

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

VANDERBURGH COUNTY, INDIANA

January 1, 2020 to December 31, 2020



FILED

01/20/2022

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Brian Gerth	01-01-20 to 12-31-21
County Treasurer	Susan Kirk Dottie Thomas	01-01-20 to 12-31-20 01-01-21 to 12-31-21
Clerk of the Circuit Court	Carla Hayden	01-01-20 to 12-31-21
County Sheriff	David L. Wedding	01-01-20 to 12-31-21
County Recorder	Debbie Stucki	01-01-20 to 12-31-21
President of the Board of County Commissioners	Jeff Hatfield Ben Shoulders	01-01-20 to 12-31-20 01-01-21 to 12-31-21
President of the County Council	Tom Shetler, Jr. John Montrastelle	01-01-20 to 12-31-20 01-01-21 to 12-31-21



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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TO: THE OFFICIALS OF VANDERBURGH COUNTY, INDIANA

This report is supplemental to our audit report of Vanderburgh County (County), for the period from January 1, 2020 to December 31, 2020. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the County. It should be read in conjunction with our Financial Statements Audit Report of the County, which provides our opinions on the County's financial statements. This report may be found at www.in.gov/sboa.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit Results and Comments contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Official Response to the Audit Results and Comments, incorporated within this report, was not verified for accuracy.

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

October 26, 2021

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COUNTY AUDITOR
VANDERBURGH COUNTY

COUNTY AUDITOR
VANDERBURGH COUNTY
AUDIT RESULTS AND COMMENTS

ACCOUNTING FOR THE IFA ADMINISTERED CRF MONEY

Condition and Context

The County did not properly account for the Coronavirus Relief Fund (CRF) in accordance with the options outlined in the State Examiner Directive 2020-3 (Directive).

The County created multiple funds, instead of one fund as outlined in the Directive, to account for the reimbursements received from the Indiana Finance Authority. The County then spent directly out of the multiple CARES funds during the year. At year end, the County made a transfer from the General fund to the CARES grant funds to cover the expenses, which were not submitted for reimbursement instead of processing a reversing entry. This caused the expenditures to not be accounted for in the appropriate fund and to be expended without appropriation.

Criteria

Each local unit of government that receives an allocation from the Coronavirus Relief Fund administered by IFA shall establish a separate CARES grant fund with a fund number consistent with memorandum *Accounting and Appropriation of COVID-19 Grants, April 29, 2020 (updated September 29, 2020)*.

All Reimbursements received from IFA shall be receipted into a separate CARES grant fund that is specific to IFA reimbursements. . . .

Framework Three. If you have created a negative balance in your CARES fund based on expenditures made in anticipation of receipt of reimbursement for allowable expenditures where invoices have already been submitted to IFA then leave as is and receipt reimbursement when received, bringing the balance in the separate CARES grant fund to zero. . . . If a negative balance in the CARES grant fund is not fully reimbursed, then the unreimbursed amount will require a reverse entry and posting of the expenditure to the general or other appropriate fund within an appropriation line item. (State Examiner Directive 2020-3)

DISBURSEMENT ACTIVITY FROM MVH - RESTRICTED FUND

The same comment also appeared in prior Report B56060.

Condition and Context

Of the ten MVH - Restricted fund disbursements tested, eight were for activities not related to construction, reconstruction, or preservation of the County's highways; two disbursements were for maintenance expenditures and the remaining six disbursements were not allocated to any specific road or bridge project, including personal services.

Criteria

Indiana Code 8-14-1-4(b) states: "For funds distributed to a county from the motor vehicle highway account, the county shall use at least fifty percent (50%) of the money for the construction, reconstruction, and preservation of the county's highways."

COUNTY AUDITOR
VANDERBURGH COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 26, 2021, with Brian Gerth, County Auditor; Ben Shoulders, President of the Board of County Commissioners; and John Montrastelle; President of the County Council.

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COUNTY HIGHWAY DEPARTMENT
VANDERBURGH COUNTY

COUNTY HIGHWAY DEPARTMENT
VANDERBURGH COUNTY
AUDIT RESULT AND COMMENT

DISBURSEMENT ACTIVITY FROM MVH - RESTRICTED FUND

The same comment also appeared in prior Report B56060.

Condition and Context

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COUNTY HIGHWAY DEPARTMENT
VANDERBURGH COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 26, 2021, with Brian Gerth, County Auditor; Ben Shoulders, President of the Board of County Commissioners; John Montrastelle; President of the County Council; and Scot Wichser, Highway Superintendent.