



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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October 7, 2021


To: The Officials of the Kankakee-Iroquois Regional Planning Commission
Kankakee-Iroquois Regional Planning Commission
P.O. Box 127
Monon, IN 47959

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Kankakee-Iroquois Regional Planning Commission. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period January 1, 2020 to December 31, 2020. Per the *Independent Auditor's Report*, the financial statements included in the report present fairly, in all material respects, the cash and investment balances of the Commission as of December 31, 2020, and its cash receipts and disbursements for the year then ended in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

In our opinion, Crowe LLP prepared the audit report in accordance with the guidelines established by the State Board of Accounts.

In addition to the report presented herein, a Supplemental Report for Kankakee-Iroquois Regional Planning Commission was prepared in accordance with the guidelines established by the State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.


Paul D. Joyce, CPA
State Examiner

KANKAKEE-IROQUOIS REGIONAL PLANNING COMMISSION
White County, Indiana

FINANCIAL STATEMENT
December 31, 2020

KANKAKEE-IROQUOIS REGIONAL PLANNING COMMISSION
White County, Indiana

FINANCIAL STATEMENT
December 31, 2020

CONTENTS

SCHEDULE OF OFFICIALS (Unaudited).....	1
INDEPENDENT AUDITOR'S REPORT.....	2
FINANCIAL STATEMENT	
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS.....	4
NOTES TO FINANCIAL STATEMENT.....	5
SUPPLEMENTARY INFORMATION (Unaudited)	
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS.....	8
SCHEDULE OF PAYABLES AND RECEIVABLES	9
SCHEDULE OF CAPITAL ASSETS.....	10
OTHER REPORT.....	11
OTHER INFORMATION	
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	12
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.....	13
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	14
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE	16
SCHEDULE OF FINDINGS AND QUESTIONED COSTS.....	18
EXIT CONFERENCE	19

KANKAKEE-IROQUOIS REGIONAL PLANNING COMMISSION
SCHEDULE OF OFFICIALS (Unaudited)
December 31, 2020

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Edwin Buswell	01-01-20 to 12-31-20
Treasurer	David A. Diener	01-01-20 to 12-31-20
President of the Board	Nathan P. Origer	01-01-20 to 12-31-20

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Kankakee-Iroquois Regional Planning Commission
White County, Indiana

Report on the Financial Statement

We have audited the accompanying statement of receipts, disbursements, and cash and investment balances of Kankakee-Iroquois Regional Planning Commission (Commission) as of and for the year ended December 31, 2020, and the related notes (the financial statement).

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of these financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6) as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 to the financial statement, the Commission prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

(Continued)

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Commission as of December 31, 2020, or changes in net position or cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above present fairly, in all material respects, the cash and investment balances of the Commission as of December 31, 2020, and its cash receipts and disbursements for the year then ended in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The accompanying Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Schedule of Officials, and Supplementary Information Schedules are presented for purposes of additional analysis and are not a required part of the financial statement.

The Schedule of Expenditures of Federal Awards 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. Such 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.

The Schedule of Officials and Supplementary Information Schedules have not been subjected to the auditing procedures applied in the audit of the financial statement, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Governmental Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 30, 2021 on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Commission's internal control over financial reporting and compliance.


Crowe LLP

Indianapolis, Indiana
September 30, 2021

KANKAKEE-IROQUOIS REGIONAL PLANNING COMMISSION
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
 REGULATORY BASIS

For the Year Ended December 31, 2020

<u>Fund</u>	Cash and Investments <u>01-01-20</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash and Investments <u>12-31-20</u>
General Fund	\$ 1,083,571	\$ 235,793	\$ 186,571	\$ 1,132,793
Money Market	4,296	-	-	4,296
Medical Reimbursement Account	7,209	8,752	2,904	13,057
RPO-STATE-INDOT	8,942	-	-	8,942
Transit-Capital	(6,674)	121,235	114,561	-
TRN-CA	-	198,695	213,850	(15,155)
ED-CA20-22	-	57,241	88,189	(30,948)
Economic Development	(37,809)	144,003	148,757	(42,563)
Head Start	(287,785)	1,640,612	1,663,032	(310,205)
Rpo-Indot Planning	553	115,762	112,336	3,979
Transportation (5311)	(35,416)	615,306	579,890	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 736,887</u>	<u>\$ 3,137,399</u>	<u>\$ 3,110,090</u>	<u>\$ 764,196</u>

See Independent Auditor's Report and notes to financial statements.

KANKAKEE-IROQUOIS REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENT
December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: The Kankakee-Iroquois Regional Planning Commission (the Commission) was established under the laws of the State of Indiana. The Commission operates under an appointed governing board.

The accompanying financial statement presents the financial information for the Commission.

Basis of Accounting: The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP), in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred. The regulatory basis also allows for all investments to be stated at cost, while GAAP requires fair value for qualifying investments.

