

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
MARSHALL COUNTY, INDIANA
January 1, 2018 to December 31, 2018



FILED
07/30/2019

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report	3-5
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 <i>Government Auditing Standards</i>	6-7
Financial Statement and Accompanying Notes:	
Statement of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis	10-11
Notes to Financial Statement	12-17
Other Information - Unaudited:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis	20-44
Schedule of Payables and Receivables	45
Schedule of Leases and Debt	46
Schedule of Capital Assets	47
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance	50-52
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards	54
Notes to Schedule of Expenditures of Federal Awards	55
Schedule of Findings and Questioned Costs	56-59
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings	62-69
Corrective Action Plan	70-71
Other Reports	72

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Julie A. Fox	01-01-15 to 12-31-22
County Treasurer	Angela C. Birchmeier	01-01-17 to 12-31-20
Clerk of the Circuit Court	Deborah P. VanDeMark	01-01-15 to 12-31-22
County Sheriff	Matthew K. Hassel	01-01-15 to 12-31-22
County Recorder	Marlene K. Mahler Janet Howard	01-01-15 to 12-31-18 01-01-19 to 12-31-22
President of the Board of County Commissioners	Kevin G. Overmyer	01-01-18 to 12-31-19
President of the County Council	Judith Stone	01-01-18 to 12-31-19



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF MARSHALL COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Marshall County (County), which comprises the financial position and results of operations for the year ended December 31, 2018, 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, 2018.

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, 2018, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

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


Other Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated July 8, 2019, 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

July 8, 2019



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT AUDITOR'S REPORT ON 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 MARSHALL 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 Marshall County (County), which comprises the financial position and results of operations for the year ended December 31, 2018, and the related notes to the financial statement, and have issued our report thereon dated July 8, 2019, 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

July 8, 2019

(This page intentionally left blank.)

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.

MARSHALL COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2018

Fund	Cash and Investments		Cash and Investments	
	01-01-18	Receipts	Disbursements	12-31-18
General	\$ 8,580,996	\$ 12,709,978	\$ 13,750,077	\$ 7,540,897
Accident Report	6,286	7,368	5,551	8,103
Bid Deposits and Bonds Holding	-	6,500	-	6,500
CAGIT - Special Legislation	7,392,174	2,763,089	2,329,914	7,825,349
Campaign Finance Enforcement - County	842	-	-	842
Child Advocacy	2,223	57	-	2,280
City and Town Court Costs	1,714	18,186	18,442	1,458
Clerk's Records Perpetuation	167,808	48,433	1,998	214,243
Community Corrections	96,394	151,163	215,597	31,960
Community Transition Program	53,165	10,950	5,000	59,115
Congressional School Interest	17,733	320	-	18,053
Congressional School Principal	21,223	-	-	21,223
Sales Disclosure - County Share	35,992	5,710	3,964	37,738
Cummulative Bridge	1,948,968	877,116	828,245	1,997,839
Cummulative Capital Development	640,327	913,065	876,782	676,610
Drug Free Community	92,785	74,127	71,290	95,622
Emergency Planning/Right to Know	24,961	-	1,616	23,345
Enhanced Access	791	250	-	1,041
Extradition and Sheriff's Assistance	101,480	14,289	46,052	69,717
Firearms Training	57,005	17,790	37,130	37,665
General Drain Improvement	467,807	75,880	66,003	477,684
Health	690,301	534,772	423,677	801,396
Identification Security Protection	42,226	6,163	8,000	40,389
Levy Excess	46,754	-	-	46,754
Local Health Maintenance	52,078	51,605	45,798	57,885
Local Road and Street	437,467	766,598	716,894	487,171
LOIT Public Safety - County Share	113,938	-	87,712	26,226
Misdemeanant	85,133	39,323	12,057	112,399
Motor Vehicle Highway	2,547,946	5,213,982	4,614,248	3,147,680
Plat Book	70,676	10,597	30,764	50,509
Rainy Day	4,427,061	1,581,402	1,194,501	4,813,962
Reassessment - 2015	860,209	412,529	362,863	909,875
Recorder's Records Perpetuation	153,476	110,219	45,564	218,131
Sex and Violent Offender Administration	16,225	2,966	5,914	13,277
Sheriff's Pension Trust	15,702	59,227	60,319	14,610
Supplemental Public Defender Services	157,160	20,583	-	177,743
Surplus Tax	49,587	49,731	43,819	55,499
Surveyor's Corner Perpetuation	30,778	30,431	10,882	50,327
Tax Sale Redemption	11,830	92,120	103,950	-
Tax Sale Surplus	211,872	293,862	254,754	250,980
Local Health Department Trust Account	119,172	25,094	21,555	122,711
Victim Impact Program	2,346	-	-	2,346
GAL/CASA	109,541	26,078	44,438	91,181
Auditors Ineligible Deductions	30,976	7,260	2,316	35,920
County Elected Officials Training	19,793	6,505	5,346	20,952
County Offender Transportation Fund	4,360	255	-	4,615
Statewide 911	245,998	594,773	622,068	218,703
Central Dispatch	35,941	180,173	145,780	70,334
Adult Probation Administrative	2,640	37,954	225	40,369
Juvenile Probation Administrative	3,309	-	-	3,309
Supplemental Adult Probation Services	450,425	78,493	8,870	520,048
Supplemental Juvenile Probation Services	36,279	3,087	-	39,366
County User Fee	42,315	17,168	16,589	42,894
Drain Construction/Reconstruction	-	47,487	1,451	46,036
Drain Maintenance	1,550,668	504,370	487,239	1,567,799
Drug Task Force	-	4,521	4,521	-
DUI Task Force	781	14,904	14,354	1,331
K-9	3,628	-	-	3,628
Payroll Clearing	164,245	4,373,221	4,385,316	152,150
Settlement	-	40,785,378	40,785,378	-
CVET Agency	-	287,847	287,847	-
Sewage Collections	-	37,867	37,867	-
Financial Institution Tax	-	168,436	168,436	-
State Fines and Forfeitures	4,035	29,579	27,811	5,803

