash and investments - beginning	\$ 7,117	\$ 202,420	\$ -	\$ 3,669,347	\$ 59,463	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	64,997	713,232	1,386,368	20,601	7,578,114
Total receipts	-	64,997	713,232	1,386,368	20,601	7,578,114
Disbursements:						
Personal services	-	42,759	-	-	-	-
Supplies	-	1,112	-	-	-	-
Other services and charges	-	27,753	-	1,650,919	-	-
Capital outlay	3,394	3,659	-	-	11,101	7,578,114
Other disbursements	-	-	-	-	59,463	-
Total disbursements	3,394	75,283	-	1,650,919	70,564	7,578,114
Excess (deficiency) of receipts over (under) disbursements	(3,394)	(10,286)	713,232	(264,551)	(49,963)	-
Cash and investments - ending	\$ 3,723	\$ 192,134	\$ 713,232	\$ 3,404,796	\$ 9,500	\$ -

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

	State General Fees	Health/Navigator Outreach	Highway Safety Big City/County	Commissioners Tax Sale	JDAI Alternative Program	Health Master Tobacco Settlement
Cash and investments - beginning	\$ 3,496	\$ (4,500)	\$ 1,227	\$ 41,457	\$ 72,031	\$ 25,593
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	21,390	-	-	31,500	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	63,860	53,850	23,373	128,247	20,070	48,163
Total receipts	63,860	75,240	23,373	128,247	51,570	48,163
Disbursements:						
Personal services	-	-	12,043	-	957	19,382
Supplies	-	108	-	-	-	-
Other services and charges	-	81,270	-	-	24,900	12,049
Capital outlay	63,907	-	-	93,627	33,498	-
Other disbursements	-	-	-	-	-	-
Total disbursements	63,907	81,378	12,043	93,627	59,355	31,431
Excess (deficiency) of receipts over (under) disbursements	(47)	(6,138)	11,330	34,620	(7,785)	16,732
Cash and investments - ending	\$ 3,449	\$ (10,638)	\$ 12,557	\$ 76,077	\$ 64,246	\$ 42,325

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

	Maternal and Child Health (Mch)	Meaningful Use Funds-Health	Mobile Home Tax Sale Cost	Pre-Trial Diversion	Revolving Loan Fund	Sheriff's Federal Seizure
Cash and investments - beginning	\$ 38,543	\$ 6,414	\$ 4,299	\$ 10,488	\$ 457,830	\$ 6,168
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	25,501	1,330	1,950	37,188	-
Total receipts	-	25,501	1,330	1,950	37,188	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	8,498	-	-	-	-
Capital outlay	38,543	-	975	3,800	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	38,543	8,498	975	3,800	-	-
Excess (deficiency) of receipts over (under) disbursements	(38,543)	17,003	355	(1,850)	37,188	-
Cash and investments - ending	\$ -	\$ 23,417	\$ 4,654	\$ 8,638	\$ 495,018	\$ 6,168

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

	Wayne Co Redevelopment Commiss	Sec 125 Dental Withholding	AFLAC Section 125 Insurance	AIG Insurance	Voluntary Life Insurance	United Way Withholding
Cash and investments - beginning	\$ 131,704	\$ 2,379	\$ -	\$ -	\$ 830	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	317,927	131,414	24,307	3,437	38,733	3,074
Total receipts	317,927	131,414	24,307	3,437	38,733	3,074
Disbursements:						
Personal services	-	131,414	23,280	3,437	38,733	3,074
Supplies	-	-	-	-	-	-
Other services and charges	82,000	-	-	-	-	-
Capital outlay	108,116	-	1,027	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	190,116	131,414	24,307	3,437	38,733	3,074
Excess (deficiency) of receipts over (under) disbursements	127,811	-	-	-	-	-
Cash and investments - ending	\$ 259,515	\$ 2,379	\$ -	\$ -	\$ 830	\$ -

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

	FOP Dues-Sheriff	Republican Party Withholding	Fringe Benefit Clearing	AFLAC Group	McCready & Keene Post Tax
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	4,845	4,664	3,633	16,546	9,210
Total receipts	4,845	4,664	3,633	16,546	9,210
Disbursements:					
Personal services	2,817	4,664	3,633	16,546	9,210
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	2,817	4,664	3,633	16,546	9,210
Excess (deficiency) of receipts over (under) disbursements	2,028	-	-	-	-
Cash and investments - ending	\$ 2,028	\$ -	\$ -	\$ -	\$ -

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

	McCready & Keene Pre Tax	Highway Retirement Withholding	PERF-Voluntary Post	H1N1 Grant	Federal Equitable Sharing Acct
Cash and investments - beginning	\$ -	\$ -	\$ 28	\$ 3,251	\$ 10,856
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	1,040	17,508	5,501	-	1,300
Total receipts	1,040	17,508	5,501	-	1,300
Disbursements:					
Personal services	1,040	17,508	5,529	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	1,040	17,508	5,529	-	-
Excess (deficiency) of receipts over (under) disbursements	-	-	(28)	-	1,300
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 3,251	\$ 12,156

