

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

GRANT COUNTY, INDIANA

January 1, 2020 to December 31, 2020



FILED
10/20/2021

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
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 <i>Government Auditing Standards</i>	3-4
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	5-7
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards	10-11
Notes to Schedule of Expenditures of Federal Awards.....	12
Schedule of Findings and Questioned Costs.....	13-21
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings.....	24-31
Corrective Action Plan	32-36
Other Reports.....	37

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	James E. McWhirt	01-01-20 to 12-31-21
County Treasurer	Tiffany N. Griffith	01-01-20 to 12-31-21
Clerk of the Circuit Court	Pamela K. Harris	01-01-20 to 12-31-21
County Sheriff	Reggial E. Nevels, Sr.	01-01-20 to 12-31-21
County Recorder	Kathy Foy	01-01-20 to 12-31-21
President of the Board of County Commissioners	Mark Bardsley	01-01-20 to 12-31-21
President of the County Council	Shane Middlesworth	01-01-20 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 GRANT 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 Grant 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 September 29, 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 items 2020-001, 2020-002, 2020-003, and 2020-004, 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 items 2020-001, 2020-002, and 2020-004.

Grant 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

September 29, 2021



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 GRANT COUNTY, INDIANA

Report on Compliance for the Major Federal Program

We have audited Grant County's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2020. The County's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on the Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 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
(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 the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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


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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

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

We have audited the financial statement of the County, as of and for the year ended December 31, 2020, and the related notes to the financial statement. We issued our report thereon dated September 29, 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

September 29, 2021

(This page intentionally left blank.)

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.

GRANT 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>					
Crime Victim Assistance	Indiana Criminal Justice Institute	16.575			
Victims Advocate			VOCA-2018-00228	\$ -	\$ 22,280
Victims Assistance			VOCA-2018-00187	-	44,880
Total - Crime Victim Assistance				-	67,160
Drug Court Discretionary Grant Program	Direct Grant	16.585			
Family Dependency Treatment Court			2016-DC-BX-0076	-	123,346
FRC Enhancement			2019-DC-BX-0108	-	23,574
Total - Drug Court Discretionary Grant Program				-	146,920
Violence Against Women Formula Grants	Indiana Criminal Justice Institute	16.588			
Spotlight (Stop)			2019-WF-AX-0005	-	43,290
Bulletproof Vest Partnership Program	Direct Grant	16.607			
Bullet Proof Vest			FY 2020	-	2,121
Total - Department of Justice				-	259,491
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster					
Highway Planning and Construction	Indiana Department of Transportation	20.205			
Highway Planning and Construction			Des # 1592888	-	75,014
Total - Highway Planning and Construction Cluster				-	75,014
Highway Safety Cluster					
State and Community Highway Safety	Indiana Department of Transportation	20.600			
Operation Pullover			CHIRP-2020-00045	2,650	2,650

GRANT 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
National Priority Safety Programs DUI & DUID	Indiana Department of Transportation	20.616	CHIRP-2020-00045	-	1,398
Total - Highway Safety Cluster				2,650	4,048
Total - Department of Transportation				2,650	79,062
<u>Department of the Treasury</u>					
COVID-19 - Coronavirus Relief Fund Coronavirus Relief	Indiana Finance Authority	21.019	FY 2020	10,146	2,139,213
Total - Department of the Treasury				10,146	2,139,213
<u>Department of Health and Human Services</u>					
Public Health Emergency Preparedness Bioterrorism	Indiana State Department of Health	93.069	NU90TP922052	-	13,711
Child Support Enforcement Child Support Enforcement	Indiana Department of Child Services	93.563	FY 2020	-	645,697
Opioid STR Opioid Response	Indiana Supreme Court	93.788	20-5JC89-C27-031	-	59,975
Total - Department of Health and Human Services				-	719,383
Total federal awards expended				\$ 12,796	\$ 3,197,149

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

GRANT 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.

GRANT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

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

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

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
21.019	COVID-19 - Coronavirus Relief Fund	Unmodified

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

Auditee qualified as low-risk auditee?	no
--	----

Section II - Financial Statement Findings

FINDING 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. The prior audit finding number was 2019-001.

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).

GRANT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The County failed to properly review the federal grant information prepared and submitted in Gateway. Although one employee prepared and entered the federal award information into Gateway, and another employee reviewed and approved the information entered, the internal controls were not effective and did not detect and allow correction of errors prior to submission.

