

**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, 2017 to December 31, 2017



**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	01-01-17 to 12-31-18
President of the County Council	Peter Zaleski Jeffrey C. Plasterer	01-01-17 to 12-31-17 01-01-18 to 12-31-18



**STATE OF INDIANA**  
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INDEPENDENT AUDITOR'S REPORT

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, 2017, 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, 2017.

***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, 2017, 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, 2017, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.


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

**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, 2017

Fund	Cash and Investments 01-01-17	Receipts	Disbursements	Cash and Investments 12-31-17
LIT Special Purpose	\$ -	\$ 2,991,042	\$ 2,991,042	\$ -
County General	6,262,296	20,810,216	20,743,648	6,328,864
Accident Report-Sheriff	20,793	5,728	6,615	19,906
Aviation -Sheriff Department	704	-	-	704
Contractor's Bid	22,370	-	-	22,370
CAGIT- County Certified Shares	681,815	3,700,114	4,381,929	-
Campaign Finance Enforcement	4,640	-	-	4,640
Wayne Co EDIT Unincorporated	2,112,816	491,896	52,252	2,552,460
City and Town Court Costs	6,740	42,591	39,349	9,982
Clerk Record Perpetuation	88,184	66,624	53,016	101,792
Community Correction Fund	124,739	363,449	290,089	198,099
DOC Community Transition	60,037	17,625	1,385	76,277
County Sales Disclosure	24,253	8,321	2,813	29,761
Bridge 1135	5,747,257	1,205,020	1,197,600	5,754,677
Cumulative Capital Development-Co	572,579	367,737	447,835	492,481
Cumulative Building Courthouse	1,316,374	267,444	207,765	1,376,053
County Drug Free Community	55,055	63,461	53,996	64,520
GIS-Interlocal Agreement	311,840	204,035	187,129	328,746
Emergency Planning/Right	54,075	19,422	10,844	62,653
Wayne County 911 Fund	583,156	764,862	655,003	693,015
Recorder Enhanced Access	25,505	579	-	26,084
Extradition and Sheriff Assistance	21,051	6,058	4,893	22,216
Firearms-Sheriff	10,180	14,935	20,752	4,363
General Drain Improvement	35,348	1,615	8,611	28,352
Health Department	1,308,783	661,876	830,575	1,140,084
ID Security Protection	27,926	7,267	2,750	32,443
Levy Excess Fund	1,893	-	-	1,893
Health Maintenance Fund	29,739	24,430	16,646	37,523
Local Road and Street 1169	7,045	458,474	278,677	186,842
Co Med Care Inmates	33,073	18,084	48,937	2,220
Misdemeanant -Sheriff	103,534	54,695	40,713	117,516
Highway1176	911,951	3,299,119	2,936,195	1,274,875
Plat Book Maintenance	57,304	15,641	18,114	54,831
Rainy Day Fund	3,890,514	-	-	3,890,514
Recorder's Perpetuation	299,447	128,048	78,911	348,584
Riverboat Revenue Sharing	-	408,259	408,259	-
Sex & Violent Offenders Reg.	3,878	3,996	-	7,874
Supp Public Defender Fund	203,438	82,951	27,774	258,615
Surplus Tax	26,208	26,481	33,327	19,362
Surveyor Corner Perpetuation	79,573	28,695	18,640	89,628
Tax Sale Redemption	24,324	50,597	56,521	18,400
Tax Sale Surplus	184,285	547,867	164,625	567,527
Unsafe Building-County	1,264	-	-	1,264
Victim Assist Coord Grant	(48,353)	26,569	57,625	(79,409)
Gal/Casa Program Fund	159,470	48,691	17,181	190,980
Elected Officials Training	24,184	7,350	4,332	27,202
County Offender Transportation	5,625	688	-	6,313
Reassessment 2015	277,453	78	179,287	98,244
Adult Probation Users	24,813	174,754	177,005	22,562
Juvenile Probation Users	6,690	3,645	-	10,335
General Drain Maintenance	61,127	15,358	2,271	74,214
Convention -Bond and Int Acct	6	51,045	51,045	6
Drug Task Force	22,531	35,175	42,672	15,034
DUI Task Force Indiana-City/Co	(3,239)	184	-	(3,055)
Community Health Center	42,301	188,392	207,235	23,458
Jail Bond Debt Service	9,177,846	2,991,043	8,781,252	3,387,637
Wayne Employee Health Trust	1,497,844	3,029,353	3,493,586	1,033,611
Health Insurance-Retirees	17,279	31,369	46,119	2,529

WAYNE COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2017

Fund	Cash and Investments 01-01-17	Receipts	Disbursements	Cash and Investments 12-31-17
Health Insurance Withholding	2,496	743,244	743,249	2,491
Boston Mutual Life	-	68,897	68,897	-
Garnishee-Child Support	2	25,588	25,588	2
Federal Withholding	-	1,532,212	1,532,212	-
Fica Withholding	-	1,072,732	1,072,732	-
Sec 125 Reimbursement	-	69,743	69,738	5
CAGIT Withholding	-	210,444	210,444	-
County Retirement	-	500,464	500,464	-
Wayne County Property Taxes	-	18,864	18,864	-
Sheriff Retirement W-Hold	-	86,848	90,427	(3,579)
State Withholding	-	449,957	449,957	-
Garnishee Withholding	-	37,388	37,388	-
Sheriff Pension Trust	69,695	125,760	121,182	74,273
Late Payment Special Assessment	8,917	49,426,747	49,426,747	8,917
Commercial Vehicle Excise 6023	-	597,781	597,781	-
Weed Collections	-	20,133	20,133	-
Sewer Collections	-	99,708	99,708	-
Financial Institution Tax	-	791,134	791,134	-
State Fines and Forfeitures	5,775	64,722	54,991	15,506
Infraction Deferral Program	4,585	38,202	40,413	2,374
Overweight Vehicles	12,601	143,574	143,849	12,326
Spec Death Benefit Fees	335	4,960	4,920	375
State Sales Disclosure	970	8,330	8,630	670
Coroners Cont Educ Fund	1,040	12,444	12,488	996
Interstate Compact Fees-Prob	63	688	688	63
Mortgage Fee Fund	473	5,283	5,373	383
Sex/Violent Offender Fees ST	58	445	441	62
Child Restraint Syst Violation	50	575	600	25
Inheritance Tax	2,339	-	-	2,339
Education Plate Fee	150	676	713	113
Convention Bureau	81,228	637,520	624,392	94,356
Prosecutor Law Enforcement	11,485	39,966	34,249	17,202
Edit Fund	113,917	-	-	113,917
Clerk ARRA 8894	3,352	-	500	2,852
Title Iv-D Incentive-8895	228,148	34,706	-	262,854
New-Prosecutor 4D Incent-8897	163,428	52,219	75,399	140,248
Clerk 4D Incentive	105,702	-	1,074	104,628
New-Clerk 4D Incentive-8899	175,596	34,706	16,405	193,897
Inmate Trust	30,091	1,301,030	1,316,912	14,209
Sheriff Commissary	207,232	480,446	455,400	232,278
Clerk Trust	1,001,520	6,603,928	6,666,346	939,102
Clerk Child Support	17,273	773,039	773,964	16,348
Treasurer After Settlement Collection	1,600,391	2,087,205	1,599,691	2,087,905
Capacity Building Grant	6,964	17,323	9,623	14,664
Bioterrorism Grant-Health	8,635	16,013	4,104	20,544
JDAI Coordination Grant	36,884	-	54,513	(17,629)
Justice Reinvestment Grant	20,718	82,156	63,585	39,289
User Fee Fund	595,707	30,701	17,089	609,319
Translator Fees	10,407	-	2,935	7,472
Dare Donations-Sheriff-Misc	1,378	1,016	-	2,394
Donations For County Use	25	-	-	25
Health Donations	8,340	715	-	9,055
Fairgrounds Donations	482	184	-	666
K-9 Donations-Sheriff-Misc	15,108	7,488	17,660	4,936
Sheriff Donations	2,088	-	-	2,088
Foreign Language Interpreter Grant	1,836	1,425	2,386	875
Adult Protection Fund	(9,789)	10,859	401	669
4-D Court	45,688	106,440	161,639	(9,511)

