

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
PARKE COUNTY, INDIANA
January 1, 2012 to December 31, 2012



FILED
06/25/2013

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report	3-5
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	6-7
Financial Statement:	
Statement of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	10-12
Notes to Financial Statement	13-17
Supplementary Information - Unaudited:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	20-41
Schedule of Payables and Receivables	42
Schedule of Leases and Debt	43
Schedule of Capital Assets.....	44
Other Reports.....	45
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance.....	48-49
Schedule of Expenditures of Federal Awards	52-53
Notes to Schedule of Expenditures of Federal Awards.....	54
Schedule of Findings and Questioned Costs	55-58
Auditee Prepared Schedule:	
Corrective Action Plan.....	59-61
Exit Conference.....	62

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Pam Adams	01-01-11 to 12-31-14
Treasurer	Mary Alice Gregg	01-01-09 to 12-31-16
Clerk	Diana Hazlett	01-01-11 to 12-31-14
Sheriff	D. Michael Eslinger	01-01-11 to 12-31-14
Recorder	Mary Jo Harkrider	01-01-09 to 12-31-16
President of the Board of County Commissioners	George Nicholas Jim Meece	01-01-12 to 12-31-12 01-01-13 to 12-31-13
President of the County Council	James A. Rahn	01-01-12 to 12-31-13



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF PARKE COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Parke County (County), which comprises the financial position and results of operations for the year ended December 31, 2012, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the County prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the County for the year ended December 31, 2012.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the County for the year ended December 31, 2012, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated April 23, 2013, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Accompanying Information

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local*

INDEPENDENT AUDITOR'S REPORT
(Continued)

Governments, and Non-Profit Organizations, 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 reports 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 taken as a whole.

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

Other Information

Included in the financial statement are the receipts and disbursements activity from emergency telephone system fees (IC 36-8-16), enhanced wireless emergency telephone fees (IC 36-8-16.5), and statewide 911 services fees (IC 36-8-16.7). In accordance with Indiana Code 36-8-16-14, Indiana Code 36-8-16.5-41, and Indiana Code 36-8-16.7-38, these fees have been subject to an annual audit performed by the Indiana State Board of Accounts and, in our opinion, are fairly stated, in all material respects, in relation to the financial statement taken as a whole.



Bruce Hartman
State Examiner

April 23, 2013



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

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 PARKE 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 Parke County (County), which comprises the financial position and results of operations for the year ended December 31, 2012, and the related notes to the financial statement, and have issued our report thereon dated April 23, 2013, 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.

Our consideration of the internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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 entity's financial statement will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as item 2012-1 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Parke 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.



Bruce Hartman
State Examiner

April 23, 2013

(This page intentionally left blank.)

FINANCIAL STATEMENT

The financial statement and accompanying notes were approved by management of the County. The financial statement and notes are presented as intended by the County.

PARKE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2012

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
After Settlement Collections	\$ 380,678	\$ 500,262	\$ 380,678	\$ 500,262
Sheriff's Inmate Trust	4,959	104,763	108,020	1,702
Jail Commissary	38,694	60,353	59,730	39,317
Clerk's Trust	203,651	1,007,989	942,612	269,028
Sheriff's Cashbook	4,157	191,837	192,335	3,659
General	288,532	5,921,398	5,833,996	375,934
Accident Report	6,025	510	-	6,535
CEDIT County Share	2,982	544,253	206,002	341,233
Child Advocacy	639	-	-	639
City and Town Court Costs	474	4,179	-	4,653
Clerk's Records Perpetuation	17,247	3,421	6,628	14,040
Congressional School Interest	13,215	25	1,355	11,885
Congressional School Principal	33,865	-	-	33,865
Sales Disclosure - County Share	6,897	2,270	179	8,988
Covered Bridge	256,244	52,592	45,464	263,372
Cumulative Bridge	752,976	535,048	627,739	660,285
Cumulative Building	38,399	-	38,399	-
Cumulative Capital Development	143,147	163,721	106,229	200,639
Drug Free Community	50,034	24,606	16,775	57,865
Emergency Planning/Right To Know	16,191	5,420	2,003	19,608
Emergency Telephone System	22,759	55,088	77,847	-
Firearms Training	5,241	9,650	1,844	13,047
Health	82,715	82,155	99,034	65,836
Identification Security Protection	2,995	1,555	-	4,550
Levy Excess	78,561	126,992	-	205,553
Local Health Maintenance	28,416	32,672	31,026	30,062
Local Road and Street	79,819	211,611	173,320	118,110
LOIT Public Safety - County Share	159,034	540,446	527,279	172,201
Misdemeanant	7,433	11,128	6,560	12,001
Motor Vehicle Highway	1,043,301	2,041,867	1,688,752	1,396,416
Park Nonreverting Capital	30,993	4,832	9,319	26,506
Park Nonreverting Operating	112,087	28,933	112,316	28,704
Plat Book	87,935	9,720	5	97,650
Rainy Day	641,212	442	53,398	588,256
Reassessment - 2009	99,703	-	62,244	37,459
Reassessment - 2015	68,134	160,025	-	228,159
Recorder's Records Perpetuation	29,923	24,235	8,632	45,526
Riverboat	72,049	71,034	-	143,083
Sex and Violent Offender Administration	4,203	905	511	4,597
Sheriff's Pension Trust	923	9,595	9,946	572
Supplemental Public Defender Services	21,882	10,531	21,028	11,385
Surplus Tax	65,918	14,873	8,598	72,193
Surveyor's Corner Perpetuation	9,543	4,920	10,000	4,463
Tax Sale Redemption	9,460	33,132	35,524	7,068
Tax Sale Surplus	90,010	283,858	27,201	346,667
Local Health Department Trust Account	42,012	15,562	4,837	52,737
Wireless Emergency Telephone System	145,084	103,953	249,036	1
GAL/CASA	730	11,585	11,615	700
Auditors Ineligible Deductions	33,787	57,897	32,020	59,664
County Elected Officials Training	521	1,553	-	2,074
Park And Recreation	284,121	189,197	344,851	128,467
Statewide 911	-	211,342	83,926	127,416
Adult Probation Administrative	39,909	15,437	14,367	40,979
Supplemental Adult Probation Services	53,339	103,140	103,096	53,383
Supplemental Juvenile Probation Services	57,792	5,157	13,236	49,713
Alternative Dispute Resolution	1,445	1,710	-	3,155
Donations	3,300	-	-	3,300
Payroll Clearing	692,451	3,239,692	3,128,178	803,965
Settlement	-	11,425,358	11,425,358	-
LOIT Prop Tax Oper Levies Replace	-	711,541	711,541	-
LOIT Public Safety	-	635,832	635,832	-
LOIT Stabilization	808,480	51,453	124,548	735,385

The notes to the financial statement are an integral part of this statement.