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

1. Several grants had individually immaterial errors that resulted in a combined material misstatement of the Total Federal Awards Expended of \$138,057.
2. Other errors included incorrect program names, pass-through entities, 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:

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

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

GRANT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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.

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*.

GRANT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Views of Responsible Officials

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

FINDING 2020-002

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

Repeat Finding

This is a partial repeat finding from the immediately prior audit regarding bank reconciliations. The prior audit finding number was 2019-002.

Condition and Context

There were deficiencies in the internal control system of the County Treasurer's office related to bank account reconciliations and receipts that allowed errors to go undetected. Due to the ineffective internal controls, the following issues were identified:

Bank Reconciliations

Depository reconciliations of the fund balances to the bank account balances were attempted, but were not considered complete for any month during the audit period because each contained unidentified reconciling items. The difference between the adjusted bank balance and the County Auditor's Fund Ledger indicated a cash short of \$32,377 at December 31, 2020, which was determined to be immaterial to the financial statement as a whole. The December 31, 2020 bank reconciliation contained various confirmed reconciling items that were dated as old as 2012.

In addition, the outstanding check list included stale dated checks that were over two years old as of December 31, 2020, totaling \$93,409. These checks were written in 2017 from a bank account that was closed on October 17, 2019.

Receipts

The following errors were identified in the test of State Distribution receipts:

1. Two receipts were not recorded in the County Treasurer's Cash Book, one for ADMOP-Property Tax for \$8,117, and one for Watercraft Excise for \$10,008.
2. A Motor Vehicle Tax Replacement receipt was recorded in the Treasurer's Cash Book for \$1,850 more than the actual disbursement.
3. A Motor Vehicle Tax Replacement distribution on December 23, 2020, of \$146,807 was not recorded to the County Treasurer's Cash Book until January 7, 2021.

The lack of internal controls and noncompliance were systemic issues throughout the audit period.

GRANT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Criteria

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

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

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

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

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

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

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

When it is determined that an error has been posted in the financial records, the error must be corrected in a timely manner. The correction of the error should be dated as of the date that the correction occurred and should not be back dated to the date the error occurred. The adjustment should be labeled as a correcting entry. All documentation of the error and the adjustments must be maintained to support the correction. (Accounting and Uniform Compliance Guidelines Manual for County Treasurers of Indiana, Chapter 1)

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance must agree. If the reconciled bank balance is less than the subsidiary or control ledgers, the amount needed to balance may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for County Treasurers of Indiana, Chapter 1)

Indiana Code 5-11-10.5-2 states in part: "All warrants or checks drawn upon public funds of a political subdivision that are outstanding and unpaid for a period of two (2) or more years as of the last day of December of each year are void. . . ."

Indiana Code 5-11-10.5-3 states:

"Not later than March 1 of each year, the treasurer of each political subdivision shall prepare or cause to be prepared a list in triplicate of all warrants or checks that have been outstanding for a period of two (2) or more years as of December 31 of the preceding year. The original copy of each list shall be filed with the:

GRANT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (1) board of finance of the political subdivision; or
- (2) fiscal body of a city or town.

The duplicate copy shall be transmitted to the disbursing officer of the political subdivision. The triplicate copy of each list shall be filed in the office of the treasurer of the political subdivision. If the treasurer serves also as the disbursing officer of the political subdivision, only two (2) copies of each list need be prepared or caused to be prepared by the treasurer."

Indiana Code 5-11-10.5-5 states in part:

"(a) Upon the preparation and transmission of the copies of the list of the outstanding warrants or checks, the treasurer of the political subdivision shall enter the amounts so listed as a receipt into the fund or funds from which they were originally drawn and shall also remove the warrants or checks from the record of outstanding warrants or checks.

(b) If the disbursing officer does not serve also as treasurer of the political subdivision, the disbursing officer shall also enter the amounts so listed as a receipt into the fund or funds from which the warrants or checks were originally drawn. If the fund from which the warrant or check was originally drawn is not in existence, or cannot be ascertained, the amount of the outstanding warrant or check shall be receipted into the general fund of the political subdivision. . . ."

Receipts shall be issued and recorded at the time of the transaction. (Accounting and Uniform Compliance Guidelines Manual for County Treasurers of Indiana, Chapter 1)

Cause

Management of the County had not established a proper system of internal controls.

