

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

BARTHOLOMEW COUNTY, INDIANA

January 1, 2019 to December 31, 2019



FILED
09/01/2020

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Pia O'Connor	01-01-19 to 12-31-20
County Treasurer	Barbara Hackman	01-01-19 to 12-31-20
Clerk of the Circuit Court	Jay Phelps	01-01-19 to 12-31-20
County Sheriff	Matt Myers	01-01-19 to 12-31-20
President of the Board of County Commissioners	Rick Flohr	01-01-19 to 12-31-20
President of the County Council	Matt Miller	01-01-19 to 12-31-20



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 BARTHOLOMEW 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 Bartholomew County (County), for the year ended December 31, 2019, and the related notes to the financial statement, which collectively comprise the County's financial statement and have issued our report thereon dated June 30, 2020, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2019-001 and 2019-002, that we consider to be material weaknesses.

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

Compliance and Other Matters


As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2019-001.

Bartholomew County's Response to Findings

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

Purpose of This Report

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


Paul D. Joyce, CPA
State Examiner

June 30, 2020



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

TO: THE OFFICIALS OF BARTHOLOMEW COUNTY, INDIANA

Report on Compliance for the Major Federal Program

We have audited Bartholomew County's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2019. The County's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE
(Continued)

Opinion on the Major Federal Program

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 its major federal program for the year ended December 31, 2019.

Report on Internal Control over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or 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 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE
(Continued)

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statement of the County, as of and for the year ended December 31, 2019, and the related notes to the financial statement. We issued our report thereon dated June 30, 2020, which contained a dual opinion on the financial statement. An adverse opinion was issued regarding the presentation in accordance with U.S. Generally Accepted Accounting Principles, and an unmodified opinion was issued regarding the presentation in accordance with the Regulatory Basis of Accounting. Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance 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 as a whole.


Paul D. Joyce, CPA
State Examiner

June 30, 2020

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

BARTHOLOMEW COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2019

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient	Total Federal Awards Expended
Department of Agriculture					
Child Nutrition Cluster					
National School Lunch Program	Indiana Department of Education	10.555			
School lunch Program			2019	\$ -	\$ 11,034
School Lunch Program - Commodities				-	1,290
Total - National School Lunch Program				-	12,324
School Breakfast Program	Indiana Department of Education	10.553			
School Breakfast Program			2019	-	7,678
Total - School Breakfast Program				-	7,678
Total - Child Nutrition Cluster				-	20,002
Total - Department of Agriculture				-	20,002
Department of Justice					
Crime Victim Assistance	Indiana Criminal Justice Institute	16.575			
16.575 VOCA Grant			2019	-	88,445
Drug Court Discretionary Grant Program	Indiana Criminal Justice Institute	16.585			
Adult Drug Treatment Court			2019	-	25,693
Violence Against Women Formula Grants	Indiana Criminal Justice Institute	16.588			
16.588 STOP			2018-WF-AX-4603	-	59,337
Residential Substance Abuse Treatment for State Prisoners	Indiana Criminal Justice Institute	16.593			
16.593 ICJI RSAT Grant			2019	-	104,986
Total - Department of Justice				-	278,461
Department of Transportation					
Highway Planning and Construction Cluster					
Highway Planning and Construction	Indiana Department of Transportation	20.205			
Bridge Inspection			Des.No.: 1382105	-	197,909
Total - Highway Planning and Construction				-	197,909
Total - Highway Planning and Construction Cluster				-	197,909
National Priority Safety Programs	Indiana Criminal Justice Institute	20.616			
20.616 OPO Grant			D3-16-10112	-	16,986
Total - Department of Transportation				-	214,895
Department of Health and Human Services					
Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children Lead & Healthy Homes Grant	Indiana Department of Health	93.197			
			CFDA # 93.197	-	9,989
Immunization Cooperative Agreements	Indiana Department of Health	93.268			
93.268 Immunization Program			A70-5-073170	-	8,742
PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds	Indiana Department of Health	93.539			
93.539 Immunization program			NH23IP000723	-	30,928
Child Support Enforcement	Indiana Department of Child Services	93.563			
Reimbursement - Clerk			2019	-	29,699
Reimbursement - Prosecutor			2019	-	326,663
Reimbursement - IV-D Court			2019	-	40,586
Prosecutor - Incentive			2019	-	35,687
Clerk - Incentive			2019	-	27,091
County - Incentive			2019	-	6,650
Indirect Costs			2019	-	115,962
Total - Child Support Enforcement				-	582,338
State Court Improvement Program	Indiana Supreme Court	93.586			
CIP			CIP-2019BTD	-	9,656
Opioid STR	Indiana Family and Social Services Administration	93.788			
Opioid Response Grant			OPIOIDSORF18	-	5,077
Total - Department of Health and Human Services				-	646,730
Department of Homeland Security					
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042			
EMW-2015-EP-00037			C446-5-459B	-	105,726
Homeland Security Grant Program	Indiana Department of Homeland Security	97.067			
EMC-2014-PC-0007			EMC-2014-PC-0007	-	128,489
Total - Department of Homeland Security				-	234,215
Total federal awards expended				\$ -	\$ 1,394,303

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

BARTHOLOMEW COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Summary of Significant Accounting Policies

A. 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, 2019. 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.

B. Other 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.

Note 2. Indirect Cost Rate

The County has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

BARTHOLOMEW COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

Internal control over major program:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	no

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

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
93.563	Child Support Enforcement	Unmodified

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

Auditee qualified as low-risk auditee? No

Section II - Financial Statement Findings

FINDING 2019-001

Subject: Financial Transactions and Reporting
Audit Findings: Material Weakness, Noncompliance

Condition and Context

There were deficiencies in the internal control system of the County Auditor's and County Treasurer's offices related to financial transactions and reporting.

