

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

MONTGOMERY COUNTY, INDIANA

January 1, 2020 to December 31, 2020



**FILED**

09/03/2021



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Jennifer Andel	01-01-20 to 12-31-21
County Treasurer	Heather Laffoon	01-01-20 to 12-31-21
Clerk of the Circuit Court	Karyn D. Douglas	01-01-20 to 12-31-21
County Sheriff	Ryan Needham	01-01-20 to 12-31-21
County Recorder	Jennifer Bentley	01-01-20 to 12-31-21
President of the Board of County Commissioners	James D. Fulwider John E. Frey	01-01-20 to 12-31-20 01-01-21 to 12-31-21
President of the County Council	Terry Hockersmith (deceased) Tom Mellish (interim) Tom Mellish	01-01-20 to 08-06-20 08-07-20 to 09-07-20 09-08-20 to 12-31-21



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 MONTGOMERY 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 Montgomery County (County), for the year ended December 31, 2020, and the related notes to the financial statement, which collectively comprise the County's financial statement and have issued our report thereon dated August 19, 2021, 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 item 2020-001, 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 2020-001.

***Montgomery 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

August 19, 2021



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH 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 MONTGOMERY COUNTY, INDIANA

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

We have audited Montgomery 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, 2020. 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.

***Opinion on Each 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 each of its major federal programs for the year ended December 31, 2020.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH 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 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 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 EACH 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, 2020, and the related notes to the financial statement. We issued our report thereon dated August 19, 2021, 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

August 19, 2021

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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.

MONTGOMERY COUNTY  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Year Ended December 31, 2020

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 Justice</u>					
Bulletproof Vest Partnership Program Bulletproof Vest 18/19 Grant	Direct Grant	16.607	FY2020	\$ -	\$ 2,313
Total - Department of Justice				-	2,313
<u>Department of Labor</u>					
Unemployment Insurance 2020 Unemployment Insurance Administration	Indiana Department of Workforce Development	17.225	5100210P20UIGRB	-	90
Total - Department of Labor				-	90
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster Highway Planning And Construction Countywide Bridge Inspection And Inventory Program 2018-2021	Indiana Department of Transportation	20.205	800150024200LC1	-	54,129
Total - Highway Planning and Construction Cluster				-	54,129
Interagency Hazardous Materials Public Sector Training And Planning Grants FY20 HMEP Live Fire Training Grant	Indiana Department of Homeland Security	20.703	693JK31940014HMEP	-	12,971
Total - Department of Transportation				-	67,100
<u>Department of the Treasury</u>					
COVID-19 - Coronavirus Relief Fund COVID-19 Cares Act Grant	Indiana Finance Authority	21.019	FY2020	-	95,340
Total - Department of the Treasury				-	95,340
<u>Election Assistance Commission</u>					
COVID-19 - 2020 HAVA CARES Act Grant 2020 SoS CARES Act Grant	Indiana Secretary of State	90.404	040_INCOVID2020	-	3,212
Total - Election Assistance Commission				-	3,212

MONTGOMERY COUNTY  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Year Ended December 31, 2020

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient	Total Federal Awards Expended
<b><u>Department of Health and Human Services</u></b>					
Child Support Enforcement	Indiana Department of Child Services	93.563			
Clerk Gen IV D			502IVD66CNTYF20	-	18,011
Prosecutor IV D			502IVD66CNTYF20	-	235,210
Indirect Costs			502IVD66CNTYF20	-	104,098
Clerk Gen IV D Incentive			FY2020	-	8,936
Prosecutor IV D Incentive			FY2020	-	41,903
Total - Child Support Enforcement				-	408,158
Opioid STR	Indiana Supreme Court	93.788			
Justice Partners Addictions Response Grant			20-5JC89-C54-023	-	66,852
Total - Department of Health and Human Services				-	475,010
<b><u>Department of Homeland Security</u></b>					
Emergency Management Performance Grants 2018 EMPG Grant	Indiana Department of Homeland Security	97.042			
			EMC-2018-EP-00005	-	4,065
Homeland Security Grant Program	Indiana Department of Homeland Security	97.067			
2016 Deobligated Funds 2019 SHSP Grant			EMW-2016-SS-00078	-	9,998
2017 SHSP Collaborative Communications Grant			38517SHSP000000	-	548
2019 SHSP Collaborative Communications Grant			EMS-2019-SS-00013	-	72,687
2019 SHSP Cpd Gas Mask Grant			EMW-2019-SS-00013	-	35,047
MJ Operations Comm			38519SHSP000000	-	149,202
CERT Response & Equipment			38519SHSP000000	-	49,660
Public Warning And Information			38519SHSP000000	-	93,498
Total - Homeland Security Grant Program				-	410,640
Total - Department of Homeland Security				-	414,705
Total federal awards expended				\$ -	\$ 1,057,770

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

MONTGOMERY 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, 2020. 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.

MONTGOMERY 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 programs:	
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 Programs and type of auditor's report issued on compliance for each:

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
21.019	COVID-19 - Coronavirus Relief Fund	Unmodified
97.067	Homeland Security Grant Program	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 2020-001**

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

*Repeat Finding*

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2019-003.