Effect

The failure to establish a system of internal controls enabled misstatements or irregularities 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 2020-003

Subject: Financial Transactions and Reporting - Clerk of the Circuit Court
Audit Finding: Material Weakness

Condition and Context

There were several deficiencies in the internal control system of the Clerk of the Circuit Court's (Clerk) department related to financial transactions and reporting.

1. Monitoring of Controls: The Clerk's department had no process to identify or communicate corrective actions to improve internal controls. Effective internal controls over financial reporting requires the Clerk's department to monitor and assess the quality of the system of internal controls.

GRANT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2. Depository reconciliations of the fund balances to the bank account balances were completed, but were not reviewed by someone who understood the process other than the preparer, for any month during the audit period.
3. Internal controls over Trust and Support receipts were not implemented. Multiple duties such as receipting and depositing were performed without appropriate oversight and review by a second employee. Receipt documentation and reports were retained, but no evidence of review was presented.
4. Internal controls over Trust and Support disbursements were not implemented. Multiple duties such as posting and creating checks were performed without appropriate oversight and review by a second employee. Disbursement documentation and reports were retained, but no evidence of review was presented.

The lack of effective internal controls was a systemic issue throughout the audit period.

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. . . ."

"Evaluations are used to determine whether each of the five components of internal control is present and functioning. These evaluations may be conducted on an ongoing or periodic basis."

Cause

Management of the County had not established a proper system of internal controls. An evaluation of the County's system of internal controls had not been conducted. Management had not conducted a risk assessment related to the County's financial reporting and transactions.

Effect

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

GRANT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Views of Responsible Officials

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

FINDING 2020-004

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

Repeat Finding

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2019-004.

Condition and Context

There were several deficiencies in the internal control system of the County Sheriff's department related to financial transactions and reporting.

1. Monitoring of internal Controls: The County Sheriff's department had no process to identify or communicate corrective actions to improve internal controls. Effective internal controls over financial reporting requires the County Sheriff's department to monitor and assess the quality of the system of internal controls.
2. Depository reconciliations of the fund balances to the bank account balances were attempted, but were not considered correct for any month during the audit period. Errors identified on each of the monthly reconciliations included: erroneous deposits in transit, omitted cash change funds, omitted depository balance, and outstanding checks over two years old. The monthly reconciliations tested were not reviewed by someone who understood the process other than the preparer.
3. Internal controls over disbursements have been determined to be ineffective in preventing, or detecting and correcting, errors. There were multiple issues identified during the testing of disbursements including: no supporting documentation or insufficient documentation.
4. Internal controls over the Supplemental Annual Financial Report (SAFR) for Jail Commissary, Sheriff Inmate Trust, Sheriff Cashbook and Jean Team were in place; however, the internal controls were not effective. The amounts reported for the Jail Commissary and Sheriff Inmate Trust were incorrect. The condition of Jail Commissary and Inmate Trust records and lack of maintaining ledger reports contributed to the deficiency.

The lack of effective internal controls and noncompliance were systemic issues throughout the audit period.

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:

GRANT COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

"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. . . ."

"Evaluations are used to determine whether each of the five components of internal control is present and functioning. These evaluations may be conducted on an ongoing or periodic basis."

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

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

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance must agree. If the reconciled bank balance is less than the subsidiary or control ledgers, the amount needed to balance may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

Cause

Management of the County Sheriff's department had not established a proper system of internal controls. An evaluation of the County Sheriff's department's system of internal controls had not been conducted. Management had not conducted a risk assessment related to the County Sheriff's department's financial reporting and transactions.

Effect

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

Views of Responsible Officials

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

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

(This page intentionally left blank.)

AUDITEE-PREPARED DOCUMENTS

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

James E. McWhirt
Grant County Auditor
Grant County Complex
401 S. Adams St., Room 222
Marion, IN 46953-2099

Phone: 765-668-6552

E-mail: jmcwhirt@grantcounty.net

FAX: 765-668-6582

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2019-001

Fiscal Year in which the finding initially occurred: 2012

Status of Audit Finding:

While reporting errors still occur, I believe it is important to note that no individual error is considered a material misstatement of the financial information, and none of the errors constitutes a material fraud risk. Primarily our errors result from not using the federal government's specified program names and properly identifying the various pass-through agencies. The nature of some of the federal grants involved, the fact that many individuals and distinct departments are involved in the process, the fact that the duties of the employees responsible for the process entail so much more than just federal grant reporting, and the lack of knowledge and experience with some of the various grants, all contribute to the environment that is conducive to the occurrence of reporting errors.