WAYNE COUNTY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2017

Fund	Cash and Investments 01-01-17	Receipts	Disbursements	Cash and Investments 12-31-17
County Law Enforce Continuing Ed	3,723	12,673	192	16,204
Comm Correction Project Income	192,134	82,330	80,720	193,744
Rainy Day Restricted	713,232	1,000,000	1,082,962	630,270
Consolidated Edit Fund	3,404,796	1,536,865	795,611	4,146,050
2013 EMA Performance Grant	9,500	(9,500)	3,700	(3,700)
State General Fees	3,449	60,972	60,872	3,549
Health/Navigator Outreach	(10,638)	-	-	(10,638)
Highway Safety Big City/County	12,557	32,874	40,959	4,472
Commissioners Tax Sale	76,077	179,364	156,320	99,121
JDAI Alternative Program	64,246	67,766	25,106	106,906
Health Master Tobacco Settlement	42,325	16,054	31,529	26,850
Meaningful Use Funds-Health	23,417	25,500	20,431	28,486
Mobile Home Tax Sale Cost	4,654	3,145	2,250	5,549
Pre-Trial Diversion	8,638	2,732	2,255	9,115
Revolving Loan Fund	495,018	57,422	25,245	527,195
Sheriff's Federal Seizure	6,168	174	3,700	2,642
Wayne Co Redevelopment Commiss	259,515	416,926	458,252	218,189
Pre Trial Drug Diversion	-	640	-	640
Sec 125 Dental Withholding	2,379	148,544	148,544	2,379
AFLAC Section 125 Insurance	-	22,485	22,485	-
AIG Insurance	-	925	925	-
Voluntary Life Insurance	830	46,575	46,575	830
United Way Withholding	-	3,023	3,023	-
FOP Dues-Sheriff	2,028	5,207	5,207	2,028
Republican Party Withholding	-	4,094	4,094	-
Aflac Group	-	16,364	16,286	78
McCready & Keene Post Tax	-	9,360	9,360	-
McCready & Keene Pre Tax	-	1,040	1,040	-
Perf-Voluntary Post	-	3,005	3,005	-
H1N1 Grant	3,251	-	-	3,251
Federal Equitable Sharing Acct	12,156	-	-	12,156
Health/Immunization Grant	(7,252)	20,288	5,783	7,253
HIV Grant	25,708	44,679	44,463	25,924
HRSA FQHC Grant	(179,385)	1,218,011	1,098,252	(59,626)
IPHCA Navigator Grant	(1,608)	-	-	(1,608)
Pdfwc Spf-Sig Grant-Comm Corr	23,961	-	-	23,961
VASIA Grant	-	55,500	55,500	-
Probation Intake Assess Screen	(21,383)	75,378	53,995	-
IDOC Juvenile	3,597	17,265	18,704	2,158
MRT (Moral Reconciliation Therapy)	13,781	21,438	12,619	22,600
DSHII	-	-	8,437	(8,437)
HRSA PCMH	(806)	9,941	13,852	(4,717)
Bridge 1-2017	20,000	-	248	19,752
Performance Award Grant	-	-	59,000	(59,000)
Health Center	-	2,844,401	1,715,867	1,128,534
EMPG Competitive Grant	-	10,573	10,573	-
Health Center QImp	-	-	1,331	(1,331)
EMA PerformanceCompetitive	-	8,656	8,656	-
AIMS Grant	-	1,000	47,600	(46,600)
GAL/CASA Special Pilot Program	-	40,000	-	40,000
LIT Certified Shares	-	11,964,167	11,964,167	-
LIT Econ Dev	-	3,065,893	3,065,893	-
<b>Totals</b>	<b>\$ 46,401,014</b>	<b>\$ 135,453,325</b>	<b>\$ 138,660,446</b>	<b>\$ 43,193,893</b>

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 Plan**

*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 the 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 2017 totaled \$732,000.

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, 2017

	LIT Special Purpose	County General	Accident Report-Sheriff	Aviation -Sheriff Department	Contractor's Bid
Cash and investments - beginning	\$ -	\$ 6,262,296	\$ 20,793	\$ 704	\$ 22,370
Receipts:					
Taxes	-	14,827,136	-	-	-
Licenses and permits	-	82,785	-	-	-
Intergovernmental receipts	-	3,756,128	-	-	-
Charges for services	-	789,620	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	2,991,042	1,354,547	5,728	-	-
Total receipts	2,991,042	20,810,216	5,728	-	-
Disbursements:					
Personal services	-	12,957,792	-	-	-
Supplies	-	610,927	-	-	-
Other services and charges	-	6,829,413	-	-	-
Capital outlay	2,991,042	345,516	6,615	-	-
Other disbursements	-	-	-	-	-
Total disbursements	2,991,042	20,743,648	6,615	-	-
Excess (deficiency) of receipts over disbursements	-	66,568	(887)	-	-
Cash and investments - ending	\$ -	\$ 6,328,864	\$ 19,906	\$ 704	\$ 22,370

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	CAGIT- County Certified Shares	Campaign Finance Enforcement	Wayne Co EDIT Unincorporated	City and Town Court Costs	Clerk Record Perpetuation
Cash and investments - beginning	\$ 681,815	\$ 4,640	\$ 2,112,816	\$ 6,740	\$ 88,184
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	67
Fines and forfeits	-	-	-	-	-
Other receipts	3,700,114	-	491,896	42,591	66,557
Total receipts	3,700,114	-	491,896	42,591	66,624
Disbursements:					
Personal services	2,700,173	-	-	-	44,905
Supplies	-	-	-	-	-
Other services and charges	-	-	50,000	-	-
Capital outlay	1,681,756	-	2,252	39,349	8,111
Other disbursements	-	-	-	-	-
Total disbursements	4,381,929	-	52,252	39,349	53,016
Excess (deficiency) of receipts over disbursements	(681,815)	-	439,644	3,242	13,608
Cash and investments - ending	\$ -	\$ 4,640	\$ 2,552,460	\$ 9,982	\$ 101,792