PARKE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2012
(Continued)

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
Wheel Tax	-	71,821	71,821	-
Sur Tax	-	200,633	200,633	-
CVET Agency	-	58,894	58,894	-
Financial Institution Tax	-	65,033	65,033	-
CEDIT Homestead Credit	147,576	640,084	548,529	239,131
HEA 1001 State Homestead Credit	1,391	-	-	1,391
Homestead Credit Rebate	7,997	-	-	7,997
LOIT PTRC	17,135	616,441	613,499	20,077
State Fines and Forfeitures	850	3,300	4,150	-
Infraction Judgements	1,713	14,930	15,650	993
Overweight Vehicle Fines	500	136	636	-
Special Death Benefit	90	1,240	1,255	75
Sales Disclosure - State Share	195	2,270	2,155	310
Coroners Training & Con't Education	103	764	748	119
Interstate Compact - State Share	-	288	288	-
Mortgage Recording Fees - State Share	425	2,024	2,192	257
DLGF Homestead Property Database	-	7,545	7,545	-
Inheritance Tax	97,078	590,176	615,795	71,459
Education Plate Fees Agency	-	731	731	-
Riverboat Revenue Sharing	-	31,681	31,681	-
Innkeepers Tax Collections	19,722	137,279	127,170	29,831
Judgments Due Law Enforcement	31,141	2,945	3,185	30,901
CAGIT Distribution	-	2,543,326	2,543,326	-
CEDIT Distribution	-	645,318	642,284	3,034
93.563 ARRA Prosecutor IV-D Incentive	12,063	-	-	12,063
93.563 Title IV-D Incentive	8,407	9,291	-	17,698
93.563 Prosecutor IV-D Incentive-Post Oct '99	35,646	7,217	15,994	26,869
93.563 Clerk IV-D Incentive-Post Oct '99	113,603	4,800	10,339	108,064
Park Disc Golf Course	-	4,056	1,183	2,873
97.040 CSEPP Program	3,875	-	-	3,875
93.617 HAVA Grant	-	10,000	10,000	-
Innkeepers	53,350	132,170	129,839	55,681
Redevelopment Commission	469,604	165,747	32,191	603,160
Clerk Child Support	2,560	338,223	338,507	2,276
Reserve Deputies	2,818	1,225	65	3,978
National Night Out	172	391	291	272
RDP Grant Project 2011	556	-	-	556
2011 Drug & Problem Solving Grant	5,000	-	-	5,000
Sheriff Meth OT Grant	2,299	3,000	2,952	2,347
MADD Grant	205	-	-	205
Family Court Grant	3,025	5,000	4,375	3,650
EMS Station Local Match	27,470	-	-	27,470
County Law Enforcement Cont Ed	4,976	1,807	3,799	2,984
CASA Donation	81	-	14	67
Drug Court Testing & Training	3,624	-	2,624	1,000
Federal Forfeitures	198	-	-	198
Drug Court Assessments	235	-	-	235
16.738 Drug & Problem Solving Crt	6,577	26,005	32,573	9
Drug Coury Incentive LCC Mini	746	-	231	515
Adult Probation Match	18,577	1,723	837	19,463
Marine Patrol Grant	1,590	13,338	14,928	-
Forfeitures & Seizures	4,556	53	540	4,069
Drug Court Tune Up	683	-	-	683
Jury Pay	5,802	1,724	-	7,526
Problem Solving Crt Prg Income	3,925	12,430	6,655	9,700
Operation Pull Over Enforcement	410	119	495	34
Crime Victims Assistance	88	9,193	5,738	3,543
Local Planning Council Grant	2,792	-	-	2,792
Drug Court Workshop	1,227	-	-	1,227
Bulletproof Vest	-	393	-	393
Drug Court Loan Fund	371	-	-	371
Judge's Juvenile Incentive	191	-	-	191

The notes to the financial statement are an integral part of this statement.

PARKE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2012
(Continued)

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
LCC Grant	1,265	-	1,265	-
LCC Mini Meth Surveillance	-	1,226	750	476
Tobacco Cessation Grant	1,947	-	-	1,947
93.069 H1N1 160-66 Grant	21	-	-	21
97.042 Emergency Mgt Sub Grant	245	-	-	245
97.042 EMA Salary Reimbursement	-	15,950	15,950	-
97.042 Competitive Performance Grant	-	3,616	3,616	-
39.011 Non Revert Title III	397	-	-	397
Public Health Emergency Prepar	3,466	14,715	17,952	229
PHC Grant 08/31/07 - 10/31/07	33	-	-	33
Digital Camera Mini Grant	710	-	-	710
County Donation Fund	630	-	-	630
B Spencer Advocate Fund	515	-	-	515
E.M. Cert Kit Grant	55	-	-	55
16.738 JAG 10K & Undr Sheriff	-	10,135	-	10,135
Anti-Meth Mini Grant	152	-	-	152
West Union Covered Bridge	-	14,345	14,345	-
Drug Court Vending Machine	1,512	1,692	1,283	1,921
14.228 OCRA EMS Station Grant	-	286,218	286,218	-
16.588 STOP Grant	-	13,292	12,780	512
97.055 IEC Grant	-	6,007	6,007	-
FEET Local Grant	-	2,700	2,700	-
Eat Better / Move More	-	775	130	645
Jury Fee Fund	-	1,724	1,724	-
Pre Trial Diversion	89,161	30,103	34,565	84,699
Totals	<u>\$ 8,499,553</u>	<u>\$ 36,460,517</u>	<u>\$ 34,985,624</u>	<u>\$ 9,974,446</u>

The notes to the financial statement are an integral part of this statement.

PARKE COUNTY
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The County was established under the laws of the State of Indiana. The County operates under a Council-Commissioner form of government and provides some or all of the following services: public safety (police), highways and streets, health welfare and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

The accompanying financial statement presents the financial information for the County.

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the County.