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

	EMA Performance Comp Grant	Health/Immunization Grant	HIV Grant	HRSA FQHC Grant	IPHCA Navigator Grant
Cash and investments - beginning	\$ -	\$ (8,674)	\$ 23,553	\$ (5,332)	\$ (1,408)
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	48,218	-	-	7,109
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	4,855	10,950	47,781	738,115	8,267
Total receipts	<u>4,855</u>	<u>59,168</u>	<u>47,781</u>	<u>738,115</u>	<u>15,376</u>
Disbursements:					
Personal services	-	4,071	1,936	570,806	12,788
Supplies	-	-	-	104,431	-
Other services and charges	-	53,675	43,690	187,824	1,745
Capital outlay	4,855	-	-	49,107	1,043
Other disbursements	-	-	-	-	-
Total disbursements	<u>4,855</u>	<u>57,746</u>	<u>45,626</u>	<u>912,168</u>	<u>15,576</u>
Excess (deficiency) of receipts over (under) disbursements	-	1,422	2,155	(174,053)	(200)
Cash and investments - ending	<u>\$ -</u>	<u>\$ (7,252)</u>	<u>\$ 25,708</u>	<u>\$ (179,385)</u>	<u>\$ (1,608)</u>

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

	Pdfwc Spf-Sig Grant-Comm Corr	VASIA Grant	Probation Intake Assess Screen	MRT (Moral Reconation Therapy)	2015 SHSP Grant
Cash and investments - beginning	\$ 23,961	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	139,500	-	13,781	33,750
Total receipts	-	139,500	-	13,781	33,750
Disbursements:					
Personal services	-	-	20,426	-	-
Supplies	-	-	125	-	-
Other services and charges	-	-	832	-	-
Capital outlay	-	139,500	-	-	33,750
Other disbursements	-	-	-	-	-
Total disbursements	-	139,500	21,383	-	33,750
Excess (deficiency) of receipts over (under) disbursements	-	-	(21,383)	13,781	-
Cash and investments - ending	\$ 23,961	\$ -	\$ (21,383)	\$ 13,781	\$ -

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

	DSHII	HRSA Quality Incentive Bonus	HRSA PCMH	Bridge 1-2017	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 44,385,565
Receipts:					
Taxes	-	-	-	-	18,317,304
Licenses and permits	-	-	-	-	335,753
Intergovernmental receipts	-	-	-	-	6,895,623
Charges for services	-	-	-	-	4,810,414
Fines and forfeits	-	-	-	-	7,727,944
Other receipts	48,726	17,263	14,594	20,000	92,549,927
Total receipts	48,726	17,263	14,594	20,000	130,636,965
Disbursements:					
Personal services	-	-	3,198	-	29,438,921
Supplies	-	-	-	-	3,328,033
Other services and charges	4,968	17,263	12,202	-	12,576,394
Capital outlay	43,758	-	-	-	73,816,943
Other disbursements	-	-	-	-	9,461,225
Total disbursements	48,726	17,263	15,400	-	128,621,516
Excess (deficiency) of receipts over (under) disbursements	-	-	(806)	20,000	2,015,449
Cash and investments - ending	\$ -	\$ -	\$ (806)	\$ 20,000	\$ 46,401,014

WAYNE 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:			
Revenue bonds	purchase land and buildings for tourism	<u>\$ 343,000</u>	<u>\$ 51,814</u>

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Wayne County Jail Holding Corporation	Refinance Jail Building Debt	<u>\$ 1,991,000</u>	01/15/08	07/15/22

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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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 WAYNE COUNTY, INDIANA

Report on Compliance for the Major Federal Program

We have audited Wayne 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 Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care Centers)

As described in items 2016-002, 2016-004, 2016-005, and 2016-006, in the accompanying Schedule of Findings and Questioned Costs, the County did not comply with requirements regarding Allowable Cost/Cost Principles, Procurement and Suspension and Debarment, Reporting, and Program Income that are applicable to its Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care Centers). 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 Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care Centers)

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care Centers)* 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 Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care Centers) 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, 2016-003, 2016-004, 2016-005, and 2016-006, 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.

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

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

November 7, 2018

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.

WAYNE 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
Department of Justice					
Edward Byrne Memorial Justice Assistance Grant Program	Direct grant	16.738	FY 2016	\$ -	\$ 20,000
Crime Victim Assistance	Indiana Criminal Justice Institute	16.575	2015-VA-GX-0042	-	30,959
Total - Department of Justice				-	50,959
Department of Transportation					
Highway Planning and Construction Cluster Highway Planning and Construction	Indiana Department of Transportation	20.205			
			DES 100700	-	66,376
			DES 801062	-	25,797
			DES 006546	-	70
			DES 382081	-	108,751
			DES 383317	-	123,865
			DES 400769	-	43,227
Total - Highway Planning and Construction Cluster				-	368,086
Highway Safety Cluster Alcohol Impaired Driving Countermeasures Incentive Grants I	City of Richmond	20.601			
			032NHT164AL2016	-	8,342
			032NHTS4AL2016	-	5,269
Total - Alcohol Impaired Driving Countermeasures Incentive Grants I				-	13,611
National Priority Safety Programs	City of Richmond	20.616	032NHTSA4022016	-	20,128
Total - Highway Safety Cluster				-	33,739
Interagency Hazardous Materials Public Sector Training and Planning Grants	Indiana Department of Homeland Security	20.703	15009	-	9,500
Total - Department of Transportation				-	411,325
Department of Health and Human Services					
Health Center Program Cluster Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care Centers)	Direct grant	93.224	H80CS29006	-	1,084,766
Total - Health Center Program Cluster				-	1,084,766
Public Health Emergency Preparedness	Indiana Department of Health	93.069			
			#40093074PHEPA16	-	15,632
			#40093074PHEPA17	-	573
Total - Public Health Emergency Preparedness				-	16,205
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	Indiana Department of Health	93.074	U90TP000521	-	20,376
Immunization Cooperative Agreements	Indiana Department of Health	93.268			
			5H23IP000723-02	-	4,447
			5H23IP000723-03	-	61,781
			5NH23IP000723-04	-	302
Total - Immunization Cooperative Agreements				-	66,530
Child Support Enforcement Clerk Record Perpetuation 4-D Court -Fund County IV-D Prosecutor Expenditures New-Clerk 4D Incentive New-Prosecutor 4D Incent Indirect Cost Expenditures	Indiana Department of Child Services	93.563			
			FY2016	-	48,905
			FY2016	-	104,867
			FY2016	-	201,879
			FY2016	-	18,227
			FY2016	-	66,697
			FY2016	-	112,073
Total - Child Support Enforcement				-	552,648
HIV Prevention Activities Health Department Based	Indiana Department of Health	93.940			
			#40093940CHIVP15	-	10,819
			#40093940CHIVP16	-	30,060
			#40093940CHIVP17	-	6,901
Total - HIV Prevention Activities Health Department Based				-	47,780
Total - Department of Health and Human Services				-	1,788,305
Department of Homeland Security					
Hazard Mitigation Grant	Indiana Department of Homeland Security	97.039	#385HM405800000	-	11,101
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042	EMW-2015-EP-00037	-	52,431
Homeland Security Grant Program	Indiana Department of Homeland Security	97.067	EMW-2015-SS-00049	-	33,750
Total - Department of Homeland Security				-	97,282
Total federal awards expended				\$ -	\$ 2,347,871