That statement is not intended to excuse errors. I am merely pointing out the reality of the environment that makes it difficult to achieve perfection in this area. I believe that my staff and the employees in other departments are aware of my expectation that we will post and report the County's federal grant transactions and the identifying program information correctly. I believe that it is fair to say that we are working toward that expectation. Internal and external communication, as well as the desire for timeliness and accuracy, is crucial for that objective to be realized.

Further, I submit that any reporting errors that occur at this time are not the result of a lack of a proper system of internal control. Our system entails the work of multiple people from various offices that are involved with the various federal grants. The final step in the process is that the County Auditor reviews the various grants and grant transactions that have been entered into the Gateway site by the Chief Deputy Auditor. The County Auditor then submits the report information that has been entered and reviewed. Obviously, the internal control process has not eliminated reporting errors from occurring. However, I don't think it is due to a lack of a proper system of internal controls. I believe it is more accurate to state that the reporting errors are the result of human error and sometimes inadequate communication between federal, state, and local officials.

The staff in the County Auditor's office is striving to improve communication with the applicable federal and state departments and with the employees in the various offices and departments in Grant County government to eliminate posting and reporting errors pertaining to federal grant programs. Such communication should make it possible to correctly identify all federal grants for which we apply and receive. The staff in the County Auditor's office continues its efforts to

Summary Schedule of Prior Audit Findings
Finding 2019-001
(page 2 of 2)

eliminate human error so that future posting and reporting of federal grant programs will be perfect.

James E. McWhirt
County Auditor
Grant County, Indiana
Monday, August 23, 2021

Tiffany N. Griffith
Grant County Treasurer
Grant County Complex
401 South Adams Street, Suite 229

Marion, IN 46953

Phone: 765-668-6556

E-mail: treasurer@grantcounty.net

FAX: 765-651-0692

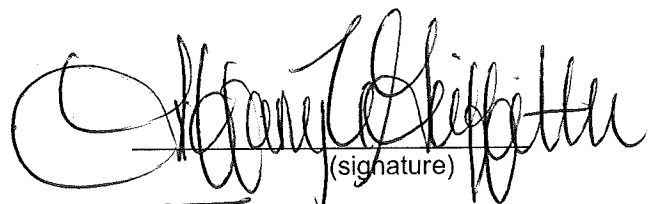
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2019-002

Fiscal year in which the finding initially occurred: 2011
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action: Tiffany Griffith
Contact Phone Number: 765-668-6556

Status of Audit Finding:

Following the conclusion of the 2019 audit, the Treasurer's office has worked diligently to implement corrective actions, as well as, working to complete all financial reporting in a timely manner. All financial reports have been turned in on-time by the deadline given by the State since July 2019 reporting. The Treasurer's office is continually focused on having daily communication with the Auditor's office, verifying all information is received, balancing to the funds ledger and completion of the bank reconciliation will continue to aid in the efforts of preventing deficiencies. Bank reconciliations still have issues that are unresolved. Corrective actions were immediately established in office. These actions involve but are not limited to having segregated duties to all staff members, adhering to internal controls put in place to remove opportunity, provide cross-training in all areas to all team members, implementing a bi-annual performance evaluation for all staff members, mandated training each quarter for all staff members, completing a two-person review process for all financial reports and documentation, and verifying that all data entry is accurate.


(signature)

Treasurer
(title)

September 21, 2021
(date)

(Note to Officials: To determine what audit findings are required to be reported in the Summary Schedule of Prior Audit Findings, please see 2 CFR §200.511(b).)

GRANT COUNTY CIRCUIT CLERK OF COURTS

Pamela Kay Harris ~ Clerk of Courts

Grant County Court House

101 E. 4th St. ~ Marion, IN. 46952

P - 765-668-8120 pharris@grantcounty.net F - 765-668-6541

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2019-003:

Fiscal year in which the Finding Initially Occurred: 2019

Contact Person Responsible for Corrective Action: Pamela K. Harris, County Circuit Clerk

Contact Phone Number: 765) 668-8121

Status of Audit Finding:

We have been working with the Sheriff's Department Bookkeeper on the issue of the checks. Going over entries on the bank statement, where we have found that some of the issues that were thought to be that of the Grant County Circuit Clerks were indeed that of the Marion City Clerk, and the Gas City Clerk. This is due to the fact that the previous person making these entries would just write "Clerk" on the check & in the check registry and not specify which Clerk the check was to be sent to. When we would receive a check that did not belong in our office, we would return it to the Sheriff's Office. I have no way of knowing if it was corrected in the checkbook registry.

