

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

CITY OF COLUMBUS

BARTHOLOMEW COUNTY, INDIANA

January 1, 2020 to December 31, 2020



**FILED**  
11/24/2021

*Reissued on December 15, 2021, to  
correct the Report on Compliance for  
Each Major Federal Program.*



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## SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Luann Welmer	01-01-20 to 12-31-21
Mayor	James D. Lienhoop	01-01-20 to 12-31-21
President of the Board of Public Works and Safety	James D. Lienhoop	01-01-20 to 12-31-21
President of the Common Council	Tom Dell Elaine Hilber	01-01-20 to 12-31-20 01-01-21 to 12-31-21
Superintendent of Utilities	Scott Dompke (Vacant) Keith Reeves (interim) Roger Kelso	01-01-20 to 02-25-21 02-26-21 to 03-04-21 03-05-21 to 11-14-21 11-15-21 to 12-31-21
Manager of Finance and Business Operations	Arron O'Neal	01-01-20 to 12-31-21
Airport Director	Brian Payne	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 THE CITY OF COLUMBUS, BARTHOLOMEW COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of the City of Columbus (City), for the year ended December 31, 2020, and the related notes to the financial statement, which collectively comprise the City's financial statement and have issued our report thereon dated November 15, 2021, wherein we noted the City 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 City'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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 City's financial statement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2020-001, that we consider to be material weaknesses.

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

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the City'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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2020-001.

***City of Columbus' Response to Findings***

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

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

November 15, 2021



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

TO: THE OFFICIALS OF THE CITY OF COLUMBUS, BARTHOLOMEW COUNTY, INDIANA

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

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

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City'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 City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

***Opinion on Each Major Federal Program***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

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

**Report on Internal Control over Compliance**

Management of the City 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 City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

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

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

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

We have audited the financial statement of the City, as of and for the year ended December 31, 2020, and the related notes to the financial statement. We issued our report thereon dated November 15, 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*  
Paul D. Joyce, CPA  
State Examiner

November 15, 2021

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

CITY OF COLUMBUS  
 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 Agriculture</u>					
Urban and Community Forestry Program 2019 Tree Canopy Grant	Indiana Department of Natural Resources	10.675	Contract #33097	\$ -	\$ 12,000
Total - Department of Agriculture				-	12,000
<u>Department of Housing and Urban Development</u>					
CDBG - Entitlement Grants Cluster					
Community Development Block Grants/Entitlement Grants	Direct Grant	14.218			
COMMUNITY DEVELOPMENT			B16MC180020	-	307
COMMUNITY DEVELOPMENT			B17MC180020	-	147,245
COMMUNITY DEVELOPMENT			B18MC180020	-	143,479
COMMUNITY DEVELOPMENT			B19MC180020	-	137,928
COMMUNITY DEVELOPMENT			B20MC180020	-	38,955
Total - Community Development Block Grants/Entitlement Grants				-	467,914
COVID-19 - Community Development Block Grants/Entitlement Grants	Direct Grant	14.218			
COMMUNITY DEVELOPMENT STRAP			B20MW180020	-	89,744
Total - CDBG - Entitlement Grants Cluster				-	557,658
Total - Department of Housing and Urban Development				-	557,658
<u>Department of Transportation</u>					
Federal Transit Cluster					
Federal Transit Formula Grants	Direct Grant	20.507			
IN-2019-009-00/IN-90-X736 COLUMBUS TRANSIT			IN-2019-009-00/IN-90-X736	-	188,055
IN-2020-022-00/IN-90-X761 COLUMBUS TRANSIT			IN-2020-022-00/IN-90-X761	-	231,586
Total - Federal Transit Formula Grants				-	419,641
COVID-19 - Federal Transit Formula Grants					
COLUMBUS 2020 SEC 5307 CARES ACT OPERATING AND CAPITAL			IN-2020-028-00/IN-90-X765	-	671,632
COLUMBUS 2020 SEC 5307 CARES ACT OPERATING FUNDING			IN-2020-031-00/IN-90-X767	-	131,343
Total - COVID-19 - Federal Transit Formula Grants				-	802,975
Total - Federal Transit Cluster				-	1,222,616
Highway Planning and Construction Cluster					
Highway Planning and Construction	Indiana Department of Transportation	20.205			
REHAB WESTENEDGE DR N OF US 31 S OF ROCKY FORD ROAD			DES-0500868	-	99,245