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

WAYNE 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.

WAYNE 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 weakness 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:

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
93.224	Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care Centers)	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; Other Matters

Repeat Finding

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

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Condition

The County did not have a proper system of internal control in place to prevent, or detect and correct, errors over the federal award information entered into the Indiana Gateway for Government Units (Gateway) financial reporting system, which was the source of the County's Schedule of Expenditures of Federal Awards (SEFA).

Context

The SEFA contained the following errors:

- The Edward Byrne Memorial Justice Assistance Grant Program was overstated by \$20,209 due to inclusion of local money.
- The Highway Planning and Construction Cluster was not included, which understated federal expenditures by \$368,086.
- The Interagency Hazardous Materials Public Sector Training and Planning Grants was not included, which understated federal expenditures by \$9,500.
- The Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care Centers) was understated by \$346,651.
- Various non-federal grants were included, which overstated federal expenditures by \$196,626.
- The Public Health Emergency Preparedness was understated by \$6,137.
- The Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements grants were not included, which understated federal expenditures by \$20,376.
- The Immunization Cooperative Agreements grant was not included, which understated federal expenditures by \$66,530.
- The Child Support Enforcement Cluster was overstated by \$136,721.
- The Hazard Mitigation Grant was not included, which understated federal expenditures by \$11,101.
- The Emergency Management Performance Grant was not included, which understated federal expenditures by \$52,431.
- The Homeland Security Grant Program was not included, which understated federal expenditures by \$33,750.

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

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Criteria

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

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

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

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

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.

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (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.
- (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: Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care Centers) - Allowable Costs/Cost Principles

Federal Agency: Department of Health and Human Services

Federal Program: Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)

CFDA Number: 93.224

Federal Award Number and Year (or Other Identifying Number): H80CS29006

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 in order to ensure compliance with requirements related to the grant agreement and the Allowable Costs/Cost Principles compliance requirement. The County hired an accounting firm to perform an audit to be filed in accordance with Uniform Guidance without the Indiana State Board of Accounts' State Examiner's approval to do so. The County

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

did not appoint an internal control officer and did not establish an internal control department or an audit committee, in accordance with state statute, necessary for the State Examiner to consider a request from the County to opt out of examinations by the Indiana State Board of Accounts and engage a certified public accountant to conduct the examinations.

Per the accounting firm's Independent Auditor's Report: "We have audited the accompanying schedule of expenditures of federal awards for the Consolidated Health Centers program of Wayne, County of dba Wayne County Community Health Center for the year ended December 31, 2016. . . ." The accompanying schedule of expenditures of federal awards reported only one program with expenditures of \$1,006,990, Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care Centers) CFDA 93.224. The County expended \$2,347,871 from 15 programs for the year ended December 31, 2016. The County may elect to have a program-specific audit only if federal awards were expended from only one program.

As the accounting firm's audit did not encompass the County as a whole, but only the one program identified in the accounting firm's Independent Auditor's Report, the audit was not sufficient for the County to meet 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). Therefore, the costs of this audit did not meet the grant's requirements for Allowable Cost/Cost Principles. The County paid \$22,000 for the 2016 audit during the audit period. An additional \$4,651 was paid during 2017 for the 2016 audit for a total cost of \$26,651 for the 2016 audit.

Context

The lack of controls and noncompliance were systemic issues, which occurred throughout the audit period.

Criteria

2 CFR section 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). . . ."

2 CFR 200.501(c) states:

"Program-specific audit election. When an auditee expends Federal awards under only one Federal program (excluding R&D) and the Federal program's statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of the auditee, the auditee may elect to have a program-specific audit conducted in accordance with § 200.507 Program-specific audits. A program-specific audit may not be elected for R&D unless all of the Federal awards expended were received from the same Federal agency, or the same Federal agency and the same pass-through entity, and that Federal agency, or pass-through entity in the case of a subrecipient, approves in advance a program-specific audit."