Licenses and permits which include amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state,

PARKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits which include receipts derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

PARKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

F. Interfund Transfers

The County may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the County. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the County. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the County in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the County submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the County in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

PARKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

State statutes authorize the County to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Risk Management

The County may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the County to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the County authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

PARKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

B. County Police Retirement Plan

Plan Description

The County Police Retirement Plan is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides retirement, death, and disability benefits to plan members and beneficiaries. Funds designated for payments related to this plan are accounted for in a pension trust fund. The activity of this trust fund has not been reflected in the financial statement. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy

The contribution requirements of plan members for the County Police Retirement Plan are established by state statute.

C. County Police Benefit Plan

Plan Description

The County Police Benefit Plan is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides dependent pensions, life insurance, and disability benefits to plan members and beneficiaries. Funds designated for payments related to this plan are accounted for in a pension trust fund. The activity of this trust fund has not been reflected in the financial statement. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy

The contribution requirements of plan members for the County Police Benefit Plan are established by state statute.

Note 7. Restatement of County Offices

Certain funds that were included on the prior year financial statement have been omitted from the current year financial statement to more accurately reflect the financial activity of the County. These funds account for receipts and disbursements of County offices that are also eventually accounted for in the County's general ledger and these financial statements.

(This page intentionally left blank.)

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the County's Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Annual Report of the County which is referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The supplementary information presented was approved by management of the County. It is presented as intended by the County.

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012

	After Settlement Collections	Sheriff's Inmate Trust	Jail Commissary	Clerk's Trust	Sheriff's Cashbook	General	Accident Report
Cash and investments - beginning	\$ 380,678	\$ 4,959	\$ 38,694	\$ 203,651	\$ 4,157	\$ 288,532	\$ 6,025
Receipts:							
Taxes	-	-	-	-	-	4,357,452	-
Licenses and permits	-	-	-	-	-	170,120	-
Intergovernmental	-	-	-	-	-	590,591	-
Charges for services	-	-	-	-	-	639,096	510
Fines and forfeits	-	-	-	-	-	58,965	-
Other receipts	500,262	104,763	60,353	1,007,989	191,837	105,174	-
Total receipts	500,262	104,763	60,353	1,007,989	191,837	5,921,398	510
Disbursements:							
Personal services	-	-	-	-	-	4,558,272	-
Supplies	-	-	-	-	-	116,910	-
Other services and charges	-	-	-	-	-	761,195	-
Capital outlay	-	-	-	-	-	4,502	-
Other disbursements	380,678	108,020	59,730	942,612	192,335	393,117	-
Total disbursements	380,678	108,020	59,730	942,612	192,335	5,833,996	-
Excess (deficiency) of receipts over disbursements	119,584	(3,257)	623	65,377	(498)	87,402	510
Cash and investments - ending	\$ 500,262	\$ 1,702	\$ 39,317	\$ 269,028	\$ 3,659	\$ 375,934	\$ 6,535

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	CEDIT County Share	Child Advocacy	City and Town Court Costs	Clerk's Records Perpetuation	Congressional School Interest	Congressional School Principal	Sales Disclosure - County Share
Cash and investments - beginning	\$ 2,982	\$ 639	\$ 474	\$ 17,247	\$ 13,215	\$ 33,865	\$ 6,897
Receipts:							
Taxes	544,253	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	2,270
Fines and forfeits	-	-	4,179	3,049	-	-	-
Other receipts	-	-	-	372	25	-	-
Total receipts	<u>544,253</u>	<u>-</u>	<u>4,179</u>	<u>3,421</u>	<u>25</u>	<u>-</u>	<u>2,270</u>
Disbursements:							
Personal services	-	-	-	6,628	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	179
Capital outlay	-	-	-	-	-	-	-
Other disbursements	206,002	-	-	-	1,355	-	-
Total disbursements	<u>206,002</u>	<u>-</u>	<u>-</u>	<u>6,628</u>	<u>1,355</u>	<u>-</u>	<u>179</u>
Excess (deficiency) of receipts over disbursements	<u>338,251</u>	<u>-</u>	<u>4,179</u>	<u>(3,207)</u>	<u>(1,330)</u>	<u>-</u>	<u>2,091</u>
Cash and investments - ending	<u>\$ 341,233</u>	<u>\$ 639</u>	<u>\$ 4,653</u>	<u>\$ 14,040</u>	<u>\$ 11,885</u>	<u>\$ 33,865</u>	<u>\$ 8,988</u>

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Covered Bridge	Cumulative Bridge	Cumulative Building	Cumulative Capital Development	Drug Free Community	Emergency Planning/Right To Know	Emergency Telephone System
Cash and investments - beginning	\$ 256,244	\$ 752,976	\$ 38,399	\$ 143,147	\$ 50,034	\$ 16,191	\$ 22,759
Receipts:							
Taxes	-	246,006	-	149,548	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	268,283	-	14,173	-	5,420	-
Charges for services	-	-	-	-	-	-	54,596
Fines and forfeits	-	-	-	-	24,581	-	-
Other receipts	52,592	20,759	-	-	25	-	492
Total receipts	52,592	535,048	-	163,721	24,606	5,420	55,088
Disbursements:							
Personal services	-	-	-	-	-	-	46,266
Supplies	-	87,146	-	-	-	-	12,169
Other services and charges	45,464	5,847	-	-	16,775	2,003	4,545
Capital outlay	-	448,545	-	-	-	-	6,007
Other disbursements	-	86,201	38,399	106,229	-	-	8,860
Total disbursements	45,464	627,739	38,399	106,229	16,775	2,003	77,847
Excess (deficiency) of receipts over disbursements	7,128	(92,691)	(38,399)	57,492	7,831	3,417	(22,759)
Cash and investments - ending	\$ 263,372	\$ 660,285	\$ -	\$ 200,639	\$ 57,865	\$ 19,608	\$ -