Again, it is *not the policy* of the Grant County Circuit Clerk's Office to hold onto checks, with that said, yes, there have been occasions when this did indeed occur. *Mistakes* are *sometimes* made.

The Grant County Clerk's Office will often have some staff turnover due to the fact that once a person is hired, trained and are able to maneuver comfortably through the different computer programs used, are familiar with terminology, etc. then, one of the Judges or the Prosecutor will have a vacancy, and offer that position to one of my "ready to go" staff members. (they both offer a very nice pay increase). So I am left with yet another position to fill, and the need to start the *training process* all over again.

My staff is very conscientious and are constantly working toward perfection, and that is why it is so disappointing when we do have an issue, because everyone is sincerely trying to do their best. My staff is proud of the work they do for Grant County, and take it personally when fault is found.

As for Internal Controls, we do have our checks and balances, and our work areas are small, so my staff can hear and see each other as they are working. They are very willing to offer a hand or a thought to one another if needed.

I have a Chief Deputy who is second to none, she has worked in about every corner of the office, she knows what is going on. A Head Bookkeeper who does not miss much of anything. And a Staff that is not ashamed to ask questions. They know that a problem will find its way back to them for friendly correction. Much of what is done in the Clerk's Office is Time Sensitive, so they are constantly striving for accuracy along with timeliness.

So, to summarize,

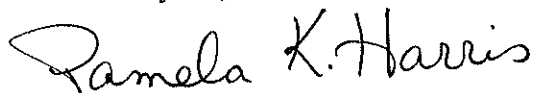
*We are working with the Head Bookkeeper in the Sheriff's office to resolve the check issue. Asking her to specify "which" Clerk, and helping to identify the Circuit Clerks entries on the bank statement.

*We are processing checks as they come in. Noting that if the accompanying paperwork has not yet arrived in our office, that the check will be processed by Depositing the Check - placing the check *amount* into the "Receded Bond Account" - When the Paper Work reaches our office we go to the Receded Bond Holding Account and apply the check amount to the proper case number.

*We are working closely with "new hires", helping them understand the proper office procedure including that of the bond checks when the accompanying paperwork has not yet arrived in our office.

I have fully enjoyed serving Grant County as her Circuit Court Clerk, and will continue to diligently preform my duties.

Thank you,

Handwritten signature of Pamela K. Harris in black ink.

Pamela K. Harris

Grant County Circuit Court Clerk



GRANT COUNTY SHERIFF'S OFFICE

214 EAST FOURTH STREET, MARION, IN 46952

REGGIE E. NEVELS

SHERIFF

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2019-004

Fiscal year in which the finding initially occurred: 2019

Status of Audit Findings:

1. Monitoring and Controls: This issue has been resolved for the Sheriff's Cashbook. Still making and implementing control procedures for checking the Inmate Trust and Commissary Fund reporting. a) Currently for the Grant County Commissary and Inmate Trust Accounts, bank reconciliation reports are approved by a Grant County Sheriff's Office Captain monthly. A ledger/or transaction history report is approved by the Chief Deputy or the Sheriff. b) For the Sheriff's Cashbook the Administrative Assistant approves the bank reconciliation reports and cashbook. Also, the Administrative Assistant reviews the Report of Collections and check stubs that are written from the Cashbook Account.
2. Depository reconciliations of fund balances to bank account balances were not correct. This issue has been resolved. For the Sheriff Commissary Account, QuickBooks Financial Software was used and incorrectly set up. As of March 2021, the Grant County Sheriff's Office has implemented new Sheriff Commissary Software. All records for 2020 were re-entered into the new Lieberman Software. Therefore, since January 1, 2020 all bank reconciliations were recalculated and balanced accordingly for the Commissary Account. In April 2021 all outstanding stale checks were void and returned to the Commissary Account.

Inmate Trust account had an outstanding checking account with Star Financial Bank for \$4,395.52, representing stale checks from old software that is not utilized anymore. On January 26, 2021 this bank account was closed, and the funds were transferred to the Commissary account. On May 20, 2020 outstanding unclaimed funds were sent to the State Attorney General's Office. The Inmate Trust account is now balanced with the software instead of using the bank balance as an official balance of the fund.