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Community Correction Fund	DOC Community Transition	County Sales Disclosure	Bridge 1135	Cumulative Capital Development-Co
Cash and investments - beginning	\$ 124,739	\$ 60,037	\$ 24,253	\$ 5,747,257	\$ 572,579
Receipts:					
Taxes	-	-	-	896,828	336,311
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	83,803	31,426
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	363,449	17,625	8,321	224,389	-
Total receipts	<u>363,449</u>	<u>17,625</u>	<u>8,321</u>	<u>1,205,020</u>	<u>367,737</u>
Disbursements:					
Personal services	247,588	-	-	170,624	-
Supplies	5,090	-	-	121,759	-
Other services and charges	26,818	1,385	2,813	905,110	110,694
Capital outlay	8,438	-	-	107	337,141
Other disbursements	2,155	-	-	-	-
Total disbursements	<u>290,089</u>	<u>1,385</u>	<u>2,813</u>	<u>1,197,600</u>	<u>447,835</u>
Excess (deficiency) of receipts over disbursements	<u>73,360</u>	<u>16,240</u>	<u>5,508</u>	<u>7,420</u>	<u>(80,098)</u>
Cash and investments - ending	<u>\$ 198,099</u>	<u>\$ 76,277</u>	<u>\$ 29,761</u>	<u>\$ 5,754,677</u>	<u>\$ 492,481</u>

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Cumulative Building Courthouse	County Drug Free Community	GIS-Interlocal Agreement	Emergency Planning/Right	Wayne County 911 Fund
Cash and investments - beginning	\$ 1,316,374	\$ 55,055	\$ 311,840	\$ 54,075	\$ 583,156
Receipts:					
Taxes	244,590	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	22,854	-	-	-	708,421
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	63,461	204,035	19,422	56,441
Total receipts	<u>267,444</u>	<u>63,461</u>	<u>204,035</u>	<u>19,422</u>	<u>764,862</u>
Disbursements:					
Personal services	-	-	82,378	-	418,069
Supplies	-	-	-	-	-
Other services and charges	207,765	53,996	97,776	2,236	211,367
Capital outlay	-	-	6,975	8,608	25,567
Other disbursements	-	-	-	-	-
Total disbursements	<u>207,765</u>	<u>53,996</u>	<u>187,129</u>	<u>10,844</u>	<u>655,003</u>
Excess (deficiency) of receipts over disbursements	<u>59,679</u>	<u>9,465</u>	<u>16,906</u>	<u>8,578</u>	<u>109,859</u>
Cash and investments - ending	<u>\$ 1,376,053</u>	<u>\$ 64,520</u>	<u>\$ 328,746</u>	<u>\$ 62,653</u>	<u>\$ 693,015</u>

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Recorder Enhanced Access	Extradition and Sheriff Assistance	Firearms-Sheriff	General Drain Improvement	Health Department
Cash and investments - beginning	\$ 25,505	\$ 21,051	\$ 10,180	\$ 35,348	\$ 1,308,783
Receipts:					
Taxes	-	-	-	-	340,387
Licenses and permits	-	-	-	-	196,692
Intergovernmental receipts	-	-	-	-	32,249
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	579	6,058	14,935	1,615	92,548
Total receipts	<u>579</u>	<u>6,058</u>	<u>14,935</u>	<u>1,615</u>	<u>661,876</u>
Disbursements:					
Personal services	-	-	-	-	569,476
Supplies	-	-	-	-	195,977
Other services and charges	-	-	-	-	59,501
Capital outlay	-	4,893	20,752	8,611	5,621
Other disbursements	-	-	-	-	-
Total disbursements	<u>-</u>	<u>4,893</u>	<u>20,752</u>	<u>8,611</u>	<u>830,575</u>
Excess (deficiency) of receipts over disbursements	<u>579</u>	<u>1,165</u>	<u>(5,817)</u>	<u>(6,996)</u>	<u>(168,699)</u>
Cash and investments - ending	<u>\$ 26,084</u>	<u>\$ 22,216</u>	<u>\$ 4,363</u>	<u>\$ 28,352</u>	<u>\$ 1,140,084</u>

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	ID Security Protection	Levy Excess Fund	Health Maintenance Fund	Local Road and Street 1169	Co Med Care Inmates
Cash and investments - beginning	\$ 27,926	\$ 1,893	\$ 29,739	\$ 7,045	\$ 33,073
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	7,267	-	24,430	458,474	18,084
Total receipts	7,267	-	24,430	458,474	18,084
Disbursements:					
Personal services	-	-	4,636	-	-
Supplies	-	-	-	278,677	-
Other services and charges	-	-	12,010	-	-
Capital outlay	2,750	-	-	-	48,937
Other disbursements	-	-	-	-	-
Total disbursements	2,750	-	16,646	278,677	48,937
Excess (deficiency) of receipts over disbursements	4,517	-	7,784	179,797	(30,853)
Cash and investments - ending	\$ 32,443	\$ 1,893	\$ 37,523	\$ 186,842	\$ 2,220

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Misdemeanant -Sheriff	Highway1176	Plat Book Maintenance	Rainy Day Fund	Recorder's Perpetuation
Cash and investments - beginning	\$ 103,534	\$ 911,951	\$ 57,304	\$ 3,890,514	\$ 299,447
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	12,840	-	-	-
Intergovernmental receipts	-	3,178,313	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	54,695	107,966	15,641	-	128,048
Total receipts	54,695	3,299,119	15,641	-	128,048
Disbursements:					
Personal services	-	1,240,954	14,525	-	50,334
Supplies	-	1,167,971	1,344	-	-
Other services and charges	-	379,431	2,245	-	-
Capital outlay	40,713	147,839	-	-	28,577
Other disbursements	-	-	-	-	-
Total disbursements	40,713	2,936,195	18,114	-	78,911
Excess (deficiency) of receipts over disbursements	13,982	362,924	(2,473)	-	49,137
Cash and investments - ending	\$ 117,516	\$ 1,274,875	\$ 54,831	\$ 3,890,514	\$ 348,584

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Riverboat Revenue Sharing	Sex & Violent Offenders Reg.	Supp Public Defender Fund	Surplus Tax	Surveyor Corner Perpetuation
Cash and investments - beginning	\$ -	\$ 3,878	\$ 203,438	\$ 26,208	\$ 79,573
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	408,259	3,996	82,951	26,481	28,695
Total receipts	408,259	3,996	82,951	26,481	28,695
Disbursements:					
Personal services	-	-	27,774	-	-
Supplies	-	-	-	-	1,608
Other services and charges	-	-	-	-	2,158
Capital outlay	408,259	-	-	33,327	14,874
Other disbursements	-	-	-	-	-
Total disbursements	408,259	-	27,774	33,327	18,640
Excess (deficiency) of receipts over disbursements	-	3,996	55,177	(6,846)	10,055
Cash and investments - ending	\$ -	\$ 7,874	\$ 258,615	\$ 19,362	\$ 89,628