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 200.514(a) states:

"*General.* The audit must be conducted in accordance with GAGAS. The audit must cover the entire operations of the auditee, or, at the option of the auditee, such audit must include a series of audits that cover departments, agencies, and other organizational units that expended or otherwise administered Federal awards during such audit period, provided that each such audit must encompass the financial statements and schedule of expenditures of Federal awards for each such department, agency, and other organizational unit, which must be considered to be a non-Federal entity. The financial statements and schedule of expenditures of Federal awards must be for the same audit period."

45 CFR 75.425(a) states in part:

"A reasonably proportionate share of the costs of audits required by, and performed in accordance with, the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507), as implemented by requirements of this part, are allowable. However, the following audit costs are unallowable:

- (1) Any costs when audits required by the Single Audit Act and subpart F of this part—
have not been conducted or have been conducted but not in accordance therewith;
. . ."

Indiana Code 5-11-1-24.4 states in part:

"(a) This section applies only to an audited entity (excluding a college or university (as defined in IC 21-7-13-10)) that has:

- (1) an internal control officer; and
- (2) an internal control department;

established by the legislative body of the audited entity. . . .

(b) An audited entity may request in writing that the state board of accounts authorize the audited entity to:

- (1) opt out of examinations by the state board of accounts; and
- (2) engage a certified public accountant to conduct the examinations.

The request must be approved by resolution adopted by the legislative body for the audited entity.

(c) The state board of accounts shall, not more than sixty (60) days after receiving a written request under subsection (b):

- (1) acknowledge receipt of the request; and
- (2) notify the requesting audited entity that the request is:
 - (A) approved; or
 - (B) disapproved. . . ."

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Indiana Code 5-11-1-24.4(e) states in part:

"The audited entity must use the following selection procedures:

- (1) The legislative body of the audited entity shall establish an audit committee to facilitate the selection of a certified public accountant. The audit committee shall be composed of the following three (3) members:
 - (A) One (1) member of the legislative body appointed by the legislative body.
 - (B) One (1) certified public accountant appointed by the legislative body who is not the fiscal officer or an employee of the audited entity.
 - (C) One (1) person appointed by the executive of the audited entity who is qualified due to an involvement with financial matters, and who is not the fiscal officer or an employee of the audited entity. . . ."

Cause

Management had not developed a 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 placed the County in noncompliance with the grant agreement and the Allowable Costs/Cost Principles compliance requirement.

Questioned Costs

The cost of the audit in the amount of \$22,000 for calendar year 2016 was identified as questioned costs.

Recommendation

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

Views of Responsible Officials

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

Auditor's Response

This finding does not fit the definition of "material weakness" provided by the Wayne County Health Department (WCHD) in the corrective action plan, which is an incorrect use of the definition. The definition provided by the WCHD relates to a Section II finding on the financial statements. The material weakness referred to in the finding is a weakness in internal control over compliance since this is a Section III finding relating to a major program and not the financial statements. 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. This correct definition can be found in the Independent Auditor's Report on Compliance for the Major Federal Program and on Internal Control over Compliance, which is included in this report and references this finding.

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The County did not reach out to the Indiana State Board of Accounts prior to filing the program-specific audit report. If they had, the County would have been instructed by Indiana State Board of Accounts personnel to comply with Indiana Code 5-11-1-24.4 when requesting approval to opt out of examinations by the Indiana State Board of Accounts and engage a certified public accountant. This request must be written in accordance with Indiana Code 5-11-1-24.4(b) and no such written request was received by the State Examiner.

FINDING 2016-003

Subject: Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care Centers) - Cash Management

Federal Agency: Department of Health and Human Services

Federal Program: Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)

CFDA Number: 93.224

Federal Award Number and Year (or Other Identifying Number): H80CS29006

Compliance Requirement: Cash Management

Audit Findings: Material Weakness

Condition

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

The County did not have a documented system in place for forecasting cash flow needs and determining a payment schedule as part of the draw request process. The amounts requested should be either disbursements made in a prior period if the County is drawing funds on a reimbursement basis, or expected disbursements in the subsequent month less the amount of federal funds already on hand if drawing funds on an advance payment method.

Context

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

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

- (a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal awards 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). . . ."

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Cause

Management had not developed a system of internal controls that would have ensured compliance with the Cash Management compliance requirement.

Effect

The failure to establish an effective internal control system placed the County at risk of noncompliance with the grant agreement and the Cash Management compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the County's management establish controls to ensure compliance with the grant agreement and the Cash Management compliance requirement.

Views of Responsible Officials

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

Auditor's Response

This finding does not fit the definition of "material weakness" provided by the Wayne County Health Department (WCHD) in the corrective action plan, which is an incorrect use of the definition. The definition provided by the WCHD relates to a Section II finding on the financial statements. The material weakness referred to in the finding is a weakness in internal control over compliance since this is a Section III finding relating to a major program and not the financial statements. 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. This correct definition can be found in the Independent Auditor's Report on Compliance for the Major Federal Program and on Internal Control over Compliance, which is included in this report and references this finding.

This finding is an internal control finding and does not report non-compliance. The proposed corrective action would meet those requirements, but was not in place during the audit period. While a detailed spreadsheet was maintained, it was not reconciled to the County Auditor's funds ledger. Additionally, there was no evidence such as signature or initials to show it was reviewed or approved by any other individual. No other documentation of an alternative auditable internal control procedure was presented.