MARSHALL COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2018

Fund	Cash and	Receipts	Disbursements	Cash and
	Investments			Investments
	01-01-18			12-31-18
Infraction Judgements	10,852	112,344	114,780	8,416
Overweight Vehicle Fines	-	35	35	-
Special Death Benefit	375	3,801	3,941	235
Sales Disclosure - State Share	545	5,710	5,640	615
Coroners Training & Con't Education	486	5,379	5,312	553
Interstate Compact - State Share	-	255	193	62
Mortgage Recording Fees - State Share	355	3,513	3,545	323
DLGF Homestead Property Database	-	7	7	-
Sex and Violent Offender Admin - State	10	330	330	10
Child Restraint Violation Fines	25	1,500	1,475	50
Forest Restoration	-	1,965	1,965	-
Education Plate Fees Agency	131	656	694	93
Riverboat Revenue Sharing	-	278,726	278,726	-
Innkeepers Tax Collections	26,030	361,605	362,856	24,779
Judgements Due Law Enforcement	2,649	-	-	2,649
LIT Certified Shares	-	10,063,752	10,063,752	-
93.563 Prosecutor IV-D Incentive-Post Oct '99	1,912	40,131	2,321	39,722
93.563 Clerk IV-D Incentive-Post Oct '99	207,968	26,674	7,083	227,559
WIC FY2018	(33,108)	181,470	158,118	(9,756)
CCMG: S Michigan St to SR 110	-	450,352	449,702	650
Comm Corr Grant Fund FY2019	-	251,938	174,886	77,052
After Settlement Collections	2,097,845	1,580,010	2,097,845	1,580,010
Clerk's Trust Account	1,684,752	5,613,890	5,579,938	1,718,704
Jail Commissary	194,681	136,899	103,275	228,305
Sheriff's Inmate Trust Account	45,418	1,798,090	1,796,780	46,728
Petty Cash Fund	590	-	-	590
Treasurer's Cash Fund	500	-	-	500
Clerk ISETS Account	12,472	662,973	671,930	3,515
Marshall County Tourism Committee	332,622	363,085	365,000	330,707
Prosecutor Pre-Trial Diversion	267,945	138,893	90,065	316,773
Sheriff Pre-Trial Diversion	4,055	-	-	4,055
Court Services	553,304	375,273	364,535	564,042
Commissioners Certificate Sale	135	-	-	135
MC DTF#2	488	-	488	-
Victim Assistance Donations	1,195	-	-	1,195
Road Cut Bonds	24,700	11,500	10,000	26,200
EPICS Fund	108,290	14,400	-	122,690
Governors Drug Free Indiana	253	2,700	2,000	953
DARE	16,708	6,338	8,212	14,834
Crossroads Museum Project	10,661	-	-	10,661
Historical Society	55,728	42,500	42,969	55,259
Personal Property Tax Judgement	3,063	-	-	3,063
Sheriff Continuing Education	21,544	2,609	3,624	20,529
Prosecutor Continuing Education	476	-	-	476
Supplemental Technology	3,270	-	-	3,270
DEA Forfeiture Fund	48,999	1,312	5,763	44,548
MVH Distribution Fund	-	1,548,140	1,548,140	-
10.557 WIC	(15,736)	15,736	43,693	(43,693)
16.575 Victim Assistance	5,163	-	-	5,163
20.509 Older Adult Service Grant	7,889	308,385	308,385	7,889
20.609 Operation Pull Over	163	8,000	8,000	163
97.042 EMA Performance Grants	(11,724)	23,854	9,656	2,474
97.012 Lake Enforce DNR Grant	2,460	51,269	53,024	705
93.563 County IVD Incentive	313,654	33,757	96,947	250,464
Community Crossings Grant Fund	91,885	-	-	91,885
Pros - IPAC Grant	-	1,000	1,000	-
Comm Cross DES 1702652	-	303,772	303,772	-
Health: INSACCHO Hep C Grant	-	2,500	2,500	-
OCRA-Stellar Reg RDP Grant	-	41,000	33,689	7,311
Totals	\$ 38,659,223	\$ 99,078,859	\$ 98,533,375	\$ 39,204,707

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

MARSHALL 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,

MARSHALL 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.

Debt service - principal and interest. Amounts disbursed for fixed obligations resulting from financial transactions previously entered into by the County. It includes all expenditures for the reduction of the principal and interest of the County's general obligation indebtedness.

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.

MARSHALL 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 December 31 of the year preceding the budget year or January 15 of the budget year if the County is issuing debt after December 1 or intends on filing a shortfall appeal. These rates were based upon the assessed valuations adjusted for various tax credits from the preceding year's lien date of January 1. 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.

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) Defined Benefit Plan is a cost-sharing multiple-employer defined benefit plan and provides retirement, disability, and survivor benefits to plan members. PERF is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2, IC 5-10.3) and administrative code (35 IAC 1.2), which governs most requirements of the system and gives the County authority to contribute to the plan.

My Choice: Retirement Savings Plan for Public Employees (My Choice) is a multiple-employer defined contribution plan. It is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2, IC 5-10.3) and administrative code (35 IAC 1.2), which governs most requirements of the system and gives the County authority to contribute to the plan.

New employees hired have a one-time election to join either the Public Employees' Hybrid Plan (PERF Hybrid) or the My Choice: Retirement Savings Plan for Public Employees (My Choice), which is a multiple-employer defined contribution plan. PERF Hybrid consists of two components: PERF DB, the employer-funded monthly defined benefit component, and the Public Employees' Hybrid Members Defined Contribution Account, the defined contribution component.

Financial Report

INPRS 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:

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (844) 464-6777

Contributions

Members' contributions are set by state statute at 3 percent of compensation for both the defined contribution component of PERF Hybrid and My Choice. The employer may elect to make the contribution on behalf of the member of the defined contribution component of PERF Hybrid and My Choice members may receive additional employer contribution in lieu of the PERF DB. Contributions to the PERF DB are determined by INPRS Board based on actuarial valuation.

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.

MARSHALL COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of expenditures from grant funds that had not been reimbursed as of December 31, 2018.

Note 8. Restatements

For the year ended December 31, 2018, certain changes have been made to some of the beginning balances of the financial statement to more appropriately reflect financial activity of the County. The Clerk's Trust Account's beginning balance at January 1, 2018, was adjusted, which increased the January 1, 2018 Cash and Investment balance by \$6,269. The financial activity of the Marshall County Tourism Committee has been added to the financial statement for the year 2018.

Note 9. Holding Corporation

The County has entered into a capital lease with the Marshall County 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 2018 totaled \$1,126,000.

Note 10. Other Postemployment Benefits

The County provides to eligible retirees and their spouses the following benefits: health, dental, and vision insurance. 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.

(This page intentionally left blank.)

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.