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Tax Sale Redemption	Tax Sale Surplus	Unsafe Building-County	Victim Assist Coord Grant	Gal/Casa Program Fund
Cash and investments - beginning	\$ 24,324	\$ 184,285	\$ 1,264	\$ (48,353)	\$ 159,470
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	50,597	547,867	-	26,569	48,691
Total receipts	<u>50,597</u>	<u>547,867</u>	<u>-</u>	<u>26,569</u>	<u>48,691</u>
Disbursements:					
Personal services	-	-	-	57,625	7,885
Supplies	-	-	-	-	3,804
Other services and charges	-	-	-	-	5,492
Capital outlay	56,521	164,625	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>56,521</u>	<u>164,625</u>	<u>-</u>	<u>57,625</u>	<u>17,181</u>
Excess (deficiency) of receipts over disbursements	<u>(5,924)</u>	<u>383,242</u>	<u>-</u>	<u>(31,056)</u>	<u>31,510</u>
Cash and investments - ending	<u>\$ 18,400</u>	<u>\$ 567,527</u>	<u>\$ 1,264</u>	<u>\$ (79,409)</u>	<u>\$ 190,980</u>

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Elected Officials Training	County Offender Transportation	Reassessment 2015	Adult Probation Users	Juvenile Probation Users
Cash and investments - beginning	\$ 24,184	\$ 5,625	\$ 277,453	\$ 24,813	\$ 6,690
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	7,350	688	78	174,754	3,645
Total receipts	<u>7,350</u>	<u>688</u>	<u>78</u>	<u>174,754</u>	<u>3,645</u>
Disbursements:					
Personal services	-	-	-	177,005	-
Supplies	-	-	-	-	-
Other services and charges	4,332	-	179,287	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>4,332</u>	<u>-</u>	<u>179,287</u>	<u>177,005</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>3,018</u>	<u>688</u>	<u>(179,209)</u>	<u>(2,251)</u>	<u>3,645</u>
Cash and investments - ending	<u>\$ 27,202</u>	<u>\$ 6,313</u>	<u>\$ 98,244</u>	<u>\$ 22,562</u>	<u>\$ 10,335</u>

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	General Drain Maintenance	Convention -Bond and Int Acct	Drug Task Force	DUI Task Force Indiana-City/Co	Community Health Center
Cash and investments - beginning	\$ 61,127	\$ 6	\$ 22,531	\$ (3,239)	\$ 42,301
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	15,358	51,045	35,175	184	188,392
Total receipts	15,358	51,045	35,175	184	188,392
Disbursements:					
Personal services	-	-	-	-	184,121
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	23,114
Capital outlay	2,271	51,045	42,672	-	-
Other disbursements	-	-	-	-	-
Total disbursements	2,271	51,045	42,672	-	207,235
Excess (deficiency) of receipts over disbursements	13,087	-	(7,497)	184	(18,843)
Cash and investments - ending	\$ 74,214	\$ 6	\$ 15,034	\$ (3,055)	\$ 23,458

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Jail Bond Debt Service	Wayne Employee Health Trust	Health Insurance-Retirees	Health Insurance Withholding	Boston Mutual Life
Cash and investments - beginning	\$ 9,177,846	\$ 1,497,844	\$ 17,279	\$ 2,496	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	2,991,043	3,029,353	31,369	743,244	68,897
Total receipts	2,991,043	3,029,353	31,369	743,244	68,897
Disbursements:					
Personal services	-	3,281,015	46,119	743,249	68,897
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	8,781,252	212,571	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	8,781,252	3,493,586	46,119	743,249	68,897
Excess (deficiency) of receipts over disbursements	(5,790,209)	(464,233)	(14,750)	(5)	-
Cash and investments - ending	\$ 3,387,637	\$ 1,033,611	\$ 2,529	\$ 2,491	\$ -

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Garnishee-Child Support	Federal Withholding	Fica Withholding	Sec 125 Reimbursement	CAGIT Withholding
Cash and investments - beginning	\$ 2	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	25,588	1,532,212	1,072,732	69,743	210,444
Total receipts	25,588	1,532,212	1,072,732	69,743	210,444
Disbursements:					
Personal services	25,588	1,532,212	1,072,732	69,738	210,444
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	25,588	1,532,212	1,072,732	69,738	210,444
Excess (deficiency) of receipts over disbursements	-	-	-	5	-
Cash and investments - ending	\$ 2	\$ -	\$ -	\$ 5	\$ -

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	County Retirement	Wayne County Property Taxes	Sheriff Retirement W-Hold	State Withholding	Garnishee Withholding
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	500,464	18,864	86,848	449,957	37,388
Total receipts	<u>500,464</u>	<u>18,864</u>	<u>86,848</u>	<u>449,957</u>	<u>37,388</u>
Disbursements:					
Personal services	500,464	18,864	90,427	449,957	37,388
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>500,464</u>	<u>18,864</u>	<u>90,427</u>	<u>449,957</u>	<u>37,388</u>
Excess (deficiency) of receipts over disbursements	-	-	(3,579)	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,579)</u>	<u>\$ -</u>	<u>\$ -</u>

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Sheriff Pension Trust	Late Payment Special Assessment	Commercial Vehicle Excise 6023	Weed Collections	Sewer Collections
Cash and investments - beginning	\$ 69,695	\$ 8,917	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	125,760	49,426,747	597,781	20,133	99,708
Total receipts	<u>125,760</u>	<u>49,426,747</u>	<u>597,781</u>	<u>20,133</u>	<u>99,708</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	121,182	49,426,747	597,781	20,133	99,708
Other disbursements	-	-	-	-	-
Total disbursements	<u>121,182</u>	<u>49,426,747</u>	<u>597,781</u>	<u>20,133</u>	<u>99,708</u>
Excess (deficiency) of receipts over disbursements	<u>4,578</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 74,273</u>	<u>\$ 8,917</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Financial Institution Tax	State Fines and Forfeitures	Infraction Deferral Program	Overweight Vehicles	Spec Death Benefit Fees
Cash and investments - beginning	\$ -	\$ 5,775	\$ 4,585	\$ 12,601	\$ 335
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	27,972	-	-
Other receipts	791,134	64,722	10,230	143,574	4,960
Total receipts	791,134	64,722	38,202	143,574	4,960
Disbursements:					
Personal services	-	-	12,369	-	-
Supplies	-	-	5,328	-	-
Other services and charges	-	-	22,121	-	-
Capital outlay	791,134	54,991	595	143,849	4,920
Other disbursements	-	-	-	-	-
Total disbursements	791,134	54,991	40,413	143,849	4,920
Excess (deficiency) of receipts over disbursements	-	9,731	(2,211)	(275)	40
Cash and investments - ending	\$ -	\$ 15,506	\$ 2,374	\$ 12,326	\$ 375

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	State Sales Disclosure	Coroners Cont Educ Fund	Interstate Compact Fees-Prob	Mortgage Fee Fund	Sex/Violent Offender Fees ST
Cash and investments - beginning	\$ 970	\$ 1,040	\$ 63	\$ 473	\$ 58
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	8,330	12,444	688	5,283	445
Total receipts	<u>8,330</u>	<u>12,444</u>	<u>688</u>	<u>5,283</u>	<u>445</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	8,630	12,488	688	5,373	441
Other disbursements	-	-	-	-	-
Total disbursements	<u>8,630</u>	<u>12,488</u>	<u>688</u>	<u>5,373</u>	<u>441</u>
Excess (deficiency) of receipts over disbursements	<u>(300)</u>	<u>(44)</u>	<u>-</u>	<u>(90)</u>	<u>4</u>
Cash and investments - ending	<u>\$ 670</u>	<u>\$ 996</u>	<u>\$ 63</u>	<u>\$ 383</u>	<u>\$ 62</u>