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2016-004

Subject: Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care Centers) - Procurement and Suspension and Debarment

Federal Agency: Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care Centers)

Federal Program: Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)

CFDA Number: 93.224

Federal Award Number and Year (or Other Identifying Number): H80CS29006

Compliance Requirement: Procurement and Suspension and Debarment

Audit Findings: Material Weakness, Modified Opinion

Condition

The County did not have an effective internal control system in place to retain evidence it verified vendors and contractors were not suspended or debarred through an annual check of the SAM Exclusion list, and/or ensure a clause was contained in the contracts with vendors/contractors regarding not being suspended or debarred.

Context

The lack of controls and noncompliance were systemic issues, which occurred throughout the audit period.

Criteria

2 CFR section 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal awards 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). . . ."

2 CFR 180.300 states:

"When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified.

You do this by:

- (a) Checking SAM Exclusions; or
- (b) Collecting a certification from that person; or
- (c) Adding a clause or condition to the covered transaction with that person."

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Cause

Management had not developed a system of internal controls that would have ensured compliance with the Procurement and Suspension and Debarment compliance requirement.

Effect

The failure to establish an effective internal control system placed the County in noncompliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the County's management establish controls, related to ensure compliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

Views of Responsible Officials

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

Auditor's Response

This finding does not fit the definition of "material weakness" provided by the Wayne County Health Department (WCHD) in the corrective action plan, which is an incorrect use of the definition. The definition provided by the WCHD relates to a Section II finding on the financial statements. The material weakness referred to in the finding is a weakness in internal control over compliance since this is a Section III finding relating to a major program and not the financial statements. 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. This correct definition can be found in the Independent Auditor's Report on Compliance for the Major Federal Program and on Internal Control over Compliance, which is included in this report and references this finding.

FINDING 2016-005

Subject: Consolidated Health Centers (HRSA Grant) - Reporting
Federal Agency: Department of Health and Human Services
Federal Program: Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)
CFDA Number: 93.224
Federal Award Number and Year (or Other Identifying Number): H80CS29006
Compliance Requirement: Reporting
Audit Findings: Material Weakness, Modified Opinion

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Condition

The Health Center did not have an effective internal control system of oversight, review, and approval in place to verify the accuracy of information reported on the required Uniform Data System report (UDS) and Federal Financial Report (SF-425). The Health Center did not accurately complete the required UDS and SF-425 reports for 2016.

SF-425 Report Errors:

1. The SF-425 report required in calendar year 2016 was for the period ended July 31, 2016. Box 10d, federal funds authorized, included an amount that was not authorized until August 15, 2016, meaning it should not have been included on this report.
2. Box 10e, federal share of expenditures, included the federal receipts, not expenditures. As noted in the Corrective Action Plan for finding 2016-003, the County has elected to draw funds on a reimbursable basis. Thus, the disbursements occurred first, followed by a reimbursement which occurred the following month, so the receipts would be unlikely to equal the disbursements in a given month or over an extended period as disbursements most likely will vary monthly.
3. In box 10l, the WCHD reported federal program income earned that equaled box 10n, reported program income expended. Program income earned was supported only by a worksheet with one total per each month, and did not reconcile to the County Auditor's funds ledger. Program income expended could not be determined to be accurate because those funds were not posted to a unique fund on the County Auditor's funds ledger, but almost certainly would not exactly equal program income earned.

UDS Report Errors:

The UDS report has various data points that are identified as key line items containing critical information, including various costs of the program and patient-related revenue. After three different attempts to verify the spreadsheet data used to prepare the UDS report was in fact generated by the clinic's software, County employees were unable to replicate the data reflected in the UDS report. Report parameters from the original submission were not retained for audit. Also, no documentation was provided that the spreadsheet used to prepare the UDS was reconciled in total to the County Auditor's funds ledger.

Context

The lack of controls and noncompliance were systemic issues, which occurred throughout the audit period.

Criteria

2 CFR section 200.303 states in part:

"The non-Federal entity must:

- (a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal awards in compliance with Federal statutes, regulations, and the terms and conditions of the Federal

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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). . . ."

2 CFR 200.302(a) states in part:

"Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. . . ."

Cause

Management had not developed a system of internal controls that would have ensured compliance with the Reporting compliance requirement.

Effect

The failure to establish an effective internal control system placed the County in noncompliance with the grant agreement and the Reporting compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the County's management establish controls related to the grant agreement and the Reporting compliance requirement.

Views of Responsible Officials

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

Auditor's Response

This finding does not fit the definition of "material weakness" provided by the Wayne County Health Department (WCHD) in the corrective action plan, which is an incorrect use of the definition. The definition provided by the WCHD relates to a Section II finding on the financial statements. The material weakness referred to in the finding is a weakness in internal control over compliance since this is a Section III finding relating to a major program and not the financial statements. 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. This correct definition can be found in the Independent Auditor's Report on Compliance for the Major Federal Program and on Internal Control over Compliance, which is included in this report and references this finding.

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2016-006

Subject: Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care Centers) - Program Income

Federal Agency: Department of Health and Human Services

Federal Program: Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)

CFDA Number: 93.224

Federal Award Number and Year (or Other Identifying Number): H80CS29006

Compliance Requirement: Program Income

Audit Findings: Material Weakness, Modified Opinion

Condition

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

The Health Center did not have an effective system in place to verify the accuracy of the sliding fee discount schedule. The Health Center did not accurately apply sliding fee discounts to patient charges for 2016.

Context

The lack of controls and noncompliance were systemic issues, which occurred throughout the audit period.

Criteria

2 CFR section 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal awards 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). . . ."