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	General	Accident Report	Bid Deposits and Bonds Holding	CAGIT - Special Legislation	Campaign Finance Enforcement - County
Cash and investments - beginning	\$ 8,580,996	\$ 6,286	\$ -	\$ 7,392,174	\$ 842
Receipts:					
Taxes	6,679,692	-	-	-	-
Licenses and permits	115,296	-	-	-	-
Intergovernmental receipts	4,816,456	-	-	2,515,937	-
Charges for services	353,165	-	-	-	-
Fines and forfeits	213,598	-	-	-	-
Other receipts	531,771	7,368	6,500	247,152	-
Total receipts	<u>12,709,978</u>	<u>7,368</u>	<u>6,500</u>	<u>2,763,089</u>	<u>-</u>
Disbursements:					
Personal services	8,414,089	-	-	513,201	-
Supplies	362,271	-	-	236,053	-
Other services and charges	2,999,201	-	-	278,863	-
Debt service - principal and interest	-	-	-	1,126,000	-
Capital outlay	278,571	-	-	175,797	-
Other disbursements	1,695,945	5,551	-	-	-
Total disbursements	<u>13,750,077</u>	<u>5,551</u>	<u>-</u>	<u>2,329,914</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(1,040,099)</u>	<u>1,817</u>	<u>6,500</u>	<u>433,175</u>	<u>-</u>
Cash and investments - ending	<u>\$ 7,540,897</u>	<u>\$ 8,103</u>	<u>\$ 6,500</u>	<u>\$ 7,825,349</u>	<u>\$ 842</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Child Advocacy	City and Town Court Costs	Clerk's Records Perpetuation	Community Corrections	Community Transition Program
Cash and investments - beginning	\$ 2,223	\$ 1,714	\$ 167,808	\$ 96,394	\$ 53,165
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	151,163	-
Charges for services	-	-	-	-	10,950
Fines and forfeits	57	18,186	48,433	-	-
Other receipts	-	-	-	-	-
Total receipts	<u>57</u>	<u>18,186</u>	<u>48,433</u>	<u>151,163</u>	<u>10,950</u>
Disbursements:					
Personal services	-	-	-	184,113	-
Supplies	-	-	241	-	-
Other services and charges	-	-	1,757	8,839	5,000
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	18,442	-	22,645	-
Total disbursements	<u>-</u>	<u>18,442</u>	<u>1,998</u>	<u>215,597</u>	<u>5,000</u>
Excess (deficiency) of receipts over disbursements	<u>57</u>	<u>(256)</u>	<u>46,435</u>	<u>(64,434)</u>	<u>5,950</u>
Cash and investments - ending	<u>\$ 2,280</u>	<u>\$ 1,458</u>	<u>\$ 214,243</u>	<u>\$ 31,960</u>	<u>\$ 59,115</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Congressional School Interest	Congressional School Principal	Sales Disclosure - County Share	Cummulative Bridge	Cummulative Capital Development
Cash and investments - beginning	\$ 17,733	\$ 21,223	\$ 35,992	\$ 1,948,968	\$ 640,327
Receipts:					
Taxes	-	-	-	652,703	829,581
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	60,131	76,426
Charges for services	-	-	5,710	131,414	-
Fines and forfeits	-	-	-	-	-
Other receipts	320	-	-	32,868	7,058
Total receipts	320	-	5,710	877,116	913,065
Disbursements:					
Personal services	-	-	-	119,320	-
Supplies	-	-	-	51,826	-
Other services and charges	-	-	2,666	285,118	764,287
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	1,298	371,981	112,495
Other disbursements	-	-	-	-	-
Total disbursements	-	-	3,964	828,245	876,782
Excess (deficiency) of receipts over disbursements	320	-	1,746	48,871	36,283
Cash and investments - ending	\$ 18,053	\$ 21,223	\$ 37,738	\$ 1,997,839	\$ 676,610

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Drug Free Community	Emergency Planning/Right to Know	Enhanced Access	Extradition and Sheriff's Assistance	Firearms Training
Cash and investments - beginning	\$ 92,785	\$ 24,961	\$ 791	\$ 101,480	\$ 57,005
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	250	10,249	-
Fines and forfeits	69,311	-	-	-	-
Other receipts	4,816	-	-	4,040	17,790
Total receipts	74,127	-	250	14,289	17,790
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	71,290	1,616	-	11,052	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	35,000	-
Other disbursements	-	-	-	-	37,130
Total disbursements	71,290	1,616	-	46,052	37,130
Excess (deficiency) of receipts over disbursements	2,837	(1,616)	250	(31,763)	(19,340)
Cash and investments - ending	\$ 95,622	\$ 23,345	\$ 1,041	\$ 69,717	\$ 37,665

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	General Drain Improvement	Health	Identification Security Protection	Levy Excess	Local Health Maintenance
Cash and investments - beginning	\$ 467,807	\$ 690,301	\$ 42,226	\$ 46,754	\$ 52,078
Receipts:					
Taxes	10,825	366,211	-	-	-
Licenses and permits	-	55,740	-	-	-
Intergovernmental receipts	-	33,737	-	-	51,605
Charges for services	-	24,171	6,163	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	65,055	54,913	-	-	-
Total receipts	<u>75,880</u>	<u>534,772</u>	<u>6,163</u>	<u>-</u>	<u>51,605</u>
Disbursements:					
Personal services	-	355,930	-	-	35,022
Supplies	-	15,455	-	-	-
Other services and charges	-	50,859	8,000	-	10,776
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	1,390	-	-	-
Other disbursements	66,003	43	-	-	-
Total disbursements	<u>66,003</u>	<u>423,677</u>	<u>8,000</u>	<u>-</u>	<u>45,798</u>
Excess (deficiency) of receipts over disbursements	<u>9,877</u>	<u>111,095</u>	<u>(1,837)</u>	<u>-</u>	<u>5,807</u>
Cash and investments - ending	<u>\$ 477,684</u>	<u>\$ 801,396</u>	<u>\$ 40,389</u>	<u>\$ 46,754</u>	<u>\$ 57,885</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Local Road and Street	LOIT Public Safety - County Share	Misdemeanant	Motor Vehicle Highway	Plat Book
Cash and investments - beginning	\$ 437,467	\$ 113,938	\$ 85,133	\$ 2,547,946	\$ 70,676
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	40,350	-
Intergovernmental receipts	766,598	-	-	4,576,095	-
Charges for services	-	-	-	-	10,597
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	39,323	597,537	-
Total receipts	<u>766,598</u>	<u>-</u>	<u>39,323</u>	<u>5,213,982</u>	<u>10,597</u>
Disbursements:					
Personal services	-	-	-	1,874,200	30,764
Supplies	716,894	-	491	2,184,392	-
Other services and charges	-	-	209	303,295	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	11,357	240,010	-
Other disbursements	-	87,712	-	12,351	-
Total disbursements	<u>716,894</u>	<u>87,712</u>	<u>12,057</u>	<u>4,614,248</u>	<u>30,764</u>
Excess (deficiency) of receipts over disbursements	<u>49,704</u>	<u>(87,712)</u>	<u>27,266</u>	<u>599,734</u>	<u>(20,167)</u>
Cash and investments - ending	<u>\$ 487,171</u>	<u>\$ 26,226</u>	<u>\$ 112,399</u>	<u>\$ 3,147,680</u>	<u>\$ 50,509</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Rainy Day	Reassessment - 2015	Recorder's Records Perpetuation	Sex and Violent Offender Administration	Sheriff's Pension Trust
Cash and investments - beginning	\$ 4,427,061	\$ 860,209	\$ 153,476	\$ 16,225	\$ 15,702
Receipts:					
Taxes	-	366,211	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	33,737	-	-	-
Charges for services	-	-	110,219	-	59,227
Fines and forfeits	-	-	-	2,966	-
Other receipts	1,581,402	12,581	-	-	-
Total receipts	1,581,402	412,529	110,219	2,966	59,227
Disbursements:					
Personal services	-	205,431	-	5,914	-
Supplies	-	1,351	-	-	-
Other services and charges	-	18,208	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	1,046,412	137,873	-	-	-
Other disbursements	148,089	-	45,564	-	60,319
Total disbursements	1,194,501	362,863	45,564	5,914	60,319
Excess (deficiency) of receipts over disbursements	386,901	49,666	64,655	(2,948)	(1,092)
Cash and investments - ending	\$ 4,813,962	\$ 909,875	\$ 218,131	\$ 13,277	\$ 14,610