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Child Restraint Syst Violation	Inheritance Tax	Education Plate Fee	Convention Bureau	Prosecutor Law Enforcement
Cash and investments - beginning	\$ 50	\$ 2,339	\$ 150	\$ 81,228	\$ 11,485
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	643
Fines and forfeits	-	-	-	-	-
Other receipts	575	-	676	637,520	39,323
Total receipts	575	-	676	637,520	39,966
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	250
Capital outlay	600	-	713	624,392	33,999
Other disbursements	-	-	-	-	-
Total disbursements	600	-	713	624,392	34,249
Excess (deficiency) of receipts over disbursements	(25)	-	(37)	13,128	5,717
Cash and investments - ending	\$ 25	\$ 2,339	\$ 113	\$ 94,356	\$ 17,202

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Edit Fund	Clerk ARRA 8894	Title Iv-D Incentive-8895	New-Prosecutor 4D Incent-8897	Clerk 4D Incentive
Cash and investments - beginning	\$ 113,917	\$ 3,352	\$ 228,148	\$ 163,428	\$ 105,702
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	34,706	52,219	-
Total receipts	-	-	34,706	52,219	-
Disbursements:					
Personal services	-	-	-	75,399	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	-	500	-	-	1,074
Other disbursements	-	-	-	-	-
Total disbursements	-	500	-	75,399	1,074
Excess (deficiency) of receipts over disbursements	-	(500)	34,706	(23,180)	(1,074)
Cash and investments - ending	\$ 113,917	\$ 2,852	\$ 262,854	\$ 140,248	\$ 104,628

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	New-Clerk 4D Incentive-8899	Inmate Trust	Sheriff Commissary	Clerk Trust	Clerk Child Support
Cash and investments - beginning	\$ 175,596	\$ 30,091	\$ 207,232	\$ 1,001,520	\$ 17,273
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	1,301,030	480,446	-	-
Fines and forfeits	-	-	-	6,603,928	773,039
Other receipts	34,706	-	-	-	-
Total receipts	<u>34,706</u>	<u>1,301,030</u>	<u>480,446</u>	<u>6,603,928</u>	<u>773,039</u>
Disbursements:					
Personal services	9,963	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	1,316,912	455,400	-	-
Capital outlay	6,442	-	-	-	-
Other disbursements	-	-	-	6,666,346	773,964
Total disbursements	<u>16,405</u>	<u>1,316,912</u>	<u>455,400</u>	<u>6,666,346</u>	<u>773,964</u>
Excess (deficiency) of receipts over disbursements	<u>18,301</u>	<u>(15,882)</u>	<u>25,046</u>	<u>(62,418)</u>	<u>(925)</u>
Cash and investments - ending	<u>\$ 193,897</u>	<u>\$ 14,209</u>	<u>\$ 232,278</u>	<u>\$ 939,102</u>	<u>\$ 16,348</u>

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Treasurer After Settlement Collection	Capacity Building Grant	Bioterrorism Grant-Health	JDAI Coordination Grant	Justice Reinvestment Grant
Cash and investments - beginning	\$ 1,600,391	\$ 6,964	\$ 8,635	\$ 36,884	\$ 20,718
Receipts:					
Taxes	2,087,205	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	17,323	16,013	-	82,156
Total receipts	2,087,205	17,323	16,013	-	82,156
Disbursements:					
Personal services	-	9,623	-	50,000	45,355
Supplies	-	-	1,310	2,005	12,271
Other services and charges	-	-	2,794	2,508	5,136
Capital outlay	-	-	-	-	823
Other disbursements	1,599,691	-	-	-	-
Total disbursements	1,599,691	9,623	4,104	54,513	63,585
Excess (deficiency) of receipts over disbursements	487,514	7,700	11,909	(54,513)	18,571
Cash and investments - ending	\$ 2,087,905	\$ 14,664	\$ 20,544	\$ (17,629)	\$ 39,289

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	User Fee Fund	Translator Fees	Dare Donations-Sheriff-Misc	Donations For County Use	Health Donations
Cash and investments - beginning	\$ 595,707	\$ 10,407	\$ 1,378	\$ 25	\$ 8,340
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	30,701	-	-	-	-
Other receipts	-	-	1,016	-	715
Total receipts	30,701	-	1,016	-	715
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	2,935	-	-	-
Capital outlay	17,089	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	17,089	2,935	-	-	-
Excess (deficiency) of receipts over disbursements	13,612	(2,935)	1,016	-	715
Cash and investments - ending	\$ 609,319	\$ 7,472	\$ 2,394	\$ 25	\$ 9,055

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Fairgrounds Donations	K-9 Donations-Sheriff-Misc	Sheriff Donations	Foreign Language Interpreter Grant	Adult Protection Fund
Cash and investments - beginning	\$ 482	\$ 15,108	\$ 2,088	\$ 1,836	\$ (9,789)
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	184	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	7,488	-	1,425	10,859
Total receipts	184	7,488	-	1,425	10,859
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	114
Other services and charges	-	-	-	2,386	287
Capital outlay	-	17,660	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	-	17,660	-	2,386	401
Excess (deficiency) of receipts over disbursements	184	(10,172)	-	(961)	10,458
Cash and investments - ending	\$ 666	\$ 4,936	\$ 2,088	\$ 875	\$ 669

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	4-D Court	County Law Enforce Continuing Ed	Comm Correction Project Income	Rainy Day Restricted	Consolidated Edit Fund
Cash and investments - beginning	\$ 45,688	\$ 3,723	\$ 192,134	\$ 713,232	\$ 3,404,796
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	106,440	12,673	82,330	1,000,000	1,536,865
Total receipts	<u>106,440</u>	<u>12,673</u>	<u>82,330</u>	<u>1,000,000</u>	<u>1,536,865</u>
Disbursements:					
Personal services	160,781	-	38,750	-	-
Supplies	-	-	588	-	-
Other services and charges	858	-	30,534	858,460	795,611
Capital outlay	-	192	10,848	224,502	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>161,639</u>	<u>192</u>	<u>80,720</u>	<u>1,082,962</u>	<u>795,611</u>
Excess (deficiency) of receipts over disbursements	<u>(55,199)</u>	<u>12,481</u>	<u>1,610</u>	<u>(82,962)</u>	<u>741,254</u>
Cash and investments - ending	<u>\$ (9,511)</u>	<u>\$ 16,204</u>	<u>\$ 193,744</u>	<u>\$ 630,270</u>	<u>\$ 4,146,050</u>

