

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

WELLS COUNTY, INDIANA

January 1, 2022 to December 31, 2022



FILED
06/22/2023

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Transmittal Letter	3
County Auditor:	
Audit Results and Comments:	
Annual Financial Report - Other Information	6
Motor Vehicle Highway (MVH) - Restricted Fund	6
Sales Tax Paid on Purchases	6
Exit Conference	7

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Lisa K. McCormick	01-01-22 to 12-31-23
County Treasurer	Kathy J. Peeper	01-01-22 to 12-31-23
Clerk of the Circuit Court	Beth J. Davis	01-01-22 to 12-31-23
County Sheriff	Scott A. Holliday	01-01-22 to 12-31-23
County Recorder	Carolyn C. Bertsch	01-01-22 to 12-31-23
President of the Board of County Commissioners	Michael K. Vanover	01-01-22 to 12-31-23
President of the County Council	Steven R. Huggins Seth Whicker	01-01-22 to 12-31-22 01-01-23 to 12-31-23



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

This report is supplemental to the audit report of Wells County (County), for the period from January 1, 2022 to December 31, 2022. 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 the Financial Statement Audit Report of the County, which provides our opinions on the County's financial statement. 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.

Beth Kelley, CPA, CFE
Deputy State Examiner

June 7, 2023

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COUNTY AUDITOR
WELLS COUNTY

COUNTY AUDITOR
WELLS COUNTY
AUDIT RESULTS AND COMMENTS

ANNUAL FINANCIAL REPORT - OTHER INFORMATION

Condition and Context

Financial and other information are required to be entered annually into the Annual Financial Report via the Indiana Gateway for Government Units (Gateway) financial reporting system. The capital assets information entered into Gateway was incorrect and did not reflect the financial activity of the County.

Disbursements for the jail renovation and highway garage construction projects were not reported as Construction in Progress (CIP). As a result, CIP was underreported by \$8,918,829.

An adjustment was proposed, accepted by the County, and made to the Schedule of Capital Assets presented as Other Information.

Criteria

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](#)."

MOTOR VEHICLE HIGHWAY (MVH) - RESTRICTED FUND

Condition and Context

The County spent MVH Restricted funds for purposes that were not construction, reconstruction, or preservation of highways. Out of the 27 disbursements tested, 1 disbursement from the MVH Restricted fund paid for items that were not permissible use of the MVH Restricted fund.

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."

SALES TAX PAID ON PURCHASES

Condition and Context

The County paid sales taxes in the amount of \$132 on two credit card purchases tested during the audit period.

Criteria

Sales taxes that are paid on qualifying purchases by the unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

COUNTY AUDITOR
WELLS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 7, 2023, with Lisa K. McCormick, County Auditor; Blake Gerber, Vice President of the Board of County Commissioners; and Seth Whicker, President of the County Council.