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Supplemental Public Defender Services	Surplus Tax	Surveyor's Corner Perpetuation	Tax Sale Redemption	Tax Sale Surplus
Cash and investments - beginning	\$ 157,160	\$ 49,587	\$ 30,778	\$ 11,830	\$ 211,872
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	30,415	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	20,583	49,731	16	92,120	293,862
Total receipts	20,583	49,731	30,431	92,120	293,862
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	43,819	10,882	103,950	254,754
Total disbursements	-	43,819	10,882	103,950	254,754
Excess (deficiency) of receipts over disbursements	20,583	5,912	19,549	(11,830)	39,108
Cash and investments - ending	\$ 177,743	\$ 55,499	\$ 50,327	\$ -	\$ 250,980

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Local Health Department Trust Account	Victim Impact Program	GAL/CASA	Auditors Ineligible Deductions	County Elected Officials Training
Cash and investments - beginning	\$ 119,172	\$ 2,346	\$ 109,541	\$ 30,976	\$ 19,793
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	25,094	-	13,245	-	-
Charges for services	-	-	-	-	6,163
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	12,833	7,260	342
Total receipts	25,094	-	26,078	7,260	6,505
Disbursements:					
Personal services	19,996	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	1,559	-	-	546	5,346
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	1,770	-
Other disbursements	-	-	44,438	-	-
Total disbursements	21,555	-	44,438	2,316	5,346
Excess (deficiency) of receipts over disbursements	3,539	-	(18,360)	4,944	1,159
Cash and investments - ending	\$ 122,711	\$ 2,346	\$ 91,181	\$ 35,920	\$ 20,952

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	County Offender Transportation Fund	Statewide 911	Central Dispatch	Adult Probation Administrative	Juvenile Probation Administrative
Cash and investments - beginning	\$ 4,360	\$ 245,998	\$ 35,941	\$ 2,640	\$ 3,309
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	591,599	180,173	-	-
Fines and forfeits	255	-	-	37,954	-
Other receipts	-	3,174	-	-	-
Total receipts	<u>255</u>	<u>594,773</u>	<u>180,173</u>	<u>37,954</u>	<u>-</u>
Disbursements:					
Personal services	-	557,806	141,031	-	-
Supplies	-	-	-	-	-
Other services and charges	-	64,262	2,680	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	2,069	-	-
Other disbursements	-	-	-	225	-
Total disbursements	<u>-</u>	<u>622,068</u>	<u>145,780</u>	<u>225</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>255</u>	<u>(27,295)</u>	<u>34,393</u>	<u>37,729</u>	<u>-</u>
Cash and investments - ending	<u>\$ 4,615</u>	<u>\$ 218,703</u>	<u>\$ 70,334</u>	<u>\$ 40,369</u>	<u>\$ 3,309</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Supplemental Adult Probation Services	Supplemental Juvenile Probation Services	County User Fee	Drain Construction/ Reconstruction	Drain Maintenance
Cash and investments - beginning	\$ 450,425	\$ 36,279	\$ 42,315	\$ -	\$ 1,550,668
Receipts:					
Taxes	-	-	-	11,266	484,236
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	78,493	3,087	17,168	-	-
Other receipts	-	-	-	36,221	20,134
Total receipts	<u>78,493</u>	<u>3,087</u>	<u>17,168</u>	<u>47,487</u>	<u>504,370</u>
Disbursements:					
Personal services	8,870	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	16,589	1,451	487,239
Total disbursements	<u>8,870</u>	<u>-</u>	<u>16,589</u>	<u>1,451</u>	<u>487,239</u>
Excess (deficiency) of receipts over disbursements	<u>69,623</u>	<u>3,087</u>	<u>579</u>	<u>46,036</u>	<u>17,131</u>
Cash and investments - ending	<u>\$ 520,048</u>	<u>\$ 39,366</u>	<u>\$ 42,894</u>	<u>\$ 46,036</u>	<u>\$ 1,567,799</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Drug Task Force	DUI Task Force	K-9	Payroll Clearing	Settlement
Cash and investments - beginning	\$ -	\$ 781	\$ 3,628	\$ 164,245	\$ -
Receipts:					
Taxes	-	-	-	-	40,785,378
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	14,904	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	4,521	-	-	4,373,221	-
Total receipts	4,521	14,904	-	4,373,221	40,785,378
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	4,521	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	14,354	-	4,385,316	40,785,378
Total disbursements	4,521	14,354	-	4,385,316	40,785,378
Excess (deficiency) of receipts over disbursements	-	550	-	(12,095)	-
Cash and investments - ending	\$ -	\$ 1,331	\$ 3,628	\$ 152,150	\$ -

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	CVET Agency	Sewage Collections	Financial Institution Tax	State Fines and Forfeitures	Infraction Judgements
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 4,035	\$ 10,852
Receipts:					
Taxes	-	37,867	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	287,847	-	168,436	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	29,579	-
Other receipts	-	-	-	-	112,344
Total receipts	<u>287,847</u>	<u>37,867</u>	<u>168,436</u>	<u>29,579</u>	<u>112,344</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	287,847	37,867	168,436	27,811	114,780
Total disbursements	<u>287,847</u>	<u>37,867</u>	<u>168,436</u>	<u>27,811</u>	<u>114,780</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,768</u>	<u>(2,436)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,803</u>	<u>\$ 8,416</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Overweight Vehicle Fines	Special Death Benefit	Sales Disclosure - State Share	Coroners Training & Con't Education	Interstate Compact - State Share
Cash and investments - beginning	\$ -	\$ 375	\$ 545	\$ 486	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	5,710	-	-
Fines and forfeits	35	-	-	-	255
Other receipts	-	3,801	-	5,379	-
Total receipts	<u>35</u>	<u>3,801</u>	<u>5,710</u>	<u>5,379</u>	<u>255</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	35	3,941	5,640	5,312	193
Total disbursements	<u>35</u>	<u>3,941</u>	<u>5,640</u>	<u>5,312</u>	<u>193</u>
Excess (deficiency) of receipts over disbursements	-	(140)	70	67	62
Cash and investments - ending	<u>\$ -</u>	<u>\$ 235</u>	<u>\$ 615</u>	<u>\$ 553</u>	<u>\$ 62</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Mortgage Recording Fees - State Share	DLGF Homestead Property Database	Sex and Violent Offender Admin - State	Child Restraint Violation Fines	Forest Restoration
Cash and investments - beginning	\$ 355	\$ -	\$ 10	\$ 25	\$ -
Receipts:					
Taxes	-	-	-	-	1,965
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	3,513	-	-	-	-
Fines and forfeits	-	-	330	1,500	-
Other receipts	-	7	-	-	-
Total receipts	<u>3,513</u>	<u>7</u>	<u>330</u>	<u>1,500</u>	<u>1,965</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	3,545	7	330	1,475	1,965
Total disbursements	<u>3,545</u>	<u>7</u>	<u>330</u>	<u>1,475</u>	<u>1,965</u>
Excess (deficiency) of receipts over disbursements	<u>(32)</u>	<u>-</u>	<u>-</u>	<u>25</u>	<u>-</u>
Cash and investments - ending	<u>\$ 323</u>	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 50</u>	<u>\$ -</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Education Plate Fees Agency	Riverboat Revenue Sharing	Innkeepers Tax Collections	Judgements Due Law Enforcement	LIT Certified Shares
Cash and investments - beginning	\$ 131	\$ -	\$ 26,030	\$ 2,649	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	656	278,726	-	-	10,063,752
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	-	361,605	-	-
Total receipts	<u>656</u>	<u>278,726</u>	<u>361,605</u>	<u>-</u>	<u>10,063,752</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	694	278,726	362,856	-	10,063,752
Total disbursements	<u>694</u>	<u>278,726</u>	<u>362,856</u>	<u>-</u>	<u>10,063,752</u>
Excess (deficiency) of receipts over disbursements	<u>(38)</u>	<u>-</u>	<u>(1,251)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 93</u>	<u>\$ -</u>	<u>\$ 24,779</u>	<u>\$ 2,649</u>	<u>\$ -</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	93.563 Prosecutor IV-D Incentive-Post Oct '99	93.563 Clerk IV-D Incentive-Post Oct '99	WIC FY2018	CCMG: S Michigan St to SR 110	Comm Corr Grant Fund FY2019
Cash and investments - beginning	\$ 1,912	\$ 207,968	\$ (33,108)	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	181,470	302,263	251,938
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	40,131	26,674	-	148,089	-
Total receipts	40,131	26,674	181,470	450,352	251,938
Disbursements:					
Personal services	-	-	114,931	-	165,012
Supplies	-	-	2,846	-	-
Other services and charges	-	-	40,341	-	9,874
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	449,702	-
Other disbursements	2,321	7,083	-	-	-
Total disbursements	2,321	7,083	158,118	449,702	174,886
Excess (deficiency) of receipts over disbursements	37,810	19,591	23,352	650	77,052
Cash and investments - ending	\$ 39,722	\$ 227,559	\$ (9,756)	\$ 650	\$ 77,052