The County Auditor's and the County Treasurer's offices are each required to generate a monthly financial statement. These statements are then to be reconciled on a monthly basis. The statements were not reconciled for the last seven months of the audit period.

BARTHOLOMEW COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Additionally, the County Treasurer performs the monthly bank reconciliations. The funds ledger cash balance reported on the Cash Book was not reconciled with the balance reported on the monthly financial statement. As of December 31, 2019, cash and investment balances were as follows: Statement of Cash Position \$34,669,442; Statement of Receipts, Disbursements, and Cash and Investment Balances (Funds Ledger) \$34,925,966; and Treasurer's Daily Balance of Cash and Depositories (Cash Book) \$33,229,891. These balances should agree at all times.

As of March 31, 2020, the Statement of Cash Position, Statement of Receipts, Disbursements, and Cash and Investment Balances (Funds Ledger), and Treasurer's Daily Balance of Cash and Depositories were in agreement.

Criteria

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

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

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

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

The Green Book identifies a list of control activity categories that are meant only to illustrate the range and variety of control activities; the list is by no means all inclusive, but is reproduced here for reference purposes: . . .

- Accurate and timely recording of transactions. . . ."

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](#)."

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

BARTHOLOMEW COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Cause

Management of the County Auditor's and County Treasurer's offices had not established a proper system of internal controls.

Effect

The failure to establish a system of internal controls enabled material misstatements or irregularities to remain undetected. The failure to monitor the internal control system placed the County at risk that controls may not be either designed properly or operating effectively to provide reasonable assurance that controls will prevent, or detect and correct, material misstatements in a timely manner.

Views of Responsible Officials

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

FINDING 2019-002

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

Repeat Finding

This is a repeat of Finding 2018-001 from the immediately prior audit report.

Condition and Context

The County did not have a proper system of internal controls in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

During the audit of the SEFA, the following errors were noted:

1. The Highway Planning and Construction Cluster was overstated by \$1,867,568.
2. The Child Support Enforcement Program was understated by \$260,149.
3. Six additional grants were overstated by a total of \$43,504.
4. Four additional grants were understated by a total of \$65,721.
5. Two state grants totaling \$1,224,949 were included on the SEFA in error.

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

BARTHOLOMEW COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Criteria

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

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

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

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

The Green Book identifies a list of control activity categories that are meant only to illustrate the range and variety of control activities; the list is by no means all inclusive, but is reproduced here for reference purposes: . . .

- Accurate and timely recording of transactions. . . ."

2 CFR 200.508 states in part:

"The auditee must: . . .

- (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with § 200.510 financial statements. . . ."

2 CFR 200.510(b) states:

"Schedule of expenditures of Federal awards. The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502 Basis for determining Federal awards expended. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple award years, the auditee may list the amount of Federal awards expended for each award year separately. At a minimum, the schedule must:

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within a cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.

BARTHOLOMEW COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available. For a cluster of programs also provide the total for the cluster.
- (4) Include the total amount provided to subrecipients from each Federal program.
- (5) For loan or loan guarantee programs described in § 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.
- (6) Include notes that describe that significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in § 200.414 Indirect (F&A) costs."

Cause

The County's management had not established a system of internal controls that would have ensured proper reporting of the SEFA.

Effect

The failure to establish and properly implement internal controls enabled material misstatements to remain undetected. The SEFA contained the errors identified in the *Condition and Context*.

Views of Responsible Officials

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

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

AUDITEE-PREPARED DOCUMENTS

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



Finding 2018-001

Fiscal year in which the finding initially occurred: 2012

Pass-Through Entity, is pass-through or Federal Grantor Agency, if direct: N/A

Contact Person Responsible for Corrective Action: Pia O'Connor, Auditor


Contact Phone Number: (812) 379-1510

Status of Audit Finding: Continuously Improving our Grant Process and Review


New and proper procedures have been implemented for monitoring and reviewing any and all Grants, both Federal and State. In coordination with our new procedures, the Auditor's Office has task our Assistant, Kim Rocker, to compile files for all current and future grants which includes gathering the initial grant paperwork, award letter, grant budgets, copy of all revenue receipts and any and all paperwork which pertain to such grants.

The Chief Deputy Auditor, Dalene Pattingill, receipts all grant revenues into the proper funds. At the beginning of each month after the prior month has been rolled, the Chief Deputy will discuss with the various offices any issues with the receipting of grant monies and the Assistant will contact each office if there is paperwork needed to for the files to be kept up to date. The Chief Deputy and the Auditor discuss monthly about the process, streamline and possible improvements for the grant review process.

