

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

CITY OF KOKOMO

HOWARD COUNTY, INDIANA

January 1, 2020 to December 31, 2020



**FILED**

12/28/2021



## 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 Each 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 .....	11-13
Notes to Schedule of Expenditures of Federal Awards.....	14-15
Schedule of Findings and Questioned Costs.....	16-17
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings.....	20
Corrective Action Plan .....	21
Other Reports.....	22

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
City Controller	Weston Reed	01-01-20 to 12-31-21
Mayor	Tyler Moore	01-01-20 to 12-31-21
President of the Board of Public Works	Weston Reed	01-01-20 to 12-31-21
President of the Common Council	Lynn Rudolph Matthew Greco	01-01-20 to 12-31-20 01-01-21 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 KOKOMO, HOWARD 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 Kokomo (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 December 2, 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2020-001.

***City of Kokomo's 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, CPA  
State Examiner

December 2, 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 KOKOMO, HOWARD COUNTY, INDIANA

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

We have audited the City of Kokomo's (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.

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)

***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.

**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 December 2, 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

December 2, 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.

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CITY OF KOKOMO  
 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	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient	Total Federal Awards Expended
<u>Department of Agriculture</u>					
Rural Business Enterprise Grants USDA revolving loan fund	Direct Grant	10.769	FY 2020	\$ -	\$ 35,157
Total - Rural Business Enterprise Grant				-	35,157
Total - Department of Agriculture				-	35,157
<u>Department of Commerce</u>					
Economic Development Cluster Economic Adjustment Assistance EDA Revolving Loan	Direct Grant	11.307	FY2020	-	1,174,138
Total - Economic Development Cluster				-	1,174,138
Total - Department of Commerce				-	1,174,138
<u>Department of Housing and Urban Development</u>					
CDBG - Entitlement Grants Cluster Community Development Block Grants/Entitlement Grants	Direct Grant				
HUD CDBG 2015		14.218	B15-MC-18-0014	-	105,546
HUD-CDBG 2019		14.218	B19-MC-18-0014	51,764	657,579
HUD CDBG 2020		14.218	B20-MC-18-0014	58,270	58,695
Total - Community Development Block Grants/Entitlement Grants				110,034	821,820
Total - CDBG - Entitlement Grants Cluster				110,034	821,820
Total - Department of Housing and Urban Development				110,034	821,820
<u>Department of Justice</u>					
Edward Byrne Memorial Justice Assistance Grant Program PO319 2019 JAG Grant PO120 Equipment Grant	Direct Grant Indiana Criminal Justice Institute	16.738 16.738	2019-DJ-BX-0279 FY20 JAG	- -	34,502 23,100
Total - Edward Byrne Memorial Justice Assistance Grant Program				-	57,602
COVID-19 - Coronavirus Emergency Supplemental Funding Program BJA FY20 Coronavirus Emergency Supplemental Funding Program	Direct Grant	16.034	2020-VD-BX-1524	-	54,662
Missing Children's Assistance PO219 ICAC Amend#2 PO220 ICAC Amend#3	Indiana Criminal Justice Institute	16.543 16.543	2017-MC-FX-K008 2017-MC-FX-K008 Amend #3	- -	597 10,206
Total - Missing Children's Assistance				-	10,803
Bulletproof Vest Partnership Program Bulletproof vest 50/50 partnership PO-5 PO519 Bulletproof Vest 50/50 Partnership	Direct Grant	16.607 16.607	FY2018 FY2019	- -	4,250 10,416
Total - Bulletproof Vest Partnership Program				-	14,666