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	After Settlement Collections	Clerk's Trust Account	Jail Commissary	Sheriff's Inmate Trust Account	Petty Cash Fund
Cash and investments - beginning	\$ 2,097,845	\$ 1,684,752	\$ 194,681	\$ 45,418	\$ 590
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	1,580,010	5,613,890	136,899	1,798,090	-
Total receipts	<u>1,580,010</u>	<u>5,613,890</u>	<u>136,899</u>	<u>1,798,090</u>	<u>-</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	2,097,845	5,579,938	103,275	1,796,780	-
Total disbursements	<u>2,097,845</u>	<u>5,579,938</u>	<u>103,275</u>	<u>1,796,780</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(517,835)</u>	<u>33,952</u>	<u>33,624</u>	<u>1,310</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,580,010</u>	<u>\$ 1,718,704</u>	<u>\$ 228,305</u>	<u>\$ 46,728</u>	<u>\$ 590</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Treasurer's Cash Fund	Clerk ISETS Account	Marshall County Tourism Committee	Prosecutor Pre-Trial Diversion	Sheriff Pre-Trial Diversion
Cash and investments - beginning	\$ 500	\$ 12,472	\$ 332,622	\$ 267,945	\$ 4,055
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	661	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	662,973	363,085	138,232	-
Total receipts	-	662,973	363,085	138,893	-
Disbursements:					
Personal services	-	-	-	42,443	-
Supplies	-	-	-	7,744	-
Other services and charges	-	-	-	38,878	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	1,000	-
Other disbursements	-	671,930	365,000	-	-
Total disbursements	-	671,930	365,000	90,065	-
Excess (deficiency) of receipts over disbursements	-	(8,957)	(1,915)	48,828	-
Cash and investments - ending	\$ 500	\$ 3,515	\$ 330,707	\$ 316,773	\$ 4,055

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Court Services	Commissioners Certificate Sale	MC DTF#2	Victim Assistance Donations	Road Cut Bonds
Cash and investments - beginning	\$ 553,304	\$ 135	\$ 488	\$ 1,195	\$ 24,700
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	368,650	-	-	-	11,500
Fines and forfeits	-	-	-	-	-
Other receipts	6,623	-	-	-	-
Total receipts	<u>375,273</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,500</u>
Disbursements:					
Personal services	184,680	-	-	-	-
Supplies	4,451	-	-	-	-
Other services and charges	102,372	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	11,487	-	-	-	-
Other disbursements	61,545	-	488	-	10,000
Total disbursements	<u>364,535</u>	<u>-</u>	<u>488</u>	<u>-</u>	<u>10,000</u>
Excess (deficiency) of receipts over disbursements	<u>10,738</u>	<u>-</u>	<u>(488)</u>	<u>-</u>	<u>1,500</u>
Cash and investments - ending	<u>\$ 564,042</u>	<u>\$ 135</u>	<u>\$ -</u>	<u>\$ 1,195</u>	<u>\$ 26,200</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	EPICS Fund	Governors Drug Free Indiana	DARE	Crossroads Museum Project	Historical Society
Cash and investments - beginning	\$ 108,290	\$ 253	\$ 16,708	\$ 10,661	\$ 55,728
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	2,700	2,000	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	14,400	-	4,338	-	42,500
Total receipts	14,400	2,700	6,338	-	42,500
Disbursements:					
Personal services	-	-	-	-	42,969
Supplies	-	-	5,976	-	-
Other services and charges	-	2,000	2,236	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	-	2,000	8,212	-	42,969
Excess (deficiency) of receipts over disbursements	14,400	700	(1,874)	-	(469)
Cash and investments - ending	\$ 122,690	\$ 953	\$ 14,834	\$ 10,661	\$ 55,259

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Personal Property Tax Judgement	Sheriff Continuing Education	Prosecutor Continuing Education	Supplemental Technology	DEA Forfeiture Fund
Cash and investments - beginning	\$ 3,063	\$ 21,544	\$ 476	\$ 3,270	\$ 48,999
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	2,609	-	-	-
Other receipts	-	-	-	-	1,312
Total receipts	-	2,609	-	-	1,312
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	5,000
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	763
Other disbursements	-	3,624	-	-	-
Total disbursements	-	3,624	-	-	5,763
Excess (deficiency) of receipts over disbursements	-	(1,015)	-	-	(4,451)
Cash and investments - ending	\$ 3,063	\$ 20,529	\$ 476	\$ 3,270	\$ 44,548

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	MVH Distribution Fund	10.557 WIC	16.575 Victim Assistance	20.509 Older Adult Service Grant	20.609 Operation Pull Over
Cash and investments - beginning	\$ -	\$ (15,736)	\$ 5,163	\$ 7,889	\$ 163
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	1,548,140	-	-	308,385	8,000
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	15,736	-	-	-
Total receipts	<u>1,548,140</u>	<u>15,736</u>	<u>-</u>	<u>308,385</u>	<u>8,000</u>
Disbursements:					
Personal services	-	31,781	-	-	-
Supplies	-	1,038	-	-	-
Other services and charges	-	10,874	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Other disbursements	1,548,140	-	-	308,385	8,000
Total disbursements	<u>1,548,140</u>	<u>43,693</u>	<u>-</u>	<u>308,385</u>	<u>8,000</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(27,957)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (43,693)</u>	<u>\$ 5,163</u>	<u>\$ 7,889</u>	<u>\$ 163</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	97.042 EMA Performance Grants	97.012 Lake Enforce DNR Grant	93.563 County IVD Incentive	Community Crossings Grant Fund	Pros - IPAC Grant
Cash and investments - beginning	\$ (11,724)	\$ 2,460	\$ 313,654	\$ 91,885	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	23,854	10,000	-	-	1,000
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Other receipts	-	41,269	33,757	-	-
Total receipts	<u>23,854</u>	<u>51,269</u>	<u>33,757</u>	<u>-</u>	<u>1,000</u>
Disbursements:					
Personal services	-	41,526	75,130	-	-
Supplies	-	9,237	-	-	-
Other services and charges	-	2,261	4,900	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	9,656	-	-	-	-
Other disbursements	-	-	16,917	-	1,000
Total disbursements	<u>9,656</u>	<u>53,024</u>	<u>96,947</u>	<u>-</u>	<u>1,000</u>
Excess (deficiency) of receipts over disbursements	<u>14,198</u>	<u>(1,755)</u>	<u>(63,190)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 2,474</u>	<u>\$ 705</u>	<u>\$ 250,464</u>	<u>\$ 91,885</u>	<u>\$ -</u>