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Firearms Training	Health	Identification Security Protection	Levy Excess	Local Health Maintenance	Local Road and Street	LOIT Public Safety - County Share
Cash and investments - beginning	\$ 5,241	\$ 82,715	\$ 2,995	\$ 78,561	\$ 28,416	\$ 79,819	\$ 159,034
Receipts:							
Taxes	-	38,882	-	126,992	-	-	539,730
Licenses and permits	9,650	39,588	-	-	-	-	-
Intergovernmental	-	3,685	-	-	32,672	146,005	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	1,555	-	-	-	-
Other receipts	-	-	-	-	-	65,606	716
Total receipts	<u>9,650</u>	<u>82,155</u>	<u>1,555</u>	<u>126,992</u>	<u>32,672</u>	<u>211,611</u>	<u>540,446</u>
Disbursements:							
Personal services	-	91,595	-	-	16,881	-	224,976
Supplies	-	3,944	-	-	1,400	173,320	31,498
Other services and charges	1,844	3,495	-	-	11,046	-	270,805
Capital outlay	-	-	-	-	1,699	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>1,844</u>	<u>99,034</u>	<u>-</u>	<u>-</u>	<u>31,026</u>	<u>173,320</u>	<u>527,279</u>
Excess (deficiency) of receipts over disbursements	<u>7,806</u>	<u>(16,879)</u>	<u>1,555</u>	<u>126,992</u>	<u>1,646</u>	<u>38,291</u>	<u>13,167</u>
Cash and investments - ending	<u>\$ 13,047</u>	<u>\$ 65,836</u>	<u>\$ 4,550</u>	<u>\$ 205,553</u>	<u>\$ 30,062</u>	<u>\$ 118,110</u>	<u>\$ 172,201</u>

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Misdemeanant	Motor Vehicle Highway	Park Nonreverting Capital	Park Nonreverting Operating	Plat Book	Rainy Day	Reassessment - 2009
Cash and investments - beginning	\$ 7,433	\$ 1,043,301	\$ 30,993	\$ 112,087	\$ 87,935	\$ 641,212	\$ 99,703
Receipts:							
Taxes	-	242,189	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	1,731,180	-	-	-	-	-
Charges for services	-	-	-	28,858	9,720	-	-
Fines and forfeits	-	14,680	-	-	-	-	-
Other receipts	11,128	53,818	4,832	75	-	442	-
Total receipts	11,128	2,041,867	4,832	28,933	9,720	442	-
Disbursements:							
Personal services	-	1,064,020	-	-	-	-	-
Supplies	-	480,455	-	25,281	-	-	-
Other services and charges	3,235	133,725	-	9,814	-	43,894	15,187
Capital outlay	3,325	10,552	9,319	77,221	-	9,504	-
Other disbursements	-	-	-	-	5	-	47,057
Total disbursements	6,560	1,688,752	9,319	112,316	5	53,398	62,244
Excess (deficiency) of receipts over disbursements	4,568	353,115	(4,487)	(83,383)	9,715	(52,956)	(62,244)
Cash and investments - ending	\$ 12,001	\$ 1,396,416	\$ 26,506	\$ 28,704	\$ 97,650	\$ 588,256	\$ 37,459

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Reassessment - 2015	Recorder's Records Perpetuation	Riverboat	Sex and Violent Offender Administration	Sheriff's Pension Trust	Supplemental Public Defender Services	Surplus Tax
Cash and investments - beginning	\$ 68,134	\$ 29,923	\$ 72,049	\$ 4,203	\$ 923	\$ 21,882	\$ 65,918
Receipts:							
Taxes	103,188	-	71,034	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	9,780	-	-	-	-	-	-
Charges for services	-	23,795	-	-	-	-	-
Fines and forfeits	-	-	-	-	3,966	10,531	-
Other receipts	47,057	440	-	905	5,629	-	14,873
Total receipts	<u>160,025</u>	<u>24,235</u>	<u>71,034</u>	<u>905</u>	<u>9,595</u>	<u>10,531</u>	<u>14,873</u>
Disbursements:							
Personal services	-	-	-	-	9,946	21,028	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	8,632	-	511	-	-	8,598
Total disbursements	<u>-</u>	<u>8,632</u>	<u>-</u>	<u>511</u>	<u>9,946</u>	<u>21,028</u>	<u>8,598</u>
Excess (deficiency) of receipts over disbursements	<u>160,025</u>	<u>15,603</u>	<u>71,034</u>	<u>394</u>	<u>(351)</u>	<u>(10,497)</u>	<u>6,275</u>
Cash and investments - ending	<u>\$ 228,159</u>	<u>\$ 45,526</u>	<u>\$ 143,083</u>	<u>\$ 4,597</u>	<u>\$ 572</u>	<u>\$ 11,385</u>	<u>\$ 72,193</u>

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Surveyor's Corner Perpetuation	Tax Sale Redemption	Tax Sale Surplus	Local Health Department Trust Account	Wireless Emergency Telephone System	GAL/CASA	Auditors Ineligible Deductions
Cash and investments - beginning	\$ 9,543	\$ 9,460	\$ 90,010	\$ 42,012	\$ 145,084	\$ 730	\$ 33,787
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	103,953	3,731	-
Charges for services	4,920	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	100	-
Other receipts	-	33,132	283,858	15,562	-	7,754	57,897
Total receipts	<u>4,920</u>	<u>33,132</u>	<u>283,858</u>	<u>15,562</u>	<u>103,953</u>	<u>11,585</u>	<u>57,897</u>
Disbursements:							
Personal services	-	-	-	-	-	8,722	974
Supplies	-	-	-	2,429	-	-	-
Other services and charges	10,000	-	-	2,324	34,970	2,893	24,206
Capital outlay	-	-	-	84	101,311	-	-
Other disbursements	-	35,524	27,201	-	112,755	-	6,840
Total disbursements	<u>10,000</u>	<u>35,524</u>	<u>27,201</u>	<u>4,837</u>	<u>249,036</u>	<u>11,615</u>	<u>32,020</u>
Excess (deficiency) of receipts over disbursements	<u>(5,080)</u>	<u>(2,392)</u>	<u>256,657</u>	<u>10,725</u>	<u>(145,083)</u>	<u>(30)</u>	<u>25,877</u>
Cash and investments - ending	<u>\$ 4,463</u>	<u>\$ 7,068</u>	<u>\$ 346,667</u>	<u>\$ 52,737</u>	<u>\$ 1</u>	<u>\$ 700</u>	<u>\$ 59,664</u>

