

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

VIGO COUNTY, INDIANA

January 1, 2018 to December 31, 2018



**FILED**  
08/22/2019



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	James W. Bramble	01-01-17 to 12-31-20
County Treasurer	Nancy S. Allsup	01-01-17 to 12-31-20
Clerk of the Circuit Court	Bradley M. Newman	01-01-17 to 12-21-20
County Sheriff	Gregory T. Ewing John A. Plasse	01-01-15 to 12-31-18 01-01-19 to 12-31-22
County Recorder	Stacey J. Fueston	01-01-17 to 12-31-20
President of the Board of County Commissioners	Judith A. Anderson Brad A. Anderson	01-01-18 to 12-31-18 01-01-19 to 12-31-19
President of the County Council	Aaron D. Loudermilk	01-01-18 to 12-31-19



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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TO: THE OFFICIALS OF VIGO COUNTY, INDIANA

This report is supplemental to our audit report of Vigo County (County), for the period from January 1, 2018 to December 31, 2018. It has been provided as a separate report so that the reader may easily identify any Federal Findings and Audit Results and Comments that pertain to the County. It should be read in conjunction with our Financial Statement and Federal Single Audit Report of the County, which provides our opinions on the County's financial statement and federal program compliance. This report may be found at [www.in.gov/sboa/](http://www.in.gov/sboa/).

The Federal Finding, identified in the above referenced audit report, is included in this report and should be viewed in conjunction with the Audit Results and Comments as described below.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit Results and Comments contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Corrective Action Plan for the Federal Finding and Official Response to the Audit Results and Comments, incorporated within this report, were not verified for accuracy.

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

August 14, 2019

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COUNTY AUDITOR  
VIGO COUNTY

COUNTY AUDITOR  
VIGO COUNTY  
FEDERAL FINDING

***FINDING 2018-001***

Subject: Child Support Enforcement - Reporting  
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: Reporting  
Audit Finding: Significant Deficiency

*Condition*

Management of the County had not established an effective internal control system related to the grant agreement and the Reporting compliance requirement. An employee of the County Auditor's office prepared the Quarterly Incentive Balance Reports without evidence of a review or approval process, or other compensating controls.

*Context*

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

*Criteria*

2 CFR 200.303 states in part:

"The non-Federal entity must:

- (a) Establish and maintain effective internal control over 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). . . ."

COUNTY AUDITOR  
VIGO COUNTY  
FEDERAL FINDING  
(Continued)

*Cause*

The County's management had not developed a system of internal controls to ensure compliance with the grant agreement and the Reporting compliance requirement.

*Effect*

The failure to establish an effective internal control system placed the County at risk of noncompliance with the grant agreement and the compliance requirement. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirement and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the County's management establish a system of internal controls to ensure compliance with the grant agreement and the Reporting compliance requirement.

*Views of Responsible Officials*

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



Vigo County Auditor  
VIGO COUNTY ANNEX  
131 OAK STREET  
TERRE HAUTE, INDIANA 47807  
(812) 462-3261 FAX: (812) 231-0091

James W. Bramble, CPA, Auditor  
[james.bramble@vigocounty.in.gov](mailto:james.bramble@vigocounty.in.gov)

August 5, 2019

**FINDING 2018-001** (Auditor Assigned Reference Number)  
Contact Person Responsible for Corrective Action: James Bramble  
Contact Phone Number: 812-462-3361

Views of Responsible Official:

We concur with the finding.


Description of Corrective Action Plan:

The Auditor or Chief Deputy Auditor will review reports and related work papers prior to submission of the reports. The review will be documented by initialing and dating the report draft and the related work papers.

Anticipated Completion Date:

Immediately.

  
(Signature)

  
(Title)

  
(Date)

COUNTY AUDITOR  
VIGO COUNTY  
AUDIT RESULT AND COMMENT

***CERTIFICATION ON INTERNAL CONTROL STANDARDS***

The same comment also appeared in prior Report B51809.

In compliance with Indiana Code 5-11-1-27(g), the County adopted internal control standards with Ordinance No. 2016-1 on November 28, 2016. However, not all applicable personnel have received training concerning the internal control standards and procedures adopted by the County. The County Auditor certified on the Annual Financial Report that internal controls standards had been adopted, but incorrectly certified that training had been provided to applicable personnel.

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

COUNTY AUDITOR  
VIGO COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on August 14, 2019, with James W. Bramble, County Auditor; Brad A. Anderson, President of the Board of County Commissioners; Judith A. Anderson, County Commissioner; Kylissa Miller, County Council Administrator; and Michael Wright, County Attorney.

BOARD OF COUNTY COMMISSIONERS  
VIGO COUNTY

BOARD OF COUNTY COMMISSIONERS  
VIGO COUNTY  
AUDIT RESULT AND COMMENT

***TRAINING ON INTERNAL CONTROL STANDARDS***

The same comment also appeared in prior Report B51809.

In compliance with Indiana Code 5-11-1-27(g), the County adopted internal control standards Ordinance No. 2016-1, on November 28, 2016. All applicable personnel had not yet received training concerning the internal control standards and procedures adopted by the political subdivision.

Indiana Code 5-11-1-27(g) states in part:

"After June 30, 2016, the legislative body of a political subdivision shall ensure that: . . .

- (2) personnel receive training concerning the internal control standards and procedures adopted by the political subdivision."

BOARD OF COUNTY COMMISSIONERS  
VIGO COUNTY  
EXIT CONFERENCE

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