CITY OF KOKOMO  
 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	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient	Total Federal Awards Expended
Equitable Sharing Program Police Equitable Sharing	Direct Grant	16.922	DEA 2020 Distribution	-	135,122
Total - Department of Justice				-	272,855
<u>Department of Transportation</u>					
Federal Transit Cluster					
Federal Transit Formula Grants					
FTA16 Federal Transit Formula Grant 2016	Direct Grant	20.507	IN-2016-034-00	-	53,599
FTA18 Federal Transit Formula Grant 2018		20.507	IN-2018-015-00	-	176,644
FTA19 Federal Transit Formula Grant 2019		20.507	IN-2019-010-00	-	165,408
FTASW STBG Flex Funding Multimodal Transit		20.507	IN-2020-005-00	-	142,140
FTABB. Transit STBG Flex Bus Barn Replacement		20.507	IN-2020-036-00	-	85,679
Sub-Total - Federal Transit Formula Grant				-	623,470
COVID-19 - Federal Transit Formula Grants FTA CARES Grant Fund	Direct Grant	20.507	IN-2020-018-00	-	1,179,910
Total - Federal Transit Formula Grant				-	1,803,380
Total - Federal Transit Cluster				-	1,803,380
Highway Planning and Construction Cluster					
Highway Planning and Construction					
Markland from Washington to Apperson-Construction Inspection Eng	Indiana Department of Transportation	20.205	DES #1401820	-	21,216
Lincoln & Berkley Intersection Impr W Added Travel Lanes		20.205	DES 1900780	-	24,360
Lincoln Construction Engineering		20.205	DES NO 1401818	-	151,702
Center Trail Fr SR931 to Dixon		20.205	DES NO 1901304	-	57,968
Total - Highway Planning and Construction				-	255,246
Total - Highway Planning and Construction Cluster				-	255,246
Highway Safety Cluster					
State and Community Highway Safety					
PO420A Non-Motorist Grant	Indiana Criminal Justice Institute	20.600	CHIRP-2020-00035	-	8,364
PO420 Click It to Live It		20.600	CHIRP-2020-00035	-	16,681
PO420E Administration		20.600	CHIRP-2020-00035	-	874
Total - State and Community Highway Safety				-	25,919
National Priority Safety Programs					
PO420F Stop Arm Violation Enforcement	Indiana Criminal Justice Institute	20.616	SAVE-2020-00004	-	8,455
PO420D Distracted Driving Grant		20.616	CHIRP-2020-00035	-	5,000
PO420C HVE Motorcycle		20.616	CHIRP-2020-00035	-	2,294
Total - National Priority Safety Programs				-	15,749
Total - Highway Safety Cluster				-	41,668

CITY OF KOKOMO  
 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	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient	Total Federal Awards Expended
Minimum Penalties for Repeat Offenders for Driving While Intoxicated PO420B Summer Impaired Driving Enf	Indiana Criminal Justice Institute	20.608	CHIRP-2020-00035	-	4,794
Airport Improvement Program	Direct Grant				
AI27 Taxiway C&D Rehab-Repackage/Construction		20.106	3-18-0044-027-2018	-	478,989
AI28 14/32 Rehab-Design		20.106	3-18-0044-028-2019	-	12,983
AI30 14/32 Rehab Construction & Cons Eng 100% FAA		20.106	3-18-0044-030-2020	-	24,107
Sub-Total - Airport Improvement Program				-	516,079
COVID-19 - Airport Improvement Program FAA CARES Grant Fund	Direct Grant	20.106	3-18-0044-029-2020	-	27,508
Total - Airport Improvement Program				-	543,587
Total - Department of Transportation				-	2,648,675
<u>Department of the Treasury</u>					
COVID-19 - Coronavirus Relief Fund CARES Grant Fund	Indiana Finance Authority	21.019	CY2020	-	1,877,489
Total - Department of the Treasury				-	1,877,489
<u>Environmental Protection Agency</u>					
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	Direct Grant				
Brownfield Revolving Loan		66.818	BF-00E01364	-	228,310
Brownfield Grant		66.818	BF-00E02704	-	32,064
Total - Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements				-	260,374
Total - Environmental Protection Agency				-	260,374
<u>Department of Health and Human Services</u>					
Aging Cluster					
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers Title III part B Area 5	Area 5 on Aging & Community Services	93.044	2019/2020	-	20,808
Total - Aging Cluster				-	20,808
Total - Department of Health and Human Services				-	20,808
Total federal awards expended				\$ 110,034	\$ 7,111,316

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

CITY OF KOKOMO  
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.