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	2013 EMA Performance Grant	State General Fees	Health/Navigator Outreach	Highway Safety Big City/County	Commissioners Tax Sale
Cash and investments - beginning	\$ 9,500	\$ 3,449	\$ (10,638)	\$ 12,557	\$ 76,077
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	15,285	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	(9,500)	60,972	-	17,589	179,364
Total receipts	(9,500)	60,972	-	32,874	179,364
Disbursements:					
Personal services	-	-	-	40,959	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	3,700	60,872	-	-	156,320
Other disbursements	-	-	-	-	-
Total disbursements	3,700	60,872	-	40,959	156,320
Excess (deficiency) of receipts over disbursements	(13,200)	100	-	(8,085)	23,044
Cash and investments - ending	\$ (3,700)	\$ 3,549	\$ (10,638)	\$ 4,472	\$ 99,121

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	JDAI Alternative Program	Health Master Tobacco Settlement	Meaningful Use Funds-Health	Mobile Home Tax Sale Cost	Pre-Trial Diversion
Cash and investments - beginning	\$ 64,246	\$ 42,325	\$ 23,417	\$ 4,654	\$ 8,638
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	67,766	16,054	25,500	3,145	2,732
Total receipts	67,766	16,054	25,500	3,145	2,732
Disbursements:					
Personal services	820	-	-	-	-
Supplies	766	-	-	-	-
Other services and charges	9,485	31,529	20,431	-	-
Capital outlay	-	-	-	2,250	2,255
Other disbursements	14,035	-	-	-	-
Total disbursements	25,106	31,529	20,431	2,250	2,255
Excess (deficiency) of receipts over disbursements	42,660	(15,475)	5,069	895	477
Cash and investments - ending	\$ 106,906	\$ 26,850	\$ 28,486	\$ 5,549	\$ 9,115

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Revolving Loan Fund	Sheriff's Federal Seizure	Wayne Co Redevelopment Commiss	Pre Trial Drug Diversion	Sec 125 Dental Withholding
Cash and investments - beginning	\$ 495,018	\$ 6,168	\$ 259,515	\$ -	\$ 2,379
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	57,422	174	416,926	640	148,544
Total receipts	57,422	174	416,926	640	148,544
Disbursements:					
Personal services	-	-	-	-	148,544
Supplies	-	-	-	-	-
Other services and charges	-	-	107,000	-	-
Capital outlay	25,245	3,700	351,252	-	-
Other disbursements	-	-	-	-	-
Total disbursements	25,245	3,700	458,252	-	148,544
Excess (deficiency) of receipts over disbursements	32,177	(3,526)	(41,326)	640	-
Cash and investments - ending	\$ 527,195	\$ 2,642	\$ 218,189	\$ 640	\$ 2,379

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	AFLAC Section 125 Insurance	AIG Insurance	Voluntary Life Insurance	United Way Withholding	FOP Dues-Sheriff
Cash and investments - beginning	\$ -	\$ -	\$ 830	\$ -	\$ 2,028
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	22,485	925	46,575	3,023	5,207
Total receipts	22,485	925	46,575	3,023	5,207
Disbursements:					
Personal services	22,485	925	46,575	3,023	5,207
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	22,485	925	46,575	3,023	5,207
Excess (deficiency) of receipts over disbursements	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ 830	\$ -	\$ 2,028

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Republican Party Withholding	Aflac Group	McCready & Keene Post Tax	McCready & Keene Pre Tax	Perf-Voluntary Post
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	4,094	16,364	9,360	1,040	3,005
Total receipts	4,094	16,364	9,360	1,040	3,005
Disbursements:					
Personal services	4,094	14,884	9,360	1,040	3,005
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	-	1,402	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	4,094	16,286	9,360	1,040	3,005
Excess (deficiency) of receipts over disbursements	-	78	-	-	-
Cash and investments - ending	\$ -	\$ 78	\$ -	\$ -	\$ -

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	H1N1 Grant	Federal Equitable Sharing Acct	Health/Immunization Grant	HIV Grant	HRSA FQHC Grant
Cash and investments - beginning	\$ 3,251	\$ 12,156	\$ (7,252)	\$ 25,708	\$ (179,385)
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	50,934
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	20,288	44,679	1,167,077
Total receipts	-	-	20,288	44,679	1,218,011
Disbursements:					
Personal services	-	-	1,598	-	895,302
Supplies	-	-	-	-	28,030
Other services and charges	-	-	4,185	44,463	152,399
Capital outlay	-	-	-	-	22,521
Other disbursements	-	-	-	-	-
Total disbursements	-	-	5,783	44,463	1,098,252
Excess (deficiency) of receipts over disbursements	-	-	14,505	216	119,759
Cash and investments - ending	\$ 3,251	\$ 12,156	\$ 7,253	\$ 25,924	\$ (59,626)

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	IPHCA Navigator Grant	Pdfwc Spf-Sig Grant-Comm Corr	VASIA Grant	Probation Intake Assess Screen	IDOC Juvenile
Cash and investments - beginning	\$ (1,608)	\$ 23,961	\$ -	\$ (21,383)	\$ 3,597
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	55,500	75,378	17,265
Total receipts	-	-	55,500	75,378	17,265
Disbursements:					
Personal services	-	-	-	41,892	-
Supplies	-	-	-	250	-
Other services and charges	-	-	-	11,853	18,704
Capital outlay	-	-	55,500	-	-
Other disbursements	-	-	-	-	-
Total disbursements	-	-	55,500	53,995	18,704
Excess (deficiency) of receipts over disbursements	-	-	-	21,383	(1,439)
Cash and investments - ending	\$ (1,608)	\$ 23,961	\$ -	\$ -	\$ 2,158

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	MRT (Moral Reconation Therapy)	DSHII	HRSA PCMH	Bridge 1-2017	Performance Award Grant
Cash and investments - beginning	\$ 13,781	\$ -	\$ (806)	\$ 20,000	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	21,438	-	9,941	-	-
Total receipts	21,438	-	9,941	-	-
Disbursements:					
Personal services	-	-	13,447	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	405	248	59,000
Capital outlay	12,619	8,437	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	12,619	8,437	13,852	248	59,000
Excess (deficiency) of receipts over disbursements	8,819	(8,437)	(3,911)	(248)	(59,000)
Cash and investments - ending	\$ 22,600	\$ (8,437)	\$ (4,717)	\$ 19,752	\$ (59,000)

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	Health Center	EMPG Competitive Grant	Health Center QImp	EMA PerformanceCompetitive	AIMS Grant
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	2,241,683	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	<u>602,718</u>	<u>10,573</u>	<u>-</u>	<u>8,656</u>	<u>1,000</u>
Total receipts	<u>2,844,401</u>	<u>10,573</u>	<u>-</u>	<u>8,656</u>	<u>1,000</u>
Disbursements:					
Personal services	1,098,649	-	-	-	-
Supplies	73,334	-	-	-	-
Other services and charges	445,819	-	1,331	-	47,600
Capital outlay	98,065	10,573	-	8,656	-
Other disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>1,715,867</u>	<u>10,573</u>	<u>1,331</u>	<u>8,656</u>	<u>47,600</u>
Excess (deficiency) of receipts over disbursements	<u>1,128,534</u>	<u>-</u>	<u>(1,331)</u>	<u>-</u>	<u>(46,600)</u>
Cash and investments - ending	<u>\$ 1,128,534</u>	<u>\$ -</u>	<u>\$ (1,331)</u>	<u>\$ -</u>	<u>\$ (46,600)</u>