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	County Elected Officials Training	Park And Recreation	Statewide 911	Adult Probation Administrative	Supplemental Adult Probation Services	Supplemental Juvenile Probation Services	Alternative Dispute Resolution
Cash and investments - beginning	\$ 521	\$ 284,121	\$ -	\$ 39,909	\$ 53,339	\$ 57,792	\$ 1,445
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	189,197	-	-	103,084	-	-
Fines and forfeits	1,553	-	-	-	-	5,078	1,710
Other receipts	-	-	211,342	15,437	56	79	-
Total receipts	<u>1,553</u>	<u>189,197</u>	<u>211,342</u>	<u>15,437</u>	<u>103,140</u>	<u>5,157</u>	<u>1,710</u>
Disbursements:							
Personal services	-	130,921	34,501	14,367	78,760	-	-
Supplies	-	5,946	-	-	-	2,940	-
Other services and charges	-	71,474	32,680	-	13,336	7,184	-
Capital outlay	-	128,888	16,745	-	-	3,112	-
Other disbursements	-	7,622	-	-	11,000	-	-
Total disbursements	<u>-</u>	<u>344,851</u>	<u>83,926</u>	<u>14,367</u>	<u>103,096</u>	<u>13,236</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>1,553</u>	<u>(155,654)</u>	<u>127,416</u>	<u>1,070</u>	<u>44</u>	<u>(8,079)</u>	<u>1,710</u>
Cash and investments - ending	<u>\$ 2,074</u>	<u>\$ 128,467</u>	<u>\$ 127,416</u>	<u>\$ 40,979</u>	<u>\$ 53,383</u>	<u>\$ 49,713</u>	<u>\$ 3,155</u>

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Donations	Payroll Clearing	Settlement	LOIT Prop Tax Oper Levies Replace	LOIT Public Safety	LOIT Stabilization	Wheel Tax
Cash and investments - beginning	\$ 3,300	\$ 692,451	\$ -	\$ -	\$ -	\$ 808,480	\$ -
Receipts:							
Taxes	-	-	11,425,358	711,541	-	51,453	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	635,832	-	71,821
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	3,239,692	-	-	-	-	-
Total receipts	-	3,239,692	11,425,358	711,541	635,832	51,453	71,821
Disbursements:							
Personal services	-	3,128,178	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	11,425,358	711,541	635,832	124,548	71,821
Total disbursements	-	3,128,178	11,425,358	711,541	635,832	124,548	71,821
Excess (deficiency) of receipts over disbursements	-	111,514	-	-	-	(73,095)	-
Cash and investments - ending	\$ 3,300	\$ 803,965	\$ -	\$ -	\$ -	\$ 735,385	\$ -

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Sur Tax	CVET Agency	Financial Institution Tax	CEDIT Homestead Credit	HEA 1001 State Homestead Credit	Homestead Credit Rebate	LOIT PTRC
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 147,576	\$ 1,391	\$ 7,997	\$ 17,135
Receipts:							
Taxes	-	-	-	640,084	-	-	610,948
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	200,633	58,894	65,033	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	5,493
Total receipts	<u>200,633</u>	<u>58,894</u>	<u>65,033</u>	<u>640,084</u>	<u>-</u>	<u>-</u>	<u>616,441</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	200,633	58,894	65,033	548,529	-	-	613,499
Total disbursements	<u>200,633</u>	<u>58,894</u>	<u>65,033</u>	<u>548,529</u>	<u>-</u>	<u>-</u>	<u>613,499</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>91,555</u>	<u>-</u>	<u>-</u>	<u>2,942</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 239,131</u>	<u>\$ 1,391</u>	<u>\$ 7,997</u>	<u>\$ 20,077</u>

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	State Fines and Forfeitures	Infraction Judgements	Overweight Vehicle Fines	Special Death Benefit	Sales Disclosure - State Share	Coroners Training & Con't Education	Interstate Compact - State Share
Cash and investments - beginning	\$ 850	\$ 1,713	\$ 500	\$ 90	\$ 195	\$ 103	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	3,300	-	-	1,240	-	-	-
Fines and forfeits	-	14,930	136	-	-	-	-
Other receipts	-	-	-	-	2,270	764	288
Total receipts	<u>3,300</u>	<u>14,930</u>	<u>136</u>	<u>1,240</u>	<u>2,270</u>	<u>764</u>	<u>288</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	4,150	15,650	636	1,255	2,155	748	288
Total disbursements	<u>4,150</u>	<u>15,650</u>	<u>636</u>	<u>1,255</u>	<u>2,155</u>	<u>748</u>	<u>288</u>
Excess (deficiency) of receipts over disbursements	<u>(850)</u>	<u>(720)</u>	<u>(500)</u>	<u>(15)</u>	<u>115</u>	<u>16</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 993</u>	<u>\$ -</u>	<u>\$ 75</u>	<u>\$ 310</u>	<u>\$ 119</u>	<u>\$ -</u>

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Mortgage Recording Fees - State Share	DLGF Homestead Property Database	Inheritance Tax	Education Plate Fees Agency	Riverboat Revenue Sharing	Innkeepers Tax Collections	Judgments Due Law Enforcement
Cash and investments - beginning	\$ 425	\$ -	\$ 97,078	\$ -	\$ -	\$ 19,722	\$ 31,141
Receipts:							
Taxes	-	-	590,176	-	31,681	137,279	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	731	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	2,024	-	-	-	-	-	-
Other receipts	-	7,545	-	-	-	-	2,945
Total receipts	2,024	7,545	590,176	731	31,681	137,279	2,945
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	2,192	7,545	615,795	731	31,681	127,170	3,185
Total disbursements	2,192	7,545	615,795	731	31,681	127,170	3,185
Excess (deficiency) of receipts over disbursements	(168)	-	(25,619)	-	-	10,109	(240)
Cash and investments - ending	\$ 257	\$ -	\$ 71,459	\$ -	\$ -	\$ 29,831	\$ 30,901

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	CAGIT Distribution	CEDIT Distribution	93.563 ARRA Prosecutor IV-D Incentive	93.563 Title IV-D Incentive	93.563 Prosecutor IV-D Incentive-Post Oct '99	93.563 Clerk IV-D Incentive-Post Oct '99	Park Disc Golf Course
Cash and investments - beginning	\$ -	\$ -	\$ 12,063	\$ 8,407	\$ 35,646	\$ 113,603	\$ -
Receipts:							
Taxes	1,907,494	645,318	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	635,832	-	-	9,291	-	-	-
Charges for services	-	-	-	-	7,217	4,800	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	4,056
Total receipts	<u>2,543,326</u>	<u>645,318</u>	<u>-</u>	<u>9,291</u>	<u>7,217</u>	<u>4,800</u>	<u>4,056</u>
Disbursements:							
Personal services	-	-	-	-	7,997	1,610	-
Supplies	-	-	-	-	-	5,644	-
Other services and charges	-	-	-	-	-	199	-
Capital outlay	-	-	-	-	-	2,886	1,183
Other disbursements	<u>2,543,326</u>	<u>642,284</u>	<u>-</u>	<u>-</u>	<u>7,997</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>2,543,326</u>	<u>642,284</u>	<u>-</u>	<u>-</u>	<u>15,994</u>	<u>10,339</u>	<u>1,183</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>3,034</u>	<u>-</u>	<u>9,291</u>	<u>(8,777)</u>	<u>(5,539)</u>	<u>2,873</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 3,034</u>	<u>\$ 12,063</u>	<u>\$ 17,698</u>	<u>\$ 26,869</u>	<u>\$ 108,064</u>	<u>\$ 2,873</u>