42 USC 254(b)(k)(3)(G) states in part:

"the center—

(i) has prepared a schedule of fees or payments for the provision of its services consistent with locally prevailing rates or charges and designed to cover its reasonable costs of operation and has prepared a corresponding schedule of discounts to be applied to the payment of such fees or payments, which discounts are adjusted on the basis of the patient's ability to pay; . . ."

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

42 CFR 51c.303 states in part:

"A community health center supported under this subpart must:

(f) Have prepared a schedule of fees or payments for the provision of its services designed to cover its reasonable costs of operation and a corresponding schedule of discounts adjusted on the basis of the patient's ability to pay. *Provided*, That such schedule of discounts shall provide for a full discount to individuals and families with annual incomes at or below those set forth in the most recent CSA Poverty Income Guidelines (42 CFR 1060.2) and for no discount to individuals and families with annual incomes greater than twice those set forth in such Guidelines except that nominal fees for service may be collected from such individuals with annual incomes at or below such levels where imposition of such fees is consistent with project goals.

(g) Make every reasonable effort, including the establishment of systems for eligibility determination, billing, and collection, to: . . ."

42 CFR 51c.304(d) states in part:

"Functions and responsibilities.

(1) The governing board for the center shall have authority for the establishment of policy in the conduct of the center. . . .

(iii) Adopting policy for financial management practices, including a system to assure accountability for center resources, approval of the annual project budget, center priorities, eligibility for services including criteria for partial payment schedules, and long range financial planning; . . ."

42 CFR 51c.107(b) states in part:

"Project funds awarded under this part may be used for, but need not be limited to, the following: . . .

(5) The cost of delivering health services, including services rendered on a prepaid capitation basis, to residents of the project's catchment area within the following limitations: grant funds may be used to pay the full cost of project services to individuals and families with annual incomes at or below those set forth in the most recent 'CSA Income Poverty Guidelines' (45 CFR 1060.2) issued by the Community Services Administration; and to pay the portion of the cost of services provided in accordance with the schedule of discounts which, under such schedule, is uncompensated; *Provided*, That (i) charges will be made to such individuals and families in accordance with § 51c.303(f) of subpart C; (ii) reasonable effort shall be made to collect such charges under a billing and collections system; and (iii) the charge to grant funds shall exclude any amounts collected pursuant to paragraph (b)(5)(ii) of this section; . . ."

42 CFR 56.108(b) states in part:

"Project funds awarded under this part may be used for, but need not be limited to, the following: . . .

WAYNE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (5) The cost of delivering health services to migratory agricultural workers, seasonal agricultural workers and the members of their families within the project's catchment area, within the following limitations: grant funds may be used to pay the full cost of project services to such individuals and families with annual incomes at or below those set forth in the most recent 'CSA Income Poverty Guidelines' (45 CFR 1060.2) issued by the Community Services Administration, and to pay the portion of the cost of services provided in accordance with the schedule of discounts which, under such schedule, is uncompensated; *Provided, That*
- (i) Charges will be made to such individuals and families in accordance with § 56.303(f) of subpart C or § 56.603(e) of subpart F, as applicable;
 - (ii) Reasonable effort shall be made to collect such charges under a billing and collections system; and . . ."

Cause

Management had not developed a system of internal controls that would have ensured compliance with the Program Income compliance requirement.

Effect

The failure to establish an effective internal control system placed the County in noncompliance with the grant agreement and the Program Income compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the County's management establish controls related to the grant agreement and the Program Income compliance requirement.

Views of Responsible Officials

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

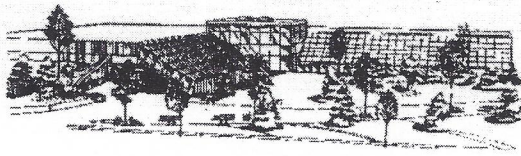
Auditor's Response

This finding does not fit the definition of "material weakness" provided by the Wayne County Health Department (WCHD) in the corrective action plan, which is an incorrect use of the definition. The definition provided by the WCHD relates to a Section II finding on the financial statements. The material weakness referred to in the finding is a weakness in internal control over compliance since this is a Section III finding relating to a major program and not the financial statements. 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. This correct definition can be found in the Independent Auditor's Report on Compliance for the Major Federal Program and on Internal Control over Compliance, which is included in this report and references this finding.

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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.



Kimberly A. Walton, Auditor
Jennie K. Bailey, Chief Deputy Auditor
Wayne County Administration Building
<http://www.co.wayne.in.us/>

Phone 765-973-9317
Fax 765-973-9339

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-001

Fiscal year in which the finding initially occurred: 2014
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Kimberly A Walton
Contact Phone Number: 765-973-9317

Status of Audit Finding:

During the audit for 2014 and 2015 that was completed in 2017, the Auditor worked with the field examiners to understand the filing of the SEFA better. The 2016 SEFA had already been submitted at this point.

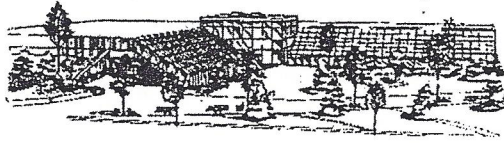
The Auditor's office has begun the implementation of internal controls for the grants. The Auditor's office has worked with the State Board of Accounts to better understand the requirements for SEFA. In conjunction with State Board of Accounts, the Auditor's office has corrected the 2014, 2015 and 2016 SEFA. The Auditor's office has also created a reconciliation process for all grants to have better readily available information. On December 1, we will audit all grants each year and insure they are uploaded to Gateway.

The plan for correcting these issues is already underway.