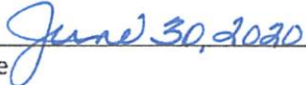
In addition to the above, the Chief Deputy enters into Gateway, the SEFA (grant) information. The Auditor will then review the information for accuracy before the reports are submitted into Gateway.



 Pia O'Connor, Auditor



 Title



 Date

Focused on providing accurate information, maintaining and enhancing government transparency, and delivering great customer service to Bartholomew County.

Government Office Building, Suite 102 • 440 Third Street, Columbus, Indiana 47201-6798
Ph. 812-379-1510 • www.bartholomew.in.gov



Finding 2018-002

Fiscal year in which the finding initially occurred: 2014

Pass-Through Entity, is pass-through or Federal Grantor Agency, if direct: N/A

Contact Person Responsible for Corrective Action: Pia O'Connor, Auditor

Contact Phone Number: (812) 379-1510

Status of Audit Finding:

The Auditor's Office has implemented a new policy in regards to monitoring and reviewing any/all reports provided by the third party administrator, Dunn & Associates in regards to the county's self-insurance health fund.

On a monthly basis, the Chief Deputy, Dalene Pattingill, monitors all reports provided by the third party administrator. The Auditor, Pia O'Connor then reviews the financial data and completes a proper audit, verifies the reports for accuracy and signs off on the reports.

A binder is kept by the Auditor of the monthly reports provided. The Auditor and Chief Deputy discuss these reports on a monthly basis as well as inform the Bartholomew County Commissioner's and the Bartholomew County Council the status of the county's self-insured health fund.

Pia O'Connor, Auditor

Title

Date

Focused on providing accurate information, maintaining and enhancing government transparency, and delivering great customer service to Bartholomew County.

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Finding 2018-003

Fiscal year in which the finding initially occurred: 2018

Pass-Through Entity, is pass-through or Federal Grantor Agency, if direct: N/A

Contact Person Responsible for Corrective Action: Pia O'Connor, Auditor

Contact Phone Number: (812) 379-1510

Status of Audit Finding:

Bartholomew County continues to implement proper internal controls as set by the State Board of Accounts in 2015 Guidance Manual, Uniform Internal Control Standards, for Indiana Political Subdivisions, which our County Commissioners adopted in 2016 as required.

We continue to strive to meet the aspects of the Internal Control Standards and have implemented a proper procedure that has been helpful in creating efficiencies so that any errors are detected and corrected in a timely manner.

In regards to Section III – Federal Awards Findings and Questioned Cost:

1. The County Administrator within the County Prosecutor's Office reviews the monthly expense claims (MEC) and the Quarterly Expenditure Report (QIE) prepared by the consultant to ensure that the activities and costs are allowable before requesting reimbursement and that the amounts are correct.
2. The Chief Deputy within the Auditor's Office will prepare the Quarterly Incentive Balance Reports (QIB). The Auditor will then review the reports for accuracy before submitting.
3. The County Administrator within the County Prosecutor's Office will review the Cost Allocation Plan Report prepared by the Consultant regarding indirect cost charged to the program for the county was properly prepared and included accurate information.

This is an ongoing process that the county continues to improve upon.

Pia O'Connor, Auditor

Title

Date

Focused on providing accurate information, maintaining and enhancing government transparency, and delivering great customer service to Bartholomew County.

CORRECTIVE ACTION PLAN

FINDING 2019-001

Contact Person Responsible for Corrective Action: Pia O'Connor, Auditor Bartholomew County
Contact Phone Number: (812) 379-1510

Views of Responsible Official:

I agree with the finding as listed

Description of Corrective Action Plan:

Proper procedures have been implemented for reviewing and balancing all funds monthly between the Auditor and Treasurer in a timely manner. A sign off sheet along with the monthly Fund Balance Report for both the Auditor's Office and the Treasurer's Office are reviewed by both Officials and signed that funds are balanced for that particular month.

We will continue to strive to meet the required aspects of the Internal Control Standards and will continue to put into place a proper system that will be helpful in creating efficiencies so that any errors are detected and corrective measures are made as needed.

Anticipated Completion Date: Immediately

FINDING 2019-002

Contact Person Responsible for Corrective Action: Pia O'Connor, Auditor Bartholomew County
Contact Phone Number: (812) 379-1510

Views of Responsible Official:

I agree with the finding as listed

Description of Corrective Action Plan:

Proper procedures have been implemented for monitoring and reviewing any and all Grants, either Federal or State. A monthly check and balance with the various office with grants will help improve upon our procedures. This monthly check and balance report will be signed off on by both the Auditor's Office and the Office which the grant applies too.

In addition to monthly review, after SEFA (grant) information is entered into Gateway by the Chief Deputy Auditor, the Auditor will review the information for accuracy before the reports are submitted.

We will continue to strive to meet the required aspects of the Internal Control Standards and will continue to put into place a proper system that will be helpful in creating efficiencies so that any errors are detected and corrective measures are made as needed.

Anticipated Completion Date: Immediately

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/>.