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	97.040 CSEPP Program	93.617 HAVA Grant	Innkeepers	Redevelopment Commission	Clerk Child Support	Reserve Deputies	National Night Out
Cash and investments - beginning	\$ 3,875	\$ -	\$ 53,350	\$ 469,604	\$ 2,560	\$ 2,818	\$ 172
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	10,000	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	132,170	165,747	338,223	1,225	391
Total receipts	-	10,000	132,170	165,747	338,223	1,225	391
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	65	291
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	10,000	-	-	-	-	-
Other disbursements	-	-	129,839	32,191	338,507	-	-
Total disbursements	-	10,000	129,839	32,191	338,507	65	291
Excess (deficiency) of receipts over disbursements	-	-	2,331	133,556	(284)	1,160	100
Cash and investments - ending	<u>\$ 3,875</u>	<u>\$ -</u>	<u>\$ 55,681</u>	<u>\$ 603,160</u>	<u>\$ 2,276</u>	<u>\$ 3,978</u>	<u>\$ 272</u>

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	RDP Grant Project 2011	2011 Drug & Problem Solving Grant	Sheriff Meth OT Grant	MADD Grant	Family Court Grant	EMS Station Local Match	County Law Enforcement Cont Ed
Cash and investments - beginning	\$ 556	\$ 5,000	\$ 2,299	\$ 205	\$ 3,025	\$ 27,470	\$ 4,976
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	3,000	-	5,000	-	1,807
Total receipts	-	-	3,000	-	5,000	-	1,807
Disbursements:							
Personal services	-	-	2,786	-	3,100	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	1,275	-	3,799
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	166	-	-	-	-
Total disbursements	-	-	2,952	-	4,375	-	3,799
Excess (deficiency) of receipts over disbursements	-	-	48	-	625	-	(1,992)
Cash and investments - ending	\$ 556	\$ 5,000	\$ 2,347	\$ 205	\$ 3,650	\$ 27,470	\$ 2,984

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	CASA Donation	Drug Court Testing & Training	Federal Forfeitures	Drug Court Assessments	16,738 Drug & Problem Solving Crt	Drug Coury Incentive LCC Mini	Adult Probation Match
Cash and investments - beginning	\$ 81	\$ 3,624	\$ 198	\$ 235	\$ 6,577	\$ 746	\$ 18,577
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	15,005	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	11,000	-	1,723
Total receipts	-	-	-	-	26,005	-	1,723
Disbursements:							
Personal services	-	-	-	-	32,573	-	837
Supplies	14	2,624	-	-	-	-	-
Other services and charges	-	-	-	-	-	231	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	14	2,624	-	-	32,573	231	837
Excess (deficiency) of receipts over disbursements	(14)	(2,624)	-	-	(6,568)	(231)	886
Cash and investments - ending	<u>\$ 67</u>	<u>\$ 1,000</u>	<u>\$ 198</u>	<u>\$ 235</u>	<u>\$ 9</u>	<u>\$ 515</u>	<u>\$ 19,463</u>

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Marine Patrol Grant	Forfeitures & Seizures	Drug Court Tune Up	Jury Pay	Problem Solving Crt Prg Income	Operation Pull Over Enforcement	Crime Victims Assistance
Cash and investments - beginning	\$ 1,590	\$ 4,556	\$ 683	\$ 5,802	\$ 3,925	\$ 410	\$ 88
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	13,338	-	-	-	-	119	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	2,430	-	-
Other receipts	-	53	-	1,724	10,000	-	9,193
Total receipts	<u>13,338</u>	<u>53</u>	<u>-</u>	<u>1,724</u>	<u>12,430</u>	<u>119</u>	<u>9,193</u>
Disbursements:							
Personal services	10,140	-	-	-	2,421	356	5,383
Supplies	4,664	-	-	-	-	-	-
Other services and charges	-	540	-	-	3,924	-	355
Capital outlay	124	-	-	-	-	-	-
Other disbursements	-	-	-	-	310	139	-
Total disbursements	<u>14,928</u>	<u>540</u>	<u>-</u>	<u>-</u>	<u>6,655</u>	<u>495</u>	<u>5,738</u>
Excess (deficiency) of receipts over disbursements	<u>(1,590)</u>	<u>(487)</u>	<u>-</u>	<u>1,724</u>	<u>5,775</u>	<u>(376)</u>	<u>3,455</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 4,069</u>	<u>\$ 683</u>	<u>\$ 7,526</u>	<u>\$ 9,700</u>	<u>\$ 34</u>	<u>\$ 3,543</u>

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Local Planning Council Grant	Drug Court Workshop	Bulletproof Vest	Drug Court Loan Fund	Judge's Juvenile Incentive	LCC Grant	LCC Mini Meth Surveillance
Cash and investments - beginning	\$ 2,792	\$ 1,227	\$ -	\$ 371	\$ 191	\$ 1,265	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	1,226
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	393	-	-	-	-
Total receipts	-	-	393	-	-	-	1,226
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	750
Other disbursements	-	-	-	-	-	1,265	-
Total disbursements	-	-	-	-	-	1,265	750
Excess (deficiency) of receipts over disbursements	-	-	393	-	-	(1,265)	476
Cash and investments - ending	<u>\$ 2,792</u>	<u>\$ 1,227</u>	<u>\$ 393</u>	<u>\$ 371</u>	<u>\$ 191</u>	<u>\$ -</u>	<u>\$ 476</u>

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Tobacco Cessation Grant	93.069 H1N1 160-66 Grant	97.042 Emergency Mgt Sub Grant	97.042 EMA Salary Reimbursement	97.042 Competitive Performance Grant	39.011 Non Revert Title III
Cash and investments - beginning	\$ 1,947	\$ 21	\$ 245	\$ -	\$ -	\$ 397
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	15,950	3,616	-
Total receipts	-	-	-	15,950	3,616	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	1,094	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	2,522	-
Other disbursements	-	-	-	15,950	-	-
Total disbursements	-	-	-	15,950	3,616	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	\$ 1,947	\$ 21	\$ 245	\$ -	\$ -	\$ 397