CITY OF COLUMBUS  
 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
TAYLOR ROAD FROM 25TH STREET TO ROCKY FORD			DES-0500875	-	20,444
COLUMBUS PEOPLE TRAIL-HAW CREEK TRAIL			DES-1173209	-	417
CR 350 W FROM GOELLER RD TO ST RD 46/GOELLER RD FROM OAKBROOK DR TO CR 350 WEST			DES-1401742	-	34,027
17TH & 19TH STREET BICYCLE BOULEVARD			DES-1701061	-	20,000
17TH & 19TH STREET BICYCLE BOULEVARD			DES-1701062	-	14,886
TALLEY ROAD			DES-1701323	-	13,462
LOWELL ROAD ADDED TRAVEL LANES			DES-1701325	-	67,632
TAYLOR ROAD PHASE II			DES-1702107	-	35,689
TALLEY ROAD BRIDGE 103			DES-1800008	-	21,856
METROPOLITAN PLANNING ORGANIZATION			A249-19-G19001/DES1801291	-	135,719
<b>Total - Highway Planning and Construction</b>				<b>-</b>	<b>463,377</b>
<b>Total - Highway Planning and Construction Cluster</b>				<b>-</b>	<b>463,377</b>
Airport Improvement Program	Direct Grant	20.106			
REHABILITATE TAXIWAY C REHABILITATE TAXIWAY A3/A4			3-18-0012-030-2018	-	647,918
AVIATION/FAA GRANT AIP 31			3-18-0012-031-2019	-	216,955
AVIATION-COVID/FAA GRANT AIP 33			3-18-0012-033-2020	-	175,000
<b>Subtotal - Airport Improvement Program</b>				<b>-</b>	<b>1,039,873</b>
COVID-19 - Airport Improvement Program	Direct Grant	20.106			
AVIATION/FAA GRANT AIP 32			3-18-0012-032-2020	-	69,000
<b>Total - Airport Improvement Program</b>				<b>-</b>	<b>1,108,873</b>
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	Indiana Department of Transportation	20.505			
METROPOLITAN PLANNING ORGANIZATION			A249-19-G19001/DES1801291	-	33,276
<b>Total - Department of Transportation</b>				<b>-</b>	<b>2,828,142</b>
<u>Department of the Treasury</u>					
COVID-19 - Coronavirus Relief Fund	Indiana Finance Authority	21.019			
CITY-COVID			N/A	-	1,542,474
<b>Total - Department of the Treasury</b>				<b>-</b>	<b>1,542,474</b>
<b>Total federal awards expended</b>				<b>\$ -</b>	<b>\$ 4,940,274</b>

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

CITY OF COLUMBUS  
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 City 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 City, it is not intended to and does not present the financial position of the City.

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

CITY OF COLUMBUS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I - Summary of Auditor's Results**

Financial Statement:

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

Federal Awards:

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

Identification of Major Programs and type of auditor's report issued on compliance for each:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
21.019	COVID-19 - Coronavirus Relief Fund Highway Planning and Construction Cluster	Unmodified Unmodified

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

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

**FINDING 2020-001**

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

*Condition and Context*

There were deficiencies in the internal control system of the Water and Wastewater Utilities related to financial transactions and reporting.

Internal controls over the monthly reconcilements of the depository balance to the financial records for the Water and Wastewater Utilities were not effective. Monthly bank reconcilements of the Utility funds were being performed by the lead accountant, with guidance for adjustments and reconciling from a consultant, and reviewed and approved by someone other than the person who prepared the monthly reconcilements. However, reconciling items and variances between the depository balances and the financial records were not investigated timely.

