

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

TOWN OF NORTH JUDSON

STARKE COUNTY, INDIANA

January 1, 2019 to December 31, 2019



**FILED**  
12/28/2020



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Andrew J. Rowe	01-01-19 to 12-31-20
President of the Town Council	John Rowe	01-01-19 to 12-31-20
Superintendent of Water Utility	Marshall Horstmann Randy Schwartz Joseph Leszek III	01-01-19 to 01-20-19 01-21-19 to 03-27-19 03-28-19 to 12-31-20
Superintendent of Wastewater Utility	Marshall Horstmann Randy Schwartz Joseph Leszek III	01-01-19 to 01-20-19 01-21-19 to 03-27-19 03-28-19 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 THE TOWN OF NORTH JUDSON, STARKE 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 the Town of North Judson (Town), for the year ended December 31, 2019, and the related notes to the financial statement, which collectively comprise the Town's financial statement and have issued our report thereon dated October 7, 2020, wherein we noted the Town 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 Town'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 Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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 Town'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 Town'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 2019-002.

***Town of North Judson's Response to Findings***

The Town's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. The Town'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 Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
Paul D. Joyce, CPA  
State Examiner

October 7, 2020, except for the Schedule of Expenditures of  
Federal Awards, for which the date is December 9, 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 THE TOWN OF NORTH JUDSON, STARKE COUNTY, INDIANA

**Report on Compliance for the Major Federal Program**

We have audited the Town of North Judson's (Town) 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 Town'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 Town'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 Town'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 Town's compliance.

***Opinion on the Major Federal Program***

In our opinion, the Town 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.

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 Internal Control over Compliance**

Management of the Town 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 Town'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 Town'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 Town, as of and for the year ended December 31, 2019, and the related notes to the financial statement. We issued our report thereon dated October 7, 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*  
Paul D. Joyce, CPA  
State Examiner

December 9, 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 Town. The schedule and notes are presented as intended by the Town.

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TOWN OF NORTH JUDSON  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Year Ended December 31, 2019

Federal Grantor Agency 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>					
Water and Waste Disposal Systems for Rural Communities LTCP/CSO and WWTP Improvement Project	Direct	10.760	FY 2019	\$ -	\$ 1,560,886
Total - Department of Agriculture				-	1,560,886
<u>Department of Housing and Urban Development</u>					
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii OCRA/CDBG Water Project Grant OCRA/CDBG Water Project Grant	Indiana Office of Community and Rural Affairs	14.228	B-17-DC-180001 B-18-DC-180001	- -	550,000 23,760
Total - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii				-	573,760
Total - Department of Housing and Urban Development				-	573,760
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster Highway Planning and Construction ADA Sidewalk and Ramp Upgrades Downtown North Judson	Indiana Department of Transportation	20.205	DES #1600936	-	15,082
Total - Highway Planning and Construction Cluster				-	15,082
Total - Department of Transportation				-	15,082
Total federal awards expended				\$ -	\$ 2,149,728

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

TOWN OF NORTH JUDSON  
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 Town 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 Town, it is not intended to and does not present the financial position of the Town.

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

TOWN OF NORTH JUDSON  
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
10.760	Water and Waste Disposal Systems for Rural Communities	Unmodified

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

Auditee qualified as low-risk auditee?	no
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**Section II - Financial Statement Findings**

**FINDING 2019-001**

Subject: Financial Transactions and Reporting  
Audit Finding: Material Weakness

*Condition and Context*

There were several deficiencies in the internal control system of the Town related to financial transactions and reporting. The Town had not separated incompatible activities related to receipts, disbursements, and financial reporting.

TOWN OF NORTH JUDSON  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Receipts*

The Town did not have effective internal controls in place to ensure that collections were properly receipted into the correct fund. One person had the ability to generate the receipt, record the receipt, prepare the deposit ticket, and deposit the monies to the bank without oversight or review. Once the receipt was posted, no one other than the Clerk-Treasurer (who entered the receipt into the financial software) reviewed the receipts to ensure that they were entered for the correct amount and into the correct fund.

*Receipts - Utility Billings*

The Town did not have effective internal controls in place to ensure that Utility adjustments were properly made and to the proper account. Adjustments were made to utility billings by the Utility Billing Clerk without review or oversight.

*Disbursements*

*Vendor*

The Town did not have effective internal controls in place to ensure that claims agreed to supporting documentation and were recorded in the correct fund. One person generated and recorded the claims without a proper oversight or review.

*Payroll*

The Town did not have effective internal controls in place to ensure that payroll disbursements were calculated correctly and recorded in the correct fund. Payroll disbursements were prepared and recorded by the Clerk-Treasurer without proper oversight or review.

*Financial Reporting*

The Clerk-Treasurer entered the financial information in the Indiana Gateway for Government Units financial reporting system, which is the source of the Annual Financial Report (AFR) and the financial statement. The Town Council reviewed and approved the AFR prior to the Clerk-Treasurer's submission; however, the review process was not documented.

*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. . . .

TOWN OF NORTH JUDSON  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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. . . ."

*Cause*

Management of the Town had not established a proper system of internal controls related to financial transactions and reporting.