WAYNE COUNTY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2017

	GAL/CASA Special Pilot Program	LIT Certified Shares	LIT Econ Dev	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 46,401,014
Receipts:				
Taxes	-	-	-	18,732,457
Licenses and permits	-	-	-	292,317
Intergovernmental receipts	-	11,964,167	3,065,893	22,858,539
Charges for services	-	-	-	4,864,607
Fines and forfeits	-	-	-	7,435,640
Other receipts	40,000	-	-	81,269,765
Total receipts	40,000	11,964,167	3,065,893	135,453,325
Disbursements:				
Personal services	-	-	-	29,857,007
Supplies	-	-	-	2,511,153
Other services and charges	-	-	-	13,617,587
Capital outlay	-	-	-	68,588,448
Other disbursements	-	11,964,167	3,065,893	24,086,251
Total disbursements	-	11,964,167	3,065,893	138,660,446
Excess (deficiency) of receipts over disbursements	40,000	-	-	(3,207,121)
Cash and investments - ending	\$ 40,000	\$ -	\$ -	\$ 43,193,893

WAYNE COUNTY  
 SCHEDULE OF LEASES AND DEBT  
 December 31, 2017

<u>Description of Debt</u>		<u>Ending Principal Balance</u>	<u>Principal and Interest Due Within One Year</u>		
<u>Type</u>	<u>Purpose</u>				
Governmental activities:					
Revenue bonds	purchase land and buildings for tourism	<u>\$ 305,000</u>	<u>\$ 48,698</u>		
<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>	
Wayne County Jail Holding Corporation	Refinance Jail Building Debt	<u>\$ 732,000</u>	07/01/17	07/01/20	

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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, 2017. 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 2017-001, 2017-003, 2017-004, and 2017-005 in the accompanying Schedule of Findings and Questioned Costs, the County did not comply with requirements regarding Allowable Costs/Cost Principles, Procurement and Suspension and Debarment, Reporting, and Special Tests and Provisions 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, 2017.

***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 2017-001, 2017-002, 2017-003, 2017-004, and 2017-005, 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*  
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, 2017

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
<b>Department of Justice</b>					
Juvenile Accountability Block Grants	Indiana Criminal Justice Institute	16.523	03213JBFX000803	\$ -	\$ 75,298
Crime Victim Assistance	Indiana Criminal Justice Institute	16.575	13VA2310	-	26,570
Total - Department of Justice				-	101,868
<b>Department of Transportation</b>					
Highway Planning and Construction Cluster Highway Planning and Construction	Indiana Department of Transportation	20.205			
			DES 801062	-	3,130
			DES 1382081	-	41,634
			DES 1383317	-	92,323
			DES 1400769	-	48,928
Total - Highway Planning and Construction Cluster				-	186,015
Highway Safety Cluster Alcohol Impaired Driving Countermeasures Incentive Grants I	City of Richmond	20.601	5857	-	12,901
National Priority Safety Programs	City of Richmond	20.616	D3-17-11120	-	19,972
Total - Highway Safety Cluster				-	32,873
Interagency Hazardous Materials Public Sector Training and Planning Grants	Indiana Department of Homeland Security	20.703	HM-HMP-0548-16-01-00	-	2,987
Total - Department of Transportation				-	221,875
<b>Department of Health and Human Services</b>					
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	-	1,168,141
Total - Health Center Program Cluster				-	1,168,141
Immunization Cooperative Agreements	Indiana Department of Health	93.268	42 USC 1396A(A)62	-	20,288
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	Indiana Department of Health	93.074	U90TP000521	-	16,013
Child Support Enforcement	Indiana Department of Child Services				
Circuit Court Clerk Expenditures		93.563	FY2017	-	39,424
IV-D Court Expenditures		93.563	FY2017	-	106,440
IV-D Prosecutors Incentive Funds		93.563	FY2017	-	75,399
Indirect Cost Expenditures		93.563	FY2017	-	166,136
County IV-D Prosecutor Expenditures		93.563	FY2017	-	206,825
Circuit Court Clerk Incentive Funds		93.563	FY2017	-	17,479
Total - Child Support Enforcement				-	611,703
HIV Prevention Activities Health Department Based	Indiana Department of Health	93.940	40093940CHIVP14	-	44,680
Total - Department of Health and Human Services				-	1,860,825
<b>Department of Homeland Security</b>					
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042	EMC-2016-EP-00006	-	60,354
Total federal awards expended				\$ -	\$ 2,244,922

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, 2017. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (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?	no
Significant deficiency identified?	none reported
Noncompliance material to financial statement noted?	no

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
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**Section II - Financial Statement Findings**

No matters are reportable.

WAYNE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

**Section III - Federal Award Findings and Questioned Costs**

**FINDING 2017-001**

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

*Repeat Finding*

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2016-002.

*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 audits for fiscal years ended December 31, 2016 and 2017, to be filed in accordance with Uniform Guidance without the Indiana State Board of Accounts' State Examiner's approval to do so. The County 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.

The County disbursed \$4,651 for the 2016 audit and \$22,000 for the 2017 audit in the fiscal year ended December 31, 2017. The audit for 2016 only encompassed one program, Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care Centers) CFDA 93.224 and not the County as a whole, thus not meeting 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). The audit report for 2017 was not issued and County and accounting firm agreed to apply the \$22,000 paid in 2017 for the audit as a retainer for future services. The County did not receive any services for the \$22,000 during 2017. During 2018 through the date of this report, the County used services totaling \$4,457.70, which were applied to the retainer leaving an unused retainer balance of \$17,542.30.

*Context*

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

WAYNE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Criteria*

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

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."

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;  
. . ."

45 CFR 75.459 states in part:

"(a) Costs of professional and consultant services rendered by persons who are members of a particular profession or possess a special skill, and who are not officers or employees of the non-Federal entity, are allowable, subject to paragraphs (b) and (c) of this section when reasonable in relation to the services rendered . . ."

WAYNE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

(c) In addition to the factors in paragraph (b) of this section, to be allowable, retainer fees must be supported by evidence of bona fide services available or rendered."

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. . . ."

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. . . ."

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 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 2016 and 2017 audits totaling \$26,651 paid in calendar year 2017 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.

The County did not reach out to the Indiana State Board of Accounts prior to filing the program-specific audit report for fiscal year ended December 31, 2016. 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 a written request was received by the Indiana State Board of Accounts for either fiscal year ended December 31, 2016 or 2017.

According to the Corrective Action Plan, "When it was determined the State Board of Accounts would be performing the audit, the CPA firm agreed to apply the retainer to future services." Per the Accounting and Uniform Compliance Guidelines Manual for Indiana Counties, Chapter 1: "Compensation and any other payments for goods and services must not be paid in advance of receipts of the goods or services unless specifically authorized by law. Payments made for goods or services which are not received may be the personal obligation of the responsible official or employee."