CITY OF COLUMBUS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

The following items were noted:

1. Monthly bank reconciliements were not being completed timely. The final December 31, 2020 reconciliation was not completed and presented for audit until October 1, 2021.
2. The December 31, 2020 reconciliation contained reconciling items from November 2019 and from January 2020 through November 2020 that were not investigated and resolved timely.
3. Credit card collections from Utility customers were initially deposited into the credit card bank account of the Utility with the collections properly posted to the customers' accounts and ledger. Monthly transfers were made from the Utility credit card bank account as follows, 50 percent of the credit card collections to the Wastewater Operating bank account and 50 percent to the Water Operating bank account. However, the amount collected was not actually allocable to the utilities 50/50, at year end, the Utility would make a bank transfer for the difference between what was transferred and what should have been transferred to the two utility bank accounts. For 2020, the Utility failed to make the adjusting bank transfer and as a result, the Wastewater Utility Operating bank account owed the Water Operating bank account \$1,539,039.
4. During 2020, bond proceeds from the 2020 Sewage Works Refunding Bonds and proceeds from the Waterworks Revenue Bond Anticipation Note Series 2020 were incorrectly deposited into the applicable Utility Operating bank accounts and not corrected as of December 31, 2020. As a result, the Wastewater Operating bank account and the Water Operating bank account owed the Utilities Bond Funds bank account \$1,312,796 and \$566,039, respectively.

*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. . . ."

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."

CITY OF COLUMBUS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

All financial transactions pertaining to the unit must be recorded in the records of the unit at the time of the transaction. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

All documents and entries to records must be made in a timely manner to ensure that accurate financial information is available to allow the unit to make informed management decisions and to help ensure compliance with IC 5-15-1-1. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

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 Cities and Towns, Chapter 1)

*Cause*

Management of the City had not established an effective system of internal controls over financial transactions and reporting.

*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 City 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, material misstatements in a timely manner.

*Views of Responsible Officials*

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

**Section III - Federal Award Findings and Questions Costs**

No matters are reportable.

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#### AUDITEE-PREPARED DOCUMENTS

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



Luann G. Welmer, Clerk-Treasurer

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### ***FINDING 2019-001***

Fiscal year in which the finding initially occurred: 2019

Status of Audit Finding:

The finding listed has been corrected. The Clerk Treasurer's Office will continue to closely monitor all accounts and work with all departments to provide accurate and timely information for the SEFA reporting.



Columbus City Utilities  
1111 McClure Road  
Columbus IN 47201  
812-372-8861  
[www.columbusutilities.org](http://www.columbusutilities.org)

## CORRECTIVE ACTION PLAN

### ***FINDING 2020-001***

Contact Person Responsible for Corrective Action: Arron O'Neal  
Contact Phone Number: (812) 418-6411

#### Views of Responsible Official:

The Columbus City Utilities (CCU) agrees the bank reconciliation needs to be finalized. In an effort to complete this task, CCU hired a municipal advisor, Baker Tilly, who was contracted in 2019 to provide services with respect to the water and sewer utility cost of service rate studies, financial planning, bond rating assistance, and annual accounting assistance which includes the bank reconciliation and other accounting matters. CCU is confident good progress has been made and a resolution will occur in 2021.

#### Description of Corrective Action Plan:

CCU will continue working closely with Baker Tilly to finalize the bank reconciliation. We will post the appropriate adjustments to the general ledgers and transfer the needed funds in the bank accounts. The bank reconciliation has been a concern and main point of focus recently, and CCU staff believes this is evident with the agreement between the Utilities and Baker Tilly to properly correct and resolve this matter. With staff having the assistance and support from an outside firm, improved documentation and training is occurring.

#### Anticipated Completion Date:

This resolution is currently being worked on. Final transfers and adjustments to the bank reconciliation will occur and be reflected on the December 31, 2021 year-end financial statements.

## OTHER REPORTS

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