MARSHALL COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2018

	Comm Cross DES 1702652	Health: INSACCHO Hep C Grant	OCRA-Stellar Reg RDP Grant	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 38,659,223
Receipts:				
Taxes	-	-	-	50,225,935
Licenses and permits	-	-	-	211,386
Intergovernmental receipts	216,060	-	-	26,790,355
Charges for services	-	-	-	1,920,499
Fines and forfeits	-	-	-	523,816
Other receipts	87,712	2,500	41,000	19,406,868
Total receipts	<u>303,772</u>	<u>2,500</u>	<u>41,000</u>	<u>99,078,859</u>
Disbursements:				
Personal services	-	-	-	13,164,159
Supplies	-	2,500	-	3,602,766
Other services and charges	-	-	-	5,118,686
Debt service - principal and interest	-	-	-	1,126,000
Capital outlay	303,772	-	-	3,192,403
Other disbursements	-	-	33,689	72,329,361
Total disbursements	<u>303,772</u>	<u>2,500</u>	<u>33,689</u>	<u>98,533,375</u>
Excess (deficiency) of receipts over disbursements	-	-	7,311	545,484
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,311</u>	<u>\$ 39,204,707</u>

MARSHALL COUNTY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2018

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 1,858,103</u>	<u>\$ -</u>

MARSHALL COUNTY
 SCHEDULE OF LEASES AND DEBT
 December 31, 2018

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Enterprise FM Trust	County vehicle leases	\$ 70,593	09/17/2015	01/31/2019
Marshall County Holding Corporation	Pay bond issue for jail construction	1,128,500	01/09/2006	03/18/2028
Republic First National Corporation	Highway Dept. Trucks	<u>231,422</u>	10/21/2016	01/01/2022
Total of annual lease payments		<u>\$ 1,430,515</u>		

MARSHALL COUNTY
SCHEDULE OF CAPITAL ASSETS
December 31, 2018

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 1,002,308
Infrastructure	80,701,306
Buildings	22,763,176
Machinery, equipment, and vehicles	<u>10,174,321</u>
Total capital assets	<u>\$ 114,641,111</u>

(This page intentionally left blank.)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF MARSHALL COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Marshall County's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Basis for Qualified Opinion on Child Support Enforcement

As described in item 2018-001 in the accompanying Schedule of Findings and Questioned Costs, the County did not comply with requirements regarding Allowable Costs/Cost Principles that are applicable to its Child Support Enforcement. 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 EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
(Continued)

Qualified Opinion on Child Support Enforcement

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Child Support Enforcement* paragraph, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on Child Support Enforcement for the year ended December 31, 2018.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs for the year ended December 31, 2018.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.


A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or 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 item 2018-001, that we consider to be a material weakness.

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 EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
(Continued)

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


Paul D. Joyce, CPA
State Examiner

July 8, 2019

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.

MARSHALL COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2018

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient	Total Federal Awards Expended
<u>Department of Agriculture</u>					
WIC Special Supplemental Nutrition Program for Women, Infants, and Children WIC 8804 FY 2018	Indiana State Department of Health	10.557	22274	\$ -	\$ 181,470
Total - Department of Agriculture				-	181,470
<u>Department of Justice</u>					
Crime Victim Assistance VOCA 1000	Indiana Criminal Justice Institute	16.575	EDS-D3-17-11477	-	25,807
Total - Department of Justice				-	25,807
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster					
Highway Planning and Construction	Indiana Department of Transportation				
Pine Road - Highway Fund 1135 Cum Bridge		20.205	DES 0200822	-	1,044
Bridge Inspection DES#1382094 Fund 1135		20.205	DES 1382094	-	7,553
Hickory Road Bridge #81 DES#1383474 Fund 1135		20.205	DES 1383474	-	56,802
Highway-Bridge#73 King Road		20.205	DES 1600931	-	66,016
Total - Highway Planning and Construction Cluster				-	131,415
Federal Transit Cluster					
Bus and Bus Facilities Formula Program	Indiana Department of Transportation				
Older Adult Services Fund 8803 Capital Asst Program		20.526	Project # 1803670C	59,458	59,458
Total - Federal Transit Cluster				59,458	59,458
Highway Safety Cluster					
State and Community Highway Safety	Indiana Criminal Justice Institute				
Operation Pullover Fund 8805		20.600	D3-18-11903	-	8,000
DUI Task Force Fund 8806		20.600	D3-18-12058	-	14,904
Total - Highway Safety Cluster				-	22,904
Formula Grants for Rural Areas	Indiana Department of Transportation				
Older Adult Services Fund 8803		20.509	18811062	168,110	168,110
Older Adult Services - 8803		20.509	17811512	24,887	24,887
Total - Formula Grants for Rural Areas				192,997	192,997
Total - Department of Transportation				252,455	406,774
<u>Department of Health and Human Services</u>					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements Emergency Preparedness Educator Fund 1159	Indiana State Department of Health	93.074	20419	-	18,466
Child Support Enforcement	Indiana Department of Child Services				
IVD Reimbursement General Fund 1000 & 2511		93.563	FY 2018	-	159,010
IVD Incentive-County Fund 8895		93.563	FY 2018	-	96,947
IVD Incentive-Prosecutor Fund 8897		93.563	FY 2018	-	2,321
IVD Incentive-Clerk Prior Oct. 1999 Fund 8899		93.563	FY 2018	-	7,083
Total - Child Support Enforcement				-	265,361
Total - Department of Health and Human Services				-	283,827
<u>Department of Homeland Security</u>					
Boating Safety Financial Assistance Lake Enforcement DNR Fund 8811	Indiana Department of Natural Resources	97.012	#300LE1boatGRT15	-	10,000
Emergency Management Performance Grants	Indiana Department of Homeland Security				
EMA-1000 FY 2017		97.042	26463	-	23,135
EMPG - 8808 (EMA)		97.042	23752	-	5,000
EMPG - 8808 (EMA)		97.042	23753	-	3,000
Total - Emergency Management Performance Grants				-	31,135
Pre-Disaster Mitigation EMPG 8808	Indiana Department of Homeland Security	97.047	15168	-	15,854
Total - Department of Homeland Security				-	56,989
Total federal awards expended				\$ 252,455	\$ 954,867

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

MARSHALL 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, 2018. 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.