Kimberly Walton
(Signature)

Auditor
(Title)

10-29-18
(Date)



Kimberly A. Walton, Auditor
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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-002

Fiscal year in which the finding initially occurred: 2014

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Child Services

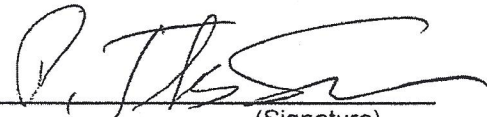
Contact Person Responsible for Corrective Action: Kimberly A Walton

Contact Phone Number: 765-973-9317

Status of Audit Finding:

The IV-D Court already has implemented an internal control system to ensure compliance with Allowable Cost/Cost Principles by maintaining certifications to support salaries and wages charged to the federal program.

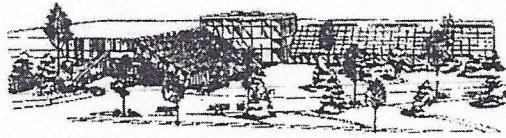
The Corrective action plan was put in place for calendar year 2017 and thereafter.



(Signature)

Commissioner/Wayne County IV-D Court
(Title)

October 30, 2018
(Date)



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Jennie K. Bailey, Chief Deputy Auditor
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CORRECTIVE ACTION PLAN

FINDING 2016-001

Contact Person Responsible for Corrective Action: Kimberly A Walton
Contact Phone Number: 765-973-9317

Views of Responsible Official:

The Wayne County Auditor concurs there was not proper Internal Controls in place to ensure SEFA information was accurate and complete. The SEFA was prepared without accurate understanding of what needed to be reported.

Description of Corrective Action Plan:

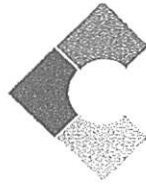
The Auditor's office has worked with the State Board of Accounts to better understand the requirements for SEFA. In conjunction with State Board of Accounts, the Auditor's office will correct the 2014, 2015 and 2016 SEFA to be prepared to input into Gateway for the 2017 SEFA. The Auditor's office has also created a reconciliation process for all grants to have better readily available information. On December 1, we will audit all grants each year and insure they are uploaded to Gateway.

Anticipated Completion Date: February 28, 2018

Kimberly Walton
(Signature)

Auditor
(Title)

10/29/18
(Date)



WAYNE COUNTY
Health Department

201 East Main Street, Richmond, IN 47374
765.973-9246 Phone 765-973-9361 Fax

CORRECTIVE ACTION PLAN

FINDING 2016-002

Contact Person Responsible for Corrective Action: Eric Coulter
Contact Phone Number: 765-973-9369

Views of Responsible Official:

Concerning the language of the finding being noted as a "material weakness", we do not believe this is the correct level of the finding. The definition of a "material weakness" is as follows:

"A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis."

Based upon this definition, we believe that this finding does not meet the definition of a material weakness as there was not a reasonable possibility that a material misstatement of the company's annual or interim financial statement would have been prevented or detected on a timely basis due to the finding noted.

However, we agree that there was a breakdown in the audit notification process that caused a failure in the compliance with the Indiana code requirement to request written approval from the State Examiner to hire an independent CPA firm to conduct a program-specific audit to comply with HRSA grant program requirements. However, the CEO disagrees that the expense was unallowable, unnecessary or unreasonable because an audit is mandatory for HRSA compliance.

Description of Corrective Action Plan:

The CEO is aware of the audit requirements (2 CFS section 200.303 and IC 5-11-1-24.4) and had discussions with the county auditor, other county officials, our county council liaison, and media reports on the same topic which indicated SBOA audits would be limited to every three years due to staff and funding shortages, and the State would not be doing an audit for 2016. As this is a HRSA program requirement, we reached out to our HRSA Grants Management Specialist to see if we could do a program-specific audit to meet our requirements and contracted with an independent CPA firm to provide this service. We and the CPA firm had various discussions with the State Board of Accounts regarding the Health Center. It was noted by the SBOA Director of County Audit Services that the SBOA was not performing annual audits of counties that did not meet the \$500,000 (now \$750,000) threshold for triggering an audit of the federal award and would not be auditing Wayne County. However, the Wayne County Auditor did timely inform the State Board of Accounts that this threshold was exceeded and were informed by SBOA that the Wayne County Auditor did not properly disclose this fact. It was later determined that the Wayne County Auditor had timely disclosed this fact and the State Board of Accounts had erroneously not recognized this disclosure. Thus, the SBOA did not perform the audit on a timely basis. While we attempted to follow the Indiana Code regarding written approval, we feel we did have the internal control system in place to ensure compliance with the requirements of the grant agreement and the Allowable Cost/Cost Principles compliance requirement.



WAYNE COUNTY
Health Department

201 East Main Street, Richmond, IN 47374
765-973-9245 Phone 765-973-9361 Fax

Should the State Board of Accounts not be able to perform a future audit in a timely manner, we will follow Indiana Code to request written approval from the State Examiner to hire an independent audit firm to provide the required audit and meet program requirements.

Anticipated Completion Date: Completed



WAYNE COUNTY
Health Department

201 East Main Street, Richmond, IN 47374
765.973-9245 Phone 765-973-9361 Fax

CORRECTIVE ACTION PLAN

FINDING 2016-003

Contact Person Responsible for Corrective Action: Ellen Smith
Contact Phone Number: 989-329-1485

Views of Responsible Official:

Concerning the language of the finding being noted as a "material weakness", we do not believe this is the correct level of the finding. The definition of a "material weakness" is as follows:

"A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis."