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	Public Health Emergency Prepar	PHC Grant 08/31/07 - 10/31/07	Digital Camera Mini Grant	County Donation Fund	B Spencer Advocate Fund	E.M. Cert Kit Grant
Cash and investments - beginning	\$ 3,466	\$ 33	\$ 710	\$ 630	\$ 515	\$ 55
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	14,715	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	<u>14,715</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:						
Personal services	17,952	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>17,952</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(3,237)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 229</u>	<u>\$ 33</u>	<u>\$ 710</u>	<u>\$ 630</u>	<u>\$ 515</u>	<u>\$ 55</u>

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	16.738 JAG 10K & Undr Sheriff	Anti-Meth Mini Grant	West Union Covered Bridge	Drug Court Vending Machine	14.228 OCRA EMS Station Grant	16.588 STOP Grant
Cash and investments - beginning	\$ -	\$ 152	\$ -	\$ 1,512	\$ -	\$ -
Receipts:						
Taxes	10,135	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	286,218	13,292
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	14,345	1,692	-	-
Total receipts	<u>10,135</u>	<u>-</u>	<u>14,345</u>	<u>1,692</u>	<u>286,218</u>	<u>13,292</u>
Disbursements:						
Personal services	-	-	-	-	-	12,780
Supplies	-	-	-	526	-	-
Other services and charges	-	-	14,345	-	286,218	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	757	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>14,345</u>	<u>1,283</u>	<u>286,218</u>	<u>12,780</u>
Excess (deficiency) of receipts over disbursements	<u>10,135</u>	<u>-</u>	<u>-</u>	<u>409</u>	<u>-</u>	<u>512</u>
Cash and investments - ending	<u>\$ 10,135</u>	<u>\$ 152</u>	<u>\$ -</u>	<u>\$ 1,921</u>	<u>\$ -</u>	<u>\$ 512</u>

PARKE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (Continued)

	97.055 IEC Grant	FEET Local Grant	Eat Better / Move More	Jury Fee Fund	Pre Trial Diversion	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 89,161	\$ 8,499,553
Receipts:						
Taxes	6,007	-	-	-	-	23,186,748
Licenses and permits	-	-	-	-	-	219,358
Intergovernmental	-	-	-	-	-	4,941,453
Charges for services	-	-	-	-	-	1,072,603
Fines and forfeits	-	-	-	-	-	149,467
Other receipts	-	2,700	775	1,724	30,103	6,890,888
Total receipts	<u>6,007</u>	<u>2,700</u>	<u>775</u>	<u>1,724</u>	<u>30,103</u>	<u>36,460,517</u>
Disbursements:						
Personal services	-	-	-	-	17,333	9,551,303
Supplies	-	801	-	-	-	959,161
Other services and charges	-	-	-	-	2,676	1,841,682
Capital outlay	6,007	-	130	-	7,889	852,305
Other disbursements	-	1,899	-	1,724	6,667	21,781,173
Total disbursements	<u>6,007</u>	<u>2,700</u>	<u>130</u>	<u>1,724</u>	<u>34,565</u>	<u>34,985,624</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>645</u>	<u>-</u>	<u>(4,462)</u>	<u>1,474,893</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 645</u>	<u>\$ -</u>	<u>\$ 84,699</u>	<u>\$ 9,974,446</u>

PARKE COUNTY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2012

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 769,068</u>	<u>\$ 135,122</u>

PARKE COUNTY
 SCHEDULE OF LEASES AND DEBT
 December 31, 2012

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities: Ikon / Ricoh	Copier - Printer	<u>\$ 18,984</u>	05-29-08	05-29-13
Total of annual lease payments		<u><u>\$ 18,984</u></u>		

PARKE COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2012

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	Ending Balance
Governmental activities:	
Land	\$ 3,235,500
Infrastructure	51,139,800
Buildings	1,078,392
Machinery, equipment, and vehicles	5,839,784
Construction in progress	253,504
Total governmental activities	61,546,980
Total capital assets	\$ 61,546,980

PARKE COUNTY
OTHER REPORTS

The Annual Report presented herein was prepared in addition to the other official reports prepared for the individual County offices listed below:

County Auditor
County Treasurer
Convention and Visitors Commission
Redevelopment Commission

(This page intentionally left blank.)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF PARKE COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Parke County's (County) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012. The County'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County'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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each 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 each of its major federal programs for the year ended December 31, 2012.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A - 133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2012-3. Our opinion on each major federal program is not modified with respect to these matters.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
(Continued)

The County's response to the noncompliance 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 compliance, and accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with 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 type 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 OMB Circular A-133, 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2012-2 to be material weaknesses.

The County's response to the internal control over compliance 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 compliance and, accordingly, we express no opinion on the response.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Bruce Hartman
State Examiner

April 23, 2013

(This page intentionally left blank.)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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.

PARKE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2012

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	Total Federal Awards Expended
<u>U.S. Department of Housing and Urban Development</u>				
CDBG - State-Administered CDBG Cluster				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii OCRA EMS Station Grant	Indiana Office of Community and Rural Affairs	14.228	CF-10-216, 2012	\$ 286,218
Total - CDBG - State-Administered CDBG Cluster				286,218
Total - U.S. Department of Housing and Urban Development				286,218
<u>U.S. Department of Justice</u>				
JAG Program Cluster				
Edward Byrne Memorial Justice Assistance Grant Program JAG 10K and Under Sheriff Grant	Indiana Criminal Justice Institute	16.738	09-DJ-102	4,810
Edward Byrne Memorial Justice Assistance Grant Program Drug Court	Indiana Criminal Justice Institute	16.738	10-DJ-037	5,860
Edward Byrne Memorial Justice Assistance Grant Program Drug Court	Indiana Criminal Justice Institute	16.738	11-DJ-028	14,470
Total - JAG Program Cluster				25,140
Violence Against Women Formula Grants STOP Grant	Indiana Criminal Justice Institute	16.588	10-STPR-088	6,625
Total - U.S. Department of Justice				31,765
<u>U.S. Department of Transportation</u>				
Highway Planning and Construction Cluster				
Highway Planning and Construction Bridge 22	Indiana Department of Transportation	20.205	DES# 0900839	87,008
Highway Planning and Construction Bridge 248	Indiana Department of Transportation	20.205	DES# 0501004	67,889
Highway Planning and Construction Bridge Inspections	Indiana Department of Transportation	20.205	DES# 1173327	90,071
Total - Highway Planning and Construction Cluster				244,968
Highway Safety Cluster				
Alcohol Impaired Driving Countermeasures Incentive Grants I Operation Pullover	Indiana Criminal Justice Institute	20.601	OP-11-02-01-94	375
Alcohol Impaired Driving Countermeasures Incentive Grants I Operation Pullover	Indiana Criminal Justice Institute	20.601	OP-12-04-02-74	119
Total - Highway Safety Cluster				494
Interagency Hazardous Materials Public Sector Training and Planning Grants Hazardous Materials Emergency Preparedness	Indiana Department of Homeland Security	20.703	C44P-3-015B	1,973
Total - U.S. Department of Transportation				247,435