WAYNE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

***FINDING 2017-002***

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 or Year (Other Identifying Number): H80CS29006

Compliance Requirement: Cash Management

Audit Findings: Material Weakness

*Repeat Finding*

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2016-003.

*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 control 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 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). . . ."

*Cause*

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

WAYNE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Effect*

The failure to establish an effective internal control system placed the County at risk of non-compliance 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 that 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 noncompliance. 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.

**FINDING 2017-003**

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: Department of Health and Human Services

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

CFDA Number: 93.224

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

Compliance Requirement: Procurement and Suspension and Debarment

Audit Findings: Material Weakness, Modified Opinion

WAYNE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Repeat Finding*

This is a repeat of a finding in the immediately prior audit and, if so, any applicable prior year audit finding number was 2016-004.

*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. In addition, the County Health Center continued to engage in business activities with vendors and contractors after their contracts expired.

*Context*

The lack of controls and noncompliance were systemic issues, 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 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 200.317 states in part:

"When procuring property and services under a Federal award, a state must follow the same policies and procedures it uses for procurements from its non-Federal funds. The state will comply with § 200.322 Procurement of recovered materials and ensure that every purchase order or other contract includes any clauses required by § 200.326 Contract provisions. . . ."

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 that 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 2017-004**

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

WAYNE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Repeat Finding*

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2016-005.

*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 2017.

SF-425 Report Errors:

1. The SF-425 report filed in calendar year 2017 was for the period ending May 31, 2017. Box 10e is for reporting the federal share of expenditures and included the federal receipts through July 2017, not expenditures to May 31, 2017, as required. As noted in the Corrective Action Plan for finding 2017-002, 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.
2. 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. It would be unlikely that expenditures of program income would exactly equal program income earned. Program income expended for 2016, and thus reported program income expended from the start of the grant in 2015 through May 31, 2017, could not be determined to be accurate because those funds were not posted to a unique fund on the County Auditor's funds ledger in 2016.

UDS Report Errors:

The UDS report has various date points that are identified as key line items that are required to be audited, 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, 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 that the spreadsheet used to prepare the UDS was reconciled in total to the County Auditor's funds ledger was provided.

*Context*

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

WAYNE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Criteria*

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

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 that is part of this report.

WAYNE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*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 2017-005**

Subject: Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care Centers) - Special Tests and Provisions

Federal Agency: Department of Health and Human Services

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

CFDA Number: 93.224

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

Compliance Requirement: Special Tests and Provisions

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 following Special Tests and Provisions compliance requirement.

The Health Center did not have a 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 2017.

*Context*

The lack of controls and noncompliance were systemic issues, 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 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

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). . . ."

42 USC 254b(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; . . ."

42 CFR 56.303(f) states:

"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. The schedule of discounts must 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) (except that nominal fees for service may be collected from such individuals and families) and for no discount to individuals and families with annual incomes greater than twice those set forth in such Guidelines."

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: . . ."

*Cause*

Management had not developed a system of internal controls that would have ensured compliance with the Special Tests and Provisions compliance requirement.

*Effect*

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

WAYNE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*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 Special Tests and Provisions compliance requirement.

*Views of Responsible Officials*

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

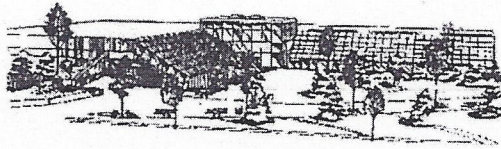
*Auditor's Response*

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 2016-001**

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)



WAYNE COUNTY  
**Health Department**

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

***FINDING 2016-002***

Fiscal year in which the finding initially occurred: 2016  
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Department of Health and Human Services – Health Center Program  
Contact Person Responsible for Corrective Action: Eric Coulter  
Contact Phone Number: 765-973-9369

Status of Audit Finding:

This finding was communicated to us during the concurrent 2016 and 2017 audit which was completed on November 2, 2018 and had been corrected.



WAYNE COUNTY  
**Health Department**

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

***FINDING 2016-003***

Fiscal year in which the finding initially occurred: 2016  
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Department of Health and Human Services – Health Center Program  
Contact Person Responsible for Corrective Action: Ellen Smith  
Contact Phone Number: 989-329-1485

Status of Audit Finding:

This finding was communicated to us during the concurrent 2016 and 2017 audit which was completed on November 2, 2018 and has been corrected.



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**Health Department**

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

***FINDING 2016-004***

Fiscal year in which the finding initially occurred: 2016  
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Department of Health and Human Services – Health Center Program  
Contact Person Responsible for Corrective Action: Kim Flanigan  
Contact Phone Number: 765-973-9243

Status of Audit Finding:

This finding was communicated to us during the concurrent 2016 and 2017 audit which was completed on November 2, 2018 and has been corrected.



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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

***FINDING 2016-005***

Fiscal year in which the finding initially occurred: 2016

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Department of Health and Human Services – Health Center Program

Contact Person Responsible for Corrective Action: Ellen Smith

Contact Phone Number: 989-329-1485

Status of Audit Finding:

This finding was communicated to us during the concurrent 2016 and 2017 audit which was completed on November 2, 2018 and we have not had time to implement new procedures to address this issue.



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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

***FINDING 2016-006***

Fiscal year in which the finding initially occurred: 2016  
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Department of Health and Human Services – Health Center Program  
Contact Person Responsible for Corrective Action: Ellen Smith  
Contact Phone Number: 989-329-1485

Status of Audit Finding:

This finding was communicated to us during the concurrent 2016 and 2017 audit which was completed on November 2, 2018 and has been corrected.



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**Health Department**

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CORRECTIVE ACTION PLAN

**FINDING 2017-001**

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. When it was determined the State Board of Accounts would be performing the audit, the CPA firm agreed to refund the retainer. However, we had several other areas where we needed the expertise of this firm so we agreed to apply the retainer to future services.

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 2017. 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



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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.

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



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CORRECTIVE ACTION PLAN

**FINDING 2017-002**

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.



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765-973-9245 Phone 765-973-9361 Fax

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



WAYNE COUNTY  
**Health Department**

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

CORRECTIVE ACTION PLAN

**FINDING 2017-003**

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 and that contracts were expired and not renewed or active.

Description of Corrective Action Plan:

This finding has already been partially corrected. During January of each year, the COO 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.

Contracts will be kept in a tickler file and active contracts will be renewed as needed. All current vendor contracts will be reviewed for terms and updated as needed.

Anticipated Completion Date: January 31, 2019



WAYNE COUNTY  
**Health Department**

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CORRECTIVE ACTION PLAN

**FINDING 2017-004**

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. However, we do not agree with the assertions that the SF-425 report and the 2017 UDS report were 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. After discussions with the UDS Team Lead, we feel the UDS report for 2017 was accurate. We vetted each table and made adjustments based on manual checks as needed to ensure accurate data. In addition, the UDS report has a built in audit function which must be addressed prior to filing, along with HRSA audit review and final acceptance by HRSA.

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



WAYNE COUNTY  
**Health Department**

201 East Main Street, Richmond, IN 47374  
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CORRECTIVE ACTION PLAN

**FINDING 2017-005**

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.

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 is 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/>.