MARSHALL 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 programs:	
Material weakness 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 Programs and type of auditor's report issued on compliance for each:

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
93.563	Highway Planning and Construction Cluster Child Support Enforcement	Unmodified Qualified

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

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

Section II - Financial Statement Findings

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

FINDING 2018-001

Subject: Child Support Enforcement - Allowable Costs/Cost Principles
 Federal Agency: Department of Health and Human Services
 Federal Program: Child Support Enforcement
 CFDA Number: 93.563
 Federal Award Number and Year (or Other Identifying Number): FY 2018
 Pass-Through Entity: Indiana Department of Child Services
 Compliance Requirement: Allowable Costs/Cost Principles
 Audit Findings: Material Weakness, Modified Opinion

MARSHALL COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Repeat Finding

This is a repeat finding from the immediately prior audit related to the cost allocation plan. The prior audit finding number was 2017-007.

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 related to the cost allocation plan. In addition, the County had implemented controls over Allowable Costs/Cost Principles related to direct costs, but they were not effective in preventing noncompliance.

Cost Allocation Plan

The County official certified that the cost allocation plan was true and correct by signing the Certificate of Indirect Cost form without an oversight, review, or approval process. Due to the lack of controls, the cost allocation plan was missing the organization chart and financial report; additionally, bases used in the cost allocation plan were not correct; of the three bases tested, two utilized 2015 data and one did not agree to the supporting documentation.

Direct Costs

The County paid salaries, wages, and benefits to the Prosecutor's office employees who were partially paid from the Child Support Enforcement program; however, their time was not properly documented as required.

These errors resulted in known questioned costs of \$43,000.

Context

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

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

MARSHALL COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR Part 200, Appendix V, part A states in part:

"1. Most governmental units provide certain services, such as motor pools, computer centers, purchasing, accounting, etc., to operating agencies on a centralized basis. Since federally supported awards are performed within the individual operating agencies, there needs to be a process whereby these central service costs can be identified and assigned to benefitted activities on a reasonable and consistent basis. The central service cost allocation plan provides that process. All costs and other data used to distribute the costs included in the plan should be supported by formal accounting and other records that will support the propriety of the costs assigned to Federal awards. . . ."

2 CFR Part 200, Appendix V, part E states in part:

". . . 1. General

All proposed plans must be accompanied by the following: an organization chart sufficiently detailed to show operations including the central service activities of the state/local government whether or not they are shown as benefitting from central service functions; a copy of the Comprehensive Annual Financial Report (or a copy of the Executive Budget if budgeted costs are being proposed) to support the allowable costs of each central service activity included in the plan; and, a certification (see subsection 4.) that the plan was prepared in accordance with this Part, contains only allowable costs, and was prepared in a manner that treated similar costs consistently among the various Federal awards and between Federal and non-Federal awards/activities. . . ."

2 CFR 200.430(i) states in part:

"Standards for Documentation of Personnel Expenses (1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- (ii) Be incorporated into the official records of the non-Federal entity;
- (iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities (for IHE, this per the IHE's definition of IBS); . . .
- (vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. . . ."

Cause

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

MARSHALL COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Effect

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

Questioned Costs

Known questioned costs of \$43,000 related to the direct costs were identified, as detailed in the *Condition*.

Recommendation

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

Views of Responsible Officials

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

(This page intentionally left blank.)

AUDITEE-PREPARED DOCUMENTS

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



TREASURER OF MARSHALL COUNTY

Angela C. Birchmeier
112 W. Jefferson Street
Room 206
Plymouth, IN 46563

Phone 574-935-8520

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2017-001

Fiscal year in which the finding initially occurred: 2017

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Not Applicable

Contact Person Responsible for Corrective Action: Angela C. Birchmeier

Contact Phone Number: 574-935-8518

Status of Audit Finding:

The Marshall County Treasurer, beginning September, 2018 when the issue was brought to our attention, now includes with the bank statement each month along with the 47TR, Monthly Comparison Report, Monthly Financial Report, Month End Cash Book and all pertinent information to the Second Deputy Treasurer to verify allowances on the bank statement then initial the bank statement. All of the above information is then given to the Auditor and the Auditor will then verify allowances on the bank statement and initial approval.



(Signature)

Treasurer

(Title)

May 22, 2019

(Date)



Julie A. Fox
Marshall County Auditor
112 W. Jefferson St., Room 205
Plymouth, IN 46563

Phone: 574-935-8555

Email: julief@co.marshall.in.us

Fax: 574-936-4863

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDINGS: 2017-002

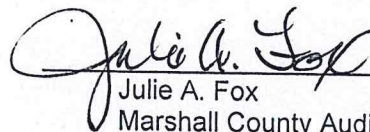
Fiscal year in which the finding initially occurred: 2015

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Not applicable

Contact Person Responsible for Corrective Action: Julie A. Fox, Marshall County Auditor

Contact Phone Number: (574) 935-8555

Status of Audit Finding: Marshall County implemented controls for audit findings in January, 2019 over the Schedule of Expenditures of Federal Awards (SEFA), Marshall County has implemented internal controls under County Ordinance 2013-15: An Ordinance Adopting a Marshall County Grant Approval and Administration Policy, requiring receipt of additional department documentation including submitting completed grant application, award letter, itemized department expenditure and receipting reports and grant supporting documents to the Auditor as stated in the corrective action plan for 2017-002 dated September 4, 2018. We are continually reviewing our internal control process, educating departments regarding the importance of tracking federal funds and the need for internal departmental controls for oversight. When annually entering the SEFA the annual internal control process is having one individual entering data and another reviewing.


Julie A. Fox
Marshall County Auditor
June 12, 2019

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



Marshall Circuit and Superior Courts

Deborah VanDeMark, Clerk

211 West Madison Street, Plymouth, IN 46563

Telephone: 574-936-8922

Fax: 574-936-8893

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2017-003

Fiscal year in which the finding initially occurred: 2017

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Not Applicable

Contact Person Responsible for Corrective Action: Deborah VanDeMark, Clerk of the Circuit Court

Contact Phone Number: 574-935-8701

Status of Audit Finding:

The bookkeeper has been reviewing and initialing the adjustment sheets used for monthly reconciliation. Reconciliation is being done by the Clerk.

Deborah VanDeMark

(Signature)

Clerk of the Courts

(Title)

May 23, 2019

(Date)

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



Office of the Marshall County Sheriff
Sheriff Matthew Hassel
1400 Pioneer Drive
Plymouth, IN 46563
574-936-3187

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2017-004

Fiscal year in which the finding initially occurred: 2017
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Not Applicable
Contact Person Responsible for Corrective Action: Matthew Hassel, County Sheriff
Contact Phone Number: 574-936-3187

Status of Audit Finding:

The County Sheriff has implemented an increased oversight throughout the processes of receipting, depositing, and recording checks. Each check sent to the Marshall County Clerk's Office has a Promise to Appear/Cash Bond Form attached to it, and each form will be reviewed and initialed by the Sheriff, prior to being physically taken to the Clerk's Office.