*Effect*

The failure to establish a system of internal controls could have enabled misstatements in the financial statement to remain undetected.

*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

*Condition and Context*

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

The federal expenditures reported on the SEFA presented for audit were understated by a material amount for the year ended December 31, 2019.

Audit adjustments were proposed, accepted by the Town, and made to the SEFA presented in this report.

*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:

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

TOWN OF NORTH JUDSON  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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 Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available. For a cluster of programs also provide the total for the cluster.
- (4) Include the total amount provided to subrecipients from each Federal program.
- (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."

TOWN OF NORTH JUDSON  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Cause*

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

*Effect*

Without a proper system of internal controls in place that operated effectively, material misstatements of the SEFA remained 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.

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AUDITEE-PREPARED DOCUMENT

The subsequent document was provided by management of the Town. The document is presented as intended by the Town.

CORRECTIVE ACTION PLAN

**FINDING 2019-001** (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Andrew Rowe – Clerk-Treasurer  
Contact Phone Number: (574) 896-3340

Views of Responsible Official:

Given the timing of the audits performed, the implementation of corrective actions following and relevant to the findings of the 2017-2018 audit would not have been reflected in the year 2019. Both audits and their accompanying findings were carried out and illuminated in 2020; hence, it would have been impossible to retroactively implement certain corrective actions (now established) in 2019. The Town, aside from myself, employs one individual who serves as the Town’s billing clerk. Given the dynamics of our office setting, with just two full-time individuals, it is at times difficult to segregate certain duties while conducting the day-to-day, routine business of the Town, our utilities, as well as the financial and administrative functions of our Police, Fire, Street, and Parks Departments. The Town is also the owner of 33 miles of railroad tracks which comes with added financial and administrative functions carried out through the offices of the Town Clerk-Treasurer.

Description of Corrective Action Plan:

Since the 2017-2018 audit in the spring of 2020, the Town has taken measures to address certain deficiencies such as dual controls over receipts and expenditures. Deposits are now checked and delivered for deposit by two separate individuals.

Regarding the findings relevant the Certification of Internal Control Standards, each Town employee, volunteer fireman, and elected official is required to carry out the necessary steps to obtain their Certification (documentation attached relevant to this training). In the case of the Clerk-Treasurers Certification, at the time of assuming office I was afforded one week with my predecessor to learn the functions of the office before being sworn in. While I did perform each measure of training during my first days in office, I was unsure whether it would be myself signing my own certification or someone else. As the duties of the office were ever-present and growing throughout the initial days, weeks, and months in office, the matter remained unresolved until the 2017-2018 audit this year. While the training was carried out in its entirety, the paperwork was not and that was an error on my account.

I’ve attached relevant documentation regarding measures taken after the 2017-2018 audit here showing the implementation of corrective actions relevant to the findings of the 2019 audit.

Included in the attached are the utility customer adjustment process, with adjustments being presented at the Regular Council Meetings for approval and the minutes showing said approval, established in the

spring 2020 relevant to the findings included in the 2017-2018 audit. I've also included documentation showing the signature of Department Heads and Councilmembers on various billings and registers approved and signed by the Council authorizing payment.

Since last year, I have employed a part-time deputy clerk who has been able to serve as another layer of control throughout our receipting and disbursing of funds through outside vendors and via payroll. As an example, her initials (MP) have been included in the tabulation of monthly NIPSCO bills which, among the other bills submitted by or on behalf of our department heads, she entered into our accounting software; I then check these bills entered into our system for accuracy before generating the Accounts Payable Register that gets submitted for approval at our Regular Council Meeting. Each bill is signed by the relevant departmental leadership, entered into Keystone as an Accounts Payable Voucher by our deputy clerk, added to the APV Register for payment by the Clerk-Treasurer, and approved for payment by the Council. I'm not quite sure what more we can do with the personnel and resources at our disposal.

Similar to the newly implemented process of approval of utility customer adjustments, the Council's approval of the end of year Annual Financial Report will be carried out along with the documentation of said review and approval.

Included here are documents showing and/or relevant to corrective actions taken since the 2017-2018 audit in the spring, or the 2019 audit recently performed.

Anticipated Completion Date:

Corrective Action already taken in nearly all findings; end of year reporting actions will be performed at the necessary time (before the submission of the Town's Annual Financial Report).

Thank you,

Andrew J. Rowe  
Clerk-Treasurer

**310 Lane Street**

**INCORPORATED TOWN OF  
NORTH JUDSON  
INDIANA 46366**

**574-896-3340  
Fax 574-896-2153**

**CORRECTIVE ACTION PLAN**

***FINDING 2019-002***

Contact Person Responsible for Corrective Action: Andrew Rowe – Clerk-Treasurer  
Contact Phone Number: (574) 896-3340

Views of Responsible Official: We concur with the audit finding.

Description of Corrective Action Plan:

Corrective action will be carried out to incorporate the schedule of expenditures of federal awards (SEFA) in the Town's Annual Financial Report in Gateway for the year 2019, and these actions will be similarly repeated during the completion of the AFR for the current year (2020) going forward.

Anticipated Completion Date: 12/14/2020

## OTHER REPORTS

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