3. The Matron has now implemented a new file system, filing check copies and documentation by check number and deposit dates. In the past the filing system was insufficient and unorganized. All checks will have documentation and/or

Administrative Offices (765) 662-9836 · Jail Administration (765) 668-6583 · Emergency 911 or (765) 668-8168
Juvenile Detention (765) 662-9864 · FAX (765) 668-6538

receipts before the check is issued. The Sheriff is aware of the State statute indicating what the Commissary Funds can and will be used for.

4. At this time all future Supplemental Annual Reports will be filed using the total amounts configured from the annual ledger reports for each of the account respectively.

Rogina Banks
Matron
Grant County Sheriff's Office

James E. McWhirt

Grant County Auditor

Grant County Complex

401 S. Adams St., Room 222

Marion, IN 46953-2099

Phone: 765-668-6552

E-mail: jmcwhirt@grantcounty.net

FAX: 765-668-6582

CORRECTIVE ACTION PLAN

FINDING 2020-001

Contact Person Responsible for Corrective Action: James E. McWhirt, County Auditor
Angie Jarvis, Chief Deputy Auditor
Contact Phone Number: (765) 668-6552

Views of the Responsible Official:

While reporting errors still occur, I believe it is important to note that no individual error is considered a material misstatement of the financial information, and none of the errors constitutes a material fraud risk. The nature of some of the federal grants involved, the fact that many individuals and distinct departments are involved in the process, the fact that the duties of the employees responsible for the process entail so much more than just federal grant reporting, and the lack of knowledge and experience with some of the various grants, all contribute to the environment that is conducive to the occurrence of reporting errors.

That statement is not intended to excuse errors. I am merely pointing out the reality of the environment that makes it difficult for perfection in this area to exist. I believe that my staff and the employees in other departments are aware of my expectation that we will post and report the County's federal grant transactions and the identifying program information correctly. I believe that it is fair to say that we are working toward that expectation. Internal and external communication, as well as the desire for timeliness and accuracy, is crucial for that objective to be realized.

Description of Corrective Action Plan:

The staff in the County Auditor's office is striving to improve communication with the applicable federal and state departments and with the employees in the various offices and departments in Grant County government to eliminate posting and reporting errors pertaining to federal grant programs. Such communication should make it possible to correctly identify all federal grants for which we apply and receive. The staff in the County Auditor's office will continue efforts to eliminate human error so that future posting and reporting of federal grant programs will be perfect.

Anticipated Completion Date:

This "Corrective Action Plan" does not have a completion date. This is an on-going effort that will not end until federal grants are no longer received.

James E. McWhirt
County Auditor
Grant County, Indiana
Tuesday, September 14, 2021

Tiffany N. Griffith
Grant County Treasurer
Grant County Complex
401 South Adams Street, Suite 229

Marion, IN 46953

Phone: 765-668-6556

E-mail: treasurer@grantcounty.net

FAX: 765-651-0692

CORRECTIVE ACTION PLAN

FINDING 2020-002

Contact Person Responsible for Corrective Action: Tiffany Griffith (County Treasurer)
Andrea Pritchett (Chief Deputy)

Contact Phone Number: 765-668-6556

Views of Responsible Official: We concur with the State Board of Accounts field examiners and their findings in the 2020 audit.

Description of Corrective Action Plan:

Following the conclusion of the 2020 audit, the Treasurer's office remains confident that proceeding with daily communication with Auditor's office, verifying all information is received, balancing to the funds ledger, and completion of the bank reconciliation will help deter future deficiencies. The financial software has aided in verifying that funds ledgers are balanced daily to the Treasurer's and Auditor's office. A designated individual in the Auditor's office will be utilized to help in identifying any differences between the offices that can be accounted for in the funds ledger and/or bank reconciliation.

The Treasurer's office will also be working with the Auditor's office, the financial software vendor, and the banks to help clean up the outstanding warrants from the insurance account dating back from 2017. The outstanding warrants from the main operational account have been maintained and updated.