The County Sheriff has instructed the Jail Records Clerk to file the receipts received by the Clerk of Marshall County, along with the receipts for the checks written, to ensure the outgoing checks and receipts match, in order to maintain oversight in that area.

The County Sheriff has instructed the Jail Records Clerk to act as oversight on all deposits being taken to the bank, by matching the deposit slip with the amount to be deposited, as recorded in the accounting software. Once confirmed, the Jail Records Clerk will place his/her initials on the deposit slip, and will perform the deposit transaction in the accounting software, once the deposit has been made.

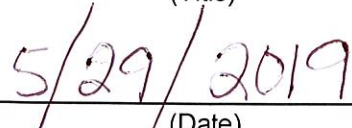
The State Board of Account Auditors have been made aware of the processes by which inmate funds are released for Commissary and other purchases, along with the physical release of the inmate themselves, which are signed for by the person from which the funds are removed, either physically or digitally, using their unique personal identification number, given randomly by the accounting system or the telephone system. This includes the debit card releases, where the funds are placed onto a debit card, to be used at points of service which accept Mastercard.



(Signature)



(Title)



(Date)



Julie A. Fox
Marshall County Auditor
112 W. Jefferson St., Room 205
Plymouth, IN 46563

Phone: 574-935-8555

Email: julief@co.marshall.in.us

Fax: 574-936-4863

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDINGS: 2017-005

Fiscal year in which the finding initially occurred: 2016

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Not applicable

Contact Person Responsible for Corrective Action: Julie A. Fox, Marshall County Auditor

Contact Phone Number: (574) 935-8555

Status of Audit Finding: Marshall County will begin implementing controls with the June, 2019 reimbursement.

Controls over the WIC Program expenditures and claims are being reviewed by the Auditor's Office.

A handwritten signature in black ink, appearing to read "Julie A. Fox", written over a horizontal line.

Julie A. Fox
Marshall County Auditor
June 18, 2019



Julie A. Fox
Marshall County Auditor
112 W. Jefferson St., Room 205
Plymouth, IN 46563

Phone: 574-935-8555

Email: julief@co.marshall.in.us

Fax: 574-936-4863

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDINGS: 2017-006

Fiscal year in which the finding initially occurred: 2016

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Not applicable

Contact Person Responsible for Corrective Action: Julie A. Fox, Marshall County Auditor

Contact Phone Number: (574) 935-8555

Status of Audit Finding: Marshall County implemented controls on October 1, 2017 for fiscal year 2018 by creating a separate fund for each fiscal year and implemented controls with the June, 2019 reimbursement.



Julie A. Fox
Marshall County Auditor
June 13, 2019

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



Julie A. Fox
Marshall County Auditor
112 W. Jefferson St., Room 205
Plymouth, IN 46563

Phone: 574-935-8555

Email: julief@co.marshall.in.us

Fax: 574-936-4863

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDINGS: 2017-007

Fiscal year in which the finding initially occurred: 2016

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Not applicable

Contact Person Responsible for Corrective Action: Julie A. Fox, Marshall County Auditor

Contact Phone Number: (574) 935-8555

Status of Audit Finding: Due to the prior Audit findings related to the Cost Allocation Plan created by Marshall County's Vendor, Marshall County will implement controls for those audit findings in January, 2019 as stated in the corrective action plan for 2017-007 dated September 4, 2018, by ensuring compliance with requirements related to the grant agreement and the allowable cost requirements related to the indirect costs and cost allocation plan by meeting with Marshall County's Vendor producing the cost allocation plan and verifying the data used prior to the certification of indirect costs by the County Officials.



Julie A. Fox
Marshall County Auditor
June 12, 2019

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



E. Nelson Chipman, Jr.
Prosecuting Attorney of Marshall County
72nd Judicial Circuit

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2017-008

Fiscal year in which the finding initially occurred: 2017

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: IN Dept. of Child Services

Contact Person Responsible for Corrective Action: Sue Butzer/Susan Sauer

Contact Phone Number: 574.935.8638

Status of Audit Finding: Beginning in the later part of 2018 the reports of paid claims were provided to me by the Auditor's Office are being utilized to prepare the Quarterly budget reports. I am going through each of those reports to ensure my claims concur with what has been paid from each account. Claims submitted for payment are kept for records. Once I've completed my review, I then complete the Title IV-D Claims Report for submission to the State. The submitted report is reviewed and certified by the Office Administrator.



Sue Butzer

SUE BUTZER

7-15-19



Julie A. Fox
Marshall County Auditor
112 W. Jefferson St., Room 205
Plymouth, IN 46563

Phone: 574-935-8555

Email: julief@co.marshall.in.us

Fax: 574-936-4863

CORRECTIVE ACTION PLAN

FINDINGS: 2018-001

Contact Person Responsible for Corrective Action:

Julie A. Fox, Marshall County Auditor
TX: (574) 935-8555

Views of Responsible Official: We concur with the findings.

Description of Corrective Action Plan: Revision of the internal control system to ensure compliance with requirements related to the grant agreement and allowable costs/principles related to the cost allocation plan will include review of the cost allocation plan upon completion with the vendor to verify accuracy in conjunction with the supporting documentation.

Anticipated Completion Date: July 31, 2019

A handwritten signature in cursive script, reading "Julie A. Fox", written over a horizontal line.

Julie A. Fox
Marshall County Auditor
July 5, 2019



E. Nelson Chipman, Jr.
Prosecuting Attorney of Marshall County
72nd Judicial Circuit

CORRECTIVE ACTION PLAN

FINDING 2018-001

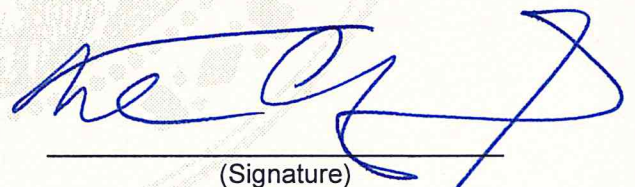
Contact Person Responsible for Corrective Action: E. Nelson Chipman, Jr.
Contact Phone Number: (574) 935-8636

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: As we continue the transition to a paperless office, the CAP regarding the partial wage support from the Federal Program for the full time Clerk position will be eliminated immediately. The wages for that position will be derived from a source independent of the Federal Program. This may incentivize speed to complete the transition.

Regarding the inadequately documented time spent by the two different deputy prosecutors, the CAP is to formalize that only one deputy prosecutor is assigned as the primary child support enforcement attorney. That deputy shall detail hours and partial hours spent in enforcement related activities including, court appearance, consultations with staff, coordination of the various enforcement activities, review of docket for appropriate actions, and time spent in training. Documentation shall be made at the end of each working day. That deputy prosecutor shall continue to be supervised by the elected Prosecutor and the Chief Deputy Prosecutor.

Anticipated Completion Date: Transition of partial wage support for the full time Clerk position was effective immediately and implemented on the payroll completed on July 3, 2019. Issuance of a directive to the deputy prosecutors was done on July 3, 2019. More thorough documentation of time spent by the deputy prosecutor on Child Support Enforcement related activities shall be ongoing.



(Signature)

Prosecuting Attorney

(Title)

July 8, 2019

(Date)

OTHER REPORTS

In addition to this report, other reports may have been issued for the County. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.