**Note 3. Calculation of Economic Development Cluster Expenditures on the SEFA**

The reported expenditures were calculated as follows, in accordance with guidance by the grantor:

CITY OF KOKOMO  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
(Continued)

Revolving Loan Fund (RLF):		
Outstanding loans as of December 31, 2020	\$ 107,612	
Cash and Investments as of December 31, 2020	1,242,268	
Administrative expenses paid out of RLF income during 2020	-	
Unpaid principal on loans written off during 2020	<u>-</u>	
Subtotal		<u>1,349,880</u>
Calculation of Federal Participation Rate (FPR):		
Original grant	500,000	
Original match (In-Kind)	<u>74,839</u>	
Subtotal	<u>574,839</u>	
FPR - Original grant awarded divided by total including original match		<u>86.98%</u>
Expenditures reported on the SEFA		<u>\$ 1,174,138</u>

**Note 4. Loans Outstanding**

The City had the following loan balances, with continuing federal compliance requirements, outstanding at December 31, 2020. These loan balances outstanding are also included in the federal expenditures presented in the SEFA.

Program Title	Federal CFDA Number	2020
Rural Business Enterprise Grants	10.769	\$ 35,157
Brownfields Multipurpose, Assessment, Revolving Loan and Cleanup Cooperative Agreements	66.818	225,000

CITY OF KOKOMO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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

Financial Statement:

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

Federal Awards:

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

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

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
	CDBG - Entitlement Grants Cluster	Unmodified
	Federal Transit Cluster	Unmodified
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
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**Section II - Financial Statement Findings**

**FINDING 2020-001**

Subject: Financial Transactions  
Audit Findings: Material Weakness, Noncompliance

*Condition and Context*

There were deficiencies in the internal control system of the City related to financial transactions.

*Payroll Vendors*

The City designed and implemented an internal control process over disbursements; however, payroll benefit disbursements were not subjected to the same procedures. Employee benefit payments were made without the required review and approval.

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

*Cash and Investments*

The City designed and implemented an internal control process over bank reconciliations; however, internal controls were ineffective in detecting that the reconciliation did not include all the City bank accounts and funds. The reconciliation presented for audit included errors in the amount of \$4,470,808. Upon the addition of the unreconciled accounts, bank accounts materially reconciled to record balances.

*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."

*Cause*

Management of the City had not established a proper system of internal controls over financial transactions that would have ensured proper reconciling of the bank accounts.

*Effect*

The failure to establish an effective system of internal controls enabled material 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.

**Section III - Federal Award Findings and Questioned 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.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**FINDING 2019-001**

Fiscal year in which the finding initially occurred: 2019

Status of Audit Finding: Corrective Action Was Taken



## CORRECTIVE ACTION PLAN

### **FINDING 2020-001**

Contact Person Responsible for Corrective Action: Weston Reed  
Contact Phone Number: 765-456-7455

#### Views of Responsible Official:

We concur with the above referenced finding.

#### Description of Corrective Action Plan:

##### Payroll Vendors

Effective with December 3<sup>rd</sup> payroll, all payroll benefit disbursements (i.e. Indiana Public Retirement System, payroll taxes withholdings etc...) will be approved by the Board of Public Works & Safety at its weekly meeting.

##### Bank Reconciliation-Cash & Investment

Effective with November 2021 month-end bank reconciliations, the fund ledger will be included with the bank reconciliation to ensure that all funds are accounted for.

#### Anticipated Completion Date:

We are in the process of implementing this into our weekly and monthly process and will start by the beginning of December 2021.

## 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/>.