Going through each month excise receipt files thoroughly and checking against the cashbook to verify it has been posted will help to deter any posting errors that may occur. Regarding the 15 days where a disbursement was not receipted in from December 23, 2020 until January 7, 2021, reviewing how to receipt in excise with the Chief Deputy will help to deter any untimely excise posting in the Treasurer's absence or during any event or holiday that may cause any absence. Factors contributing to the lack of untimely submissions have been addressed. Cross-training and a two-person review will be implemented.

The Treasurer's office continues to strive in improving transparency and communication with all staff and departments involved to eliminate posting and reporting errors pertaining to the bank reconciliation. Implementation of cross-training in all areas, segregation of duties for all staff members, bi-annual performance evaluations, mandating training each quarter for all staff, completing a two-person review process for all financial reports and documentation, and verifying that all data entry is accurate. These policies will help to improve transparency, efficiency, and timely reporting. The Treasurer's office will continue efforts to eliminate human error so that future posting and reporting will be as accurate as possible.

Grant County Circuit Court Clerk

Pamela Kay Harris Clerk of Courts

101 E. 4th St. Marion IN 46952 ~ 765-668-8121

CORRECTIVE ACTION PLAN

Friday, September 24th, 2021

FINDING 2020-003

Contact Person Responsible for Corrective Action: Pamela K. Harris - Clerk

Contact Phone Number: 765-668-8121

Contact E-Mail: pharris@grantcounty.net

Views of Responsible Official: It appears the concern is that of “Internal Controls” in regards to our bookkeeping process. Whereas my Head Bookkeeper has completed the entire process of the end of day/end of month review, on her own.

Description of Corrective Action Plan: When the Head Bookkeeper prepares end of day/end of month reports, they are now given to the 2nd Deputy Bookkeeper to look over and compare the figures. If they appear to be correct the 2nd Deputy will initial them showing that they have indeed been reviewed by a second individual.

Anticipated Completion Date: The concern of a second pair of eyes looking over the reports has already been implemented. My Bookkeeping Staff has taken it upon themselves to devise a system where they have imposed checks and balances to insure that Internal Controls are being carefully adhered to in the Bookkeeping Office.

Pamela K. Harris Clerk of Courts

Grant County Circuit Court Clerk

Friday, September 24, 2021

Corrective Action Plan

Finding 2020-003

Anticipated Completion Date: This Corrective Action Plan does not have a completion date. This is an ongoing effort that will not end until all previous and future items are addressed accordingly, resolved with efficiency, and continue to be reconciled in the correct manner without any further error.



GRANT COUNTY SHERIFF'S OFFICE

214 East Fourth Street, Marion, IN 46952

REGGIE E. NEVELS
SHERIFF

CORRECTIVE ACTION PLAN

FINDING 2020-004

Contact Person Responsible for Corrective Action: Rogina Banks (Matron)
Contact Phone Number: 765.662.9836

View of Responsible Official: We concur with the findings in the 2020 audit

Description of Corrective Action Plan:

Monitoring and Controls - This matter has been resolved. The Grant County Sheriff's Office acknowledges the importance to monitor the department's internal controls to ensure there are effective processes in place for managing the commissary and inmate trust funds. Monthly financial documents (bank statements, reconciliation reports) are submitted for review and signature to a department captain. A ledger/or transaction history (State form 205X) is submitted to the Sheriff or Chief Deputy for review and signature.

Depository Reconciliations - This issue has been resolved. Quick Books Financial Software was used and incorrectly set up for the Sheriff Commissary fund. The Grant County Sheriff's Office implemented new Commissary software as of March 2021. All records for 2020 were re-entered into the new Lieberman Commissary software. As of January 1, 2020, all bank reconciliations were recalculated and balanced accordingly for the Commissary fund.

The Inmate Trust account's old checking account with Star Financial Bank for \$4,395.52 was closed on January 26, 2021. This account represented stale checks from software that is not utilized any more. Those funds were transferred to the current checking account. On May 20, 2020 outstanding unclaimed funds were forwarded to the State Attorney General's Office. The Inmate Trust account is now balanced with the software instead of using the bank balance as an official balance of the fund.

Controls Over Disbursements - A new filing system has been implemented as of March 2021. Check copies are filed by check number and deposits are filed chronologically; both transactions have their relative documentation attached. Documentation is required before a check is issued.

Controls over the Supplemental Annual Financial (SAFR) - Future Supplemental Annual Reports will be filed using the total amounts configured from the annual ledger reports for each of the accounts respectively.

Anticipated Completion Date: December 31, 2021

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/>.