Cash and Investments: Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

Receipts: Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

Intergovernmental receipts. Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services. Amounts received including, but not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable television receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Other receipts. Amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

Disbursements: Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

Personal services. Amounts disbursed for salaries, wages, and related employee benefits provided for all persons employed. In those Commissions where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

(Continued)

KANKAKEE-IROQUOIS REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENT
December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Supplies. Amounts disbursed for articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges. Amounts disbursed for services including, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Capital outlay. Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Other disbursements. Amounts disbursed for various purposes including, but not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, lease agreements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana, at year end, should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund (PDIF). This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the Commission to invest in securities including, but not limited to, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units. Given the limited investment parameters applicable under state statute, certain risks, such as credit, custodial, concentration, and interest rate are not deemed significant. As of the year ended December 31, 2020, the Commission held investments in non-negotiable certificates of deposit.

The Commission held cash deposits with financial institutions that maintained FDIC and PDIF coverages, as applicable.

NOTE 3 - RISK MANAGEMENT

The Commission may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions and natural disasters. These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the Commission to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

The Commission has purchased insurance to address the risks described above.

(Continued)

KANKAKEE-IROQUOIS REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENT
December 31, 2020

NOTE 4 - PENSION PLAN

Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the Commission authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS. The Commission made contributions to the PERF plan during the year under audit. The contribution rate was 11.2% for the year under audit.

NOTE 5 - CASH BALANCE DEFICITS

The financial statement contains four funds with deficits in cash totaling \$398,872 that existed at December 31, 2020. The funds are both entirely funded by reimbursable grants, and the deficits existed due to the timing of the reimbursement occurring after December 31, 2020 for expenses incurred before year-end. The Unit received payment on all amounts owed after year-end.

NOTE 6 - RECENT EVENTS

In March 2020, the World Health Organization declared the coronavirus (COVID-19) outbreak to be a global pandemic. COVID-19 has impacted economic activity and financial markets globally. The operations and business results of the Commission could be materially adversely affected. The extent to which the coronavirus may impact business activity will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus or treat its impact, among others.

SUPPLEMENTAL SCHEDULES (Unaudited)

KANKAKEE-IROQUOIS REGIONAL PLANNING COMMISSION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2020

	General Fund	Money Market	Medical Reimbursement Account	RPO-STATE-INDOT	Transit-Capital	TRN-CA	ED-CA20-22	Economic Development	Head Start	Rpo-Indot Planning	Transportation (5311)	Totals
Cash and investments - beginning	\$ 1,083,571	\$ 4,296	\$ 7,209	\$ 8,942	\$ (6,674)	\$ -	\$ -	\$ (37,809)	\$ (287,785)	\$ 553	\$ (35,416)	\$ 736,887
Receipts:												
Intergovernmental receipts	-	-	-	-	89,040	188,445	57,241	71,971	1,632,758	44,095	548,473	2,632,023
Charges for services	215,890	-	-	-	-	-	-	-	-	-	-	215,890
Other receipts	19,903	-	8,752	-	32,195	10,250	-	72,032	7,854	71,667	66,833	289,486
Total receipts	235,793	-	8,752	-	121,235	198,695	57,241	144,003	1,640,612	115,762	615,306	3,137,399
Disbursements:												
Personal services	64,401	-	-	-	-	17,443	59,426	118,110	1,207,931	21,471	24,733	1,513,515
Supplies	2,585	-	-	-	-	676	-	2,332	157,248	500	313	163,654
Other services and charges	14,226	-	-	-	-	7,286	-	27,443	249,140	2,215	6,371	306,681
Capital outlay	2,076	-	-	-	114,561	-	28,763	872	48,713	855	-	195,840
Other disbursements	103,283	-	2,904	-	-	188,445	-	-	-	87,295	548,473	930,400
Total disbursements	186,571	-	2,904	-	114,561	213,850	88,189	148,757	1,663,032	112,336	579,890	3,110,090
Excess (deficiency) of receipts over disbursements	49,222	-	5,848	-	6,674	(15,155)	(30,948)	(4,754)	(22,420)	3,426	35,416	27,309
Cash and investments - ending	\$ 1,132,793	\$ 4,296	\$ 13,057	\$ 8,942	\$ -	\$ (15,155)	\$ (30,948)	\$ (42,563)	\$ (310,205)	\$ 3,979	\$ -	\$ 764,196

KANKAKEE-IROQUOIS REGIONAL PLANNING COMMISSION
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2020

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ <u> </u> -	\$ <u> 75,179</u>

KANKAKEE-IROQUOIS REGIONAL PLANNING COMMISSION
SCHEDULE OF CAPITAL ASSETS
December 31, 2020

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

	<u>Ending Balance</u>
Governmental activities:	
Buildings	\$ 231,147
Machinery	<u>1,951,099</u>
Total capital assets	<u>\$ 2,182,245</u>

KANKAKEE-IROQUOIS REGIONAL PLANNING COMMISSION
OTHER REPORT
December 31, 2020

The reports presented herein were prepared in addition to another official report prepared for the Commission as listed below:

Indiana State Board of Accounts Compliance Examination of the Kankakee-Iroquois Regional Planning Commission.