*Condition and Context*

The County had not established effective internal controls over the federal award information entered into the Indiana Gateway for Government Units (Gateway) financial reporting system, which was the source of the County's Schedule of Expenditures of Federal Awards (SEFA).

MONTGOMERY COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

The County did not properly review the federal grant information prepared and submitted into Gateway. Although one employee prepared and entered the information into Gateway, and another employee reviewed and approved the information entered, the internal controls were not effective and did not detect or allow correction of errors prior to submission. The County should have proper internal controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards.

Due to the lack of effective internal controls, the SEFA presented for audit included the following errors:

1. The Child Support Enforcement expenditures were understated by \$349,728.
2. Several other grants had individually immaterial errors that resulted in a net overstatement of \$11,143.
3. Other errors included incorrect program names, clusters, pass-through entities, CFDA numbers and identifying numbers.

Audit adjustments were proposed, accepted by the County, 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:

"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. . . ."

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 200.62 states in part:

"*Internal control over compliance requirements for Federal awards* means a process implemented by a non-Federal entity designed to provide reasonable assurance regarding the achievement of the following objectives for Federal awards:

MONTGOMERY COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

(a) Transactions are properly recorded and accounted for, in order to:

(1) Permit the preparation of reliable financial statements. . . ."

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."

*Cause*

Management had not established an effective system of internal controls that would have ensured proper reporting of the SEFA.

MONTGOMERY COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Effect*

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



**Jennifer Andel**  
**Montgomery County Auditor**

100 E Main Street, Room 102  
Crawfordsville, Indiana 47933

Phone: 765-364-6400

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Email: [auditor@montgomerycounty.in.gov](mailto:auditor@montgomerycounty.in.gov)

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**FINDING 2019-001**

Fiscal year in which the finding initially occurred: 2019

Status of Audit Finding: Corrected

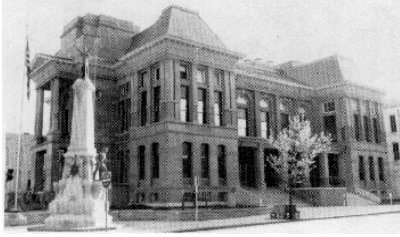
The frequency of our internal audits for receipts has been increased. An additional staff member has also been looped into the process to help with quality control. Training for all parties was revisited, as well.

**FINDING 2019-003**

Fiscal year in which the finding initially occurred: 2018

Status of Audit Finding: Ongoing

As stated on the Corrective Action Plan, dated 12/2/2020, the totality of the work on this correction is not yet completed, and may take a fiscal quarter or two to finalize. Some steps have been taken – additional training of Auditor’s office staff, and conversations with affected department heads and administration regarding our grant funding policy have occurred. In order to provide more accountability and a better understanding of the available data (by all parties), including a summary report to involved department heads, further input and research is needed. We have not yet completed the comprehensive policy that works for all participants, but a draft has been started. Once departments contribute to and agree on the proposed policy it will be put before the Commissioners for ratification into our local code of ordinances. Again, since some of the action items are beyond the hand of the Auditor, our best hope is that it be completed by 12/31/2021.



***Karyn Douglas***  
***Montgomery Circuit, Superior, &  
County Court Clerk***

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100 E Main Street P. O. Box 768 • Crawfordsville, IN 47933 • (765) 364-6430 Fax (765) 364-6355

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

***FINDING 2019-002*** (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Karyn D Douglas

Contact Phone Number: 765-364-6434

Fiscal year in which the finding initially occurred: 2019

Status of Audit Finding: As of the notification from the State Board of Accounts Auditor, we immediately corrected the lack of documentation on our daily paperwork. The office is continuing to check and match all daily receipt reports and check registers but now initials the paperwork every time a report is printed to show that we review the paperwork and are in compliance. This was corrected in 2020.



**Jennifer Andel**  
**Montgomery County Auditor**

100 E Main Street, Room 102  
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CORRECTIVE ACTION PLAN

**FINDING 2020-001**

Contact Person Responsible for Corrective Action: Jennifer Andel

Contact Phone Number: 765-364-6403

Views of Responsible Official: Agreed. The County needs an official grant policy to help with the information-gathering, and more internal training needs to be performed in efforts to detect and correct errors to the SEFA.

Description of Corrective Action Plan: Most, if not all, of the steps associated the corrective plan will occur during calendar year 2021. The County Auditor will begin analyzing the areas and/or departments where obtaining accurate grant information is most challenging, investigating other counties' grant policies, and holding discussions with local department heads. From that, and with the help of multiple county resources, a grant policy will be developed. It should require that specific information associated with the SEFA, distributions, receipts, date ranges, pass-through agencies, reporting requirements, follow-up and closure information be provided to the Auditor's office.

Attempts have been made at using outside resources to help audit the SEFA, but that did not prove effective. Multiple people within the Auditor's staff will be trained on the policy, and participate in the controls regarding the SEFA. Beginning with the 2021 report, Department Heads will also be asked to approve of their grant data within the SEFA, in hopes that will prove an effective control as well.

Anticipated Completion Date: 02/28/2022

## 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/>.