Based upon this definition, we believe that this finding does not meet the definition of a material weakness as there was not a reasonable possibility that a material misstatement of the company's annual or interim financial statement would have been prevented or detected on a timely basis due to the finding noted.

However, we agree that Internal Controls over Cash Management in the draw of federal funds process established could be improved, however we disagree that there is no documented system in place for forecasting cash flow needs.

Description of Corrective Action Plan:

Prior to drawing federal funds from the Payment Management System, the Chief Financial Officer will prepare a draw summary and detailed spreadsheet identifying the accounts and amounts that will be drawn. These spreadsheets will be forwarded to the CEO of the Health Center for review and approval. The CEO will initial or sign the draw summary indicating approval and return it to the CFO for draw down of funds. A draw confirmation will be sent to the CEO for his review after the draw has been completed.

The County had sufficient funds to meet its obligations without drawing funds in advance. The County had chosen to draw funds on a reimbursable basis in compliance with the HRSA instructions listed below:

Draw downs

Recipients draw down funds as necessary through the PMS web-based portal.

Grant payments may be made by one of several advance payment methods or by cash request on a reimbursement basis. If the cash request is for an advance payment, the recipient may request funds monthly on the basis of expected disbursements during the succeeding month and the amount of Federal funds already on hand. A request for reimbursement may be submitted more often, if authorized.

Federal funds advanced to the recipient should be fully disbursed (checks written, signed, and



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issued to the payees) by the close of business the next work day after receipt of the funds.

The County had a written, HRSA approved budget which outlined how federal funds were to be used. After these expenditures were incurred, the funds were drawn to cover the expenditures.

Anticipated Completion Date: Completed



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CORRECTIVE ACTION PLAN

FINDING 2016-004

Contact Person Responsible for Corrective Action: Kim Flanigan
Contact Phone Number: 765-973-9243

Views of Responsible Official:

Concerning the language of the finding being noted as a "material weakness", we do not believe this is the correct level of the finding. The definition of a "material weakness" is as follows:

"A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis."

Based upon this definition, we believe that this finding does not meet the definition of a material weakness as there was not a reasonable possibility that a material misstatement of the company's annual or interim financial statement would have been prevented or detected on a timely basis due to the finding noted.

However, we agree that there was no annual check of all vendors on the SAM Exclusion list.

Description of Corrective Action Plan:

This finding has already been corrected. During January of each year, we will check all vendors paid with federal funds against the SAM Exclusion list and print and file the Exclusion Search result in the procurement file. Any vendor found on the SAM Exclusion list will not be an acceptable vendor for the Wayne County Community Health Center. All new vendors will be checked against the SAM Exclusion List prior to procurement. The list of approved vendors will be kept in the procurement file as well as the CEO office and will be reviewed prior to invoice approval.

Anticipated Completion Date: Completed



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CORRECTIVE ACTION PLAN

FINDING 2016-005

Contact Person Responsible for Corrective Action: Ellen Smith
Contact Phone Number: 989-329-1485

Views of Responsible Official:

Concerning the language of the finding being noted as a "material weakness", we do not believe this is the correct level of the finding. The definition of a "material weakness" is as follows:

"A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis."

Based upon this definition, we believe that this finding does not meet the definition of a material weakness as there was not a reasonable possibility that a material misstatement of the company's annual or interim financial statement would have been prevented or detected on a timely basis due to the finding noted.

We agree that the Internal Controls over Program Income and Reporting through review and approval prior to submission could be improved. The UDS report also had a few inaccuracies during the first full year of operations as a Community Health Center. However, we do not agree with the assertion that the SF-425 report was not accurate.

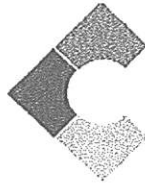
Description of Corrective Action Plan:

The Chief Financial Officer will print the completed SF-425 and forward to the CEO for review and approval. The CEO will initial and date the SF-425 and return it to the CFO prior to submission. The UDS team lead will prepare the UDS report for filing, forward it to the CEO for approval. The CEO will initial the report and return to the UDS team lead for filing.

The UDS team has attended UDS training and purchased the MediQuire data mining software to work in conjunction with the Isalus practice management system to improve the accuracy of the reports.

The CFO believes the SF-425 Report was filed timely and accurately, agrees with the payment management system and has work papers to support the data as filed. We were not provided with any SBOA documentation on the issues surrounding this finding. The Health Center has received three Operational Site Visits from HRSA and none of them have indicated any concern with the accuracy of the SF-425 reports.

Anticipated Completion Date: February 15, 2019



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CORRECTIVE ACTION PLAN

FINDING 2016-006

Contact Person Responsible for Corrective Action: Ellen Smith
Contact Phone Number: 989-329-1485

Views of Responsible Official:

Concerning the language of the finding being noted as a "material weakness", we do not believe this is the correct level of the finding. The definition of a "material weakness" is as follows:

"A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis."

Based upon this definition, we believe that this finding does not meet the definition of a material weakness as there was not a reasonable possibility that a material misstatement of the company's annual or interim financial statement would have been prevented or detected on a timely basis due to the finding noted.

However, we agree that the Internal Controls over Program Income could be improved.

Description of Corrective Action Plan:

This finding has been corrected. Annually, the fee schedule and the Sliding Fee Discount Scale are updated and approved by the Board of Directors of the Health Center and the Isalus Practice Management System is updated with the correct charges and discounts.

Anticipated Completion Date: Completed

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/>.