The above report contains the results of the compliance examination as required by the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Special Districts*.

OTHER INFORMATION

KANKAKEE-IROQUOIS REGIONAL PLANNING COMMISSION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
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 Though to Subrecipient	Total Federal Awards Expended
<u>Department of Agriculture</u>					
Child Nutrition Cluster National School Lunch Programs CACFP	Indiana Department of Education	10.555	1,910,020	\$ -	\$ 48,613
Child & Adult Care Food Program CACFP-Cash In Lieu	Indiana Department of Education	10.558	1,910,020	-	2,223
Total – Department of Agriculture				-	50,836
<u>Department of Commerce</u>					
Economic Development Support for Planning Organizations ED	Direct	11.302	06-83-05898 ED20CHI3020002	-	71,971
Economic Adjustment Assistance COVID19- EDA	Direct	11.302	ED20CHI3020002	-	57,241
Total – Department of Commerce				-	129,212
<u>Department of Transportation</u>					
Federal Transit Cluster Buses and Bus Facilities Formula - Competitive and Low or No Emissions Programs Transit-Capital	Indiana Department of Transportation	20.526	EDS#A249-20-G190016	-	89,040
Highway Planning and Construction Cluster Highway Planning & Construction RPO	Indiana Department of Transportation	20.205	EDS #A249-19-ON190067 #A249-2	-	44,095
Formula Grants for Rural Areas and Rural Transit Program Transit	Indiana Department of Transportation	20.509	EDS#A249-19-G180460 EDS#A249-	341,149	370,974
Total – Department of Transportation				341,149	504,109
<u>Department of Health and Human Services</u>					
Head Start Head Start Head Start	Direct	93.600	05CH8431-05-01 05CH01138401	-	1,581,923
Total federal awards expended – Department of Transportation				\$ 341,149	\$ 2,266,080

See accompanying notes to the schedule of expenditure of federal awards.

KANKAKEE-IROQUOIS REGIONAL PLANNING COMMISSION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended December 31, 2020

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Kankakee-Iroquois Regional Planning Commission (the "Commission") under programs of the federal government for the year ended December 31, 2020. The information in this Schedule 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 Schedule presents only a selected portion of the operations of the Commission, it is not intended to and does not present the receipts, disbursements, and cash and investment balances – regulatory basis of the Commission.

Expenditures reported on the Schedule 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 and Local Governments, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expensed when the reimbursement is received.

NOTE 2 - INDIRECT COST RATE

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

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

Those Charged with Governance
Kankakee-Iroquois Regional Planning Commission
White County, Indiana

We have audited, in accordance with the 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 Kankakee-Iroquois Regional Planning Commission ("Commission"), which comprise the statement of receipts, disbursements, and cash and investment balances of the Commission as of and for the year ended December 31, 2020 and the related notes to the financial statement, which collectively comprise the Commission's financial statement, and have issued our report thereon dated September 30, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the Commission's internal control over financial reporting (internal control) as a basis for designing 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 Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statement is free from 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 financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
September 30, 2021

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

Those Charged with Governance
Kankakee-Iroquois Regional Planning Commission
White County, Indiana

Report on Compliance for Each Major Federal Program

We have audited Central Indiana Regional Transportation Commission's (Commission) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Commission's major federal program for the year ended December 31, 2020. The Commission'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 each of the Commission'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 Commission'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 Commission's compliance.

Opinion on Each Major Federal Program

In our opinion, the Commission 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, 2020.

(Continued)

Report on Internal Control Over Compliance

Management of the Commission 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 Commission'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 an 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 Commission'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 a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
September 30, 2021

KANKAKEE-IROQUOIS REGIONAL PLANNING COMMISSION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
December 31, 2020

SECTION 1 - SUMMARY OF AUDITORS' RESULTS:

Financial Statements

Type of auditors report issued Adverse as to GAAP, Unmodified as to regulatory basis

Internal control over financial reporting

Material weakness(es) identified? _____ Yes X No

Significant deficiencies identified not considered to be material weaknesses? _____ Yes X None Reported

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs

Material weakness(es) identified? _____ Yes X No

Significant deficiencies identified not considered to be material weaknesses? _____ Yes X None Reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)? _____ Yes X No

Identification of major programs

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.600	Headstart

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

Auditee qualified as low-risk auditee? _____ Yes X No

SECTION 2 – FINDINGS RELATED TO THE FINANCIAL STATEMENTS THAT ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

None.

SECTION 3 – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

KANKAKEE-IROQUOIS REGIONAL PLANNING COMMISSION
EXIT CONFERENCE
January 1, 2020 to December 31, 2020

The contents of this report were discussed on September 30, 2021 with Lynette Carpenter CFO, Tiffany Stigers, Head Start Director, Nathan Origer, Board President, and Edwin Bussell, Director.