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

PARKE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2012
(Continued)

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	Total Federal Awards Expended
<u>U.S. Department of Health and Human Services</u>				
Public Health Emergency Preparedness Public Health Emergency Preparedness	Indiana State Department of Health	93.069	BPRS-160-70	<u>11,166</u>
Public Health Emergency Preparedness Public Health Emergency Preparedness	Indiana State Department of Health	93.069	BPRS-169-70	<u>6,786</u>
Total - Public Health Emergency Preparedness				<u>17,952</u>
Child Support Enforcement IV-D	Indiana Department of Child Services	93.563	General	<u>10,691</u>
Child Support Enforcement IV-D	Indiana Department of Child Services	93.563	Prosecutor	<u>32,160</u>
Child Support Enforcement IV-D	Indiana Department of Child Services	93.563	Clerk	<u>28,389</u>
Total - Child Support Enforcement				<u>71,240</u>
Voting Access for Individuals with Disabilities_Grants to States HAVA Grant	Indiana Secretary of State	93.617	0630903INVOTE09	<u>10,000</u>
Total - U.S. Department of Health and Human Services				<u>99,192</u>
<u>U.S. Department of Homeland Security</u>				
Boating Safety Financial Assistance Marine Patrol	Indiana Department of Homeland Security	97.012	E11-2-0008	<u>14,928</u>
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	Indiana Department of Homeland Security	97.036	FEMA-1997-DR-IN	<u>43,075</u>
Emergency Management Performance Grants Competitive Performance	Indiana Department of Homeland Security	97.042	C44P-2-115A	<u>3,616</u>
Emergency Management Performance Grants EMA Salary Reimbursement	Indiana Department of Homeland Security	97.042	C44P-2-366A	<u>15,950</u>
Total - Emergency Management Performance Grants				<u>19,566</u>
Interoperable Emergency Communications IEC Grant	Indiana Department of Homeland Security	97.055	C44P-2-207A	<u>6,007</u>
Total - U.S. Department of Homeland Security				<u>83,576</u>
Total federal awards expended				<u>\$ 748,186</u>

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

PARKE COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Parke County (County) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

Note 2. Subrecipients

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows for the year ended December 31, 2012:

Program Title	Federal CFDA Number	2012
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	\$ <u>119</u>

PARKE 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; Unqualified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	yes

Identification of Major Programs:

_____ Name of Federal Program or Cluster _____
CDBG - State Administered CDBG Cluster
Highway Planning and Construction Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

FINDING 2012 - 1 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

We noted several deficiencies in the internal control system of the County related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the County to reduce risks to the achievement of financial reporting objectives. The County has not separated incompatible activities related to receipts in the Treasurer's office or cash and investment balances of the Redevelopment Commission. The failure to establish these controls could enable material misstatements or irregularities to remain undetected.

PARKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2. **Monitoring of Controls:** Effective internal control over financial reporting requires the County Commissioners to monitor and assess the quality of the County's system of internal control. The County Commissioners have not performed either an ongoing or separate evaluation of their system of internal controls. The failure to exercise their oversight responsibility places the County at risk that controls may not be designed or operating effectively to provide reasonable assurance that controls will prevent or detect material misstatements in a timely manner. Additionally, the County has no process to identify or communicate corrective actions to improve controls.
3. **Treasurer's Monthly Reconciliation:** The County has not implemented adequate controls over the Treasurer's monthly reconciliation to detect material misstatements. The monthly comparison report which compares the Treasurer's fund balances to the Auditor's fund balances is not compared to the monthly bank reconciliation.
4. **Disbursement Controls:** The County has not implemented adequate controls over the payroll withholding disbursements to detect material misstatements. Payroll withholdings were not presented to the governing body for approval.
5. **Schedule of Expenditures of Federal Awards:** The County did not have a proper system of internal control in place to prevent or detect and correct errors on the Schedule of Expenditures of Federal Awards (SEFA). The County should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected.

During the audit of the SEFA, we noted the following errors: Reimbursements which were posted to nonfederal funds, such as Cumulative Bridge, were omitted from the schedule. There were also two instances where local funds were included in the schedule. Audit adjustments were proposed, accepted by the County, and made to the SEFA presented in this report. These adjustments resulted in a presentation of the SEFA that is materially correct in relation to the financial statements.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1)

PARKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs

FINDING 2012-2 - INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO CDBG - STATE ADMINISTERED CDBG CLUSTER

Federal Agency: United States Department of Housing and Urban Development

Federal Program: Community Development Block Grants/State's
Program and Non-Entitlement Grants in Hawaii

CFDA Number: 14.228

Federal Award Number and Year (or Other Identifying Number): CF-10-216, 2012

Pass-Through Entity: Indiana Office of Community and Rural Affairs

Management of the County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and some of the compliance requirements that have a direct and material effect to the program. This includes the following compliance requirements: Cash Management; Davis-Bacon; Matching, Level of Effort and Earmarking; Reporting; Special Tests and Provisions. The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the grant.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement, or a type of compliance requirement of a federal program will be prevented, detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 (b) states:

"The auditee shall: . . .

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable material noncompliance to remain undetected. Noncompliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds to the County.

We recommended that the County's management establish controls, including segregation of duties, related to the grant agreement and the noted compliance requirements that have a direct and material effect to the program.

PARKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2012-3 - REPORTING

Federal Agency: United States Department of Housing and Urban Development
Federal Program: Community Development Block Grants/State's
Program and Non-Entitlement Grants in Hawaii
CFDA Number: 14.228
Federal Award Number and Year (or Other Identifying Number): CF-10-216, 2012
Pass-Through Entity: Indiana Office of Community and Rural Affairs

Semiannual reports filed by the County were not accurate. They were prepared on an accrual basis rather than cash basis; therefore, amounts did not match actual expenditures as recorded in the ledger. Matching funds spent were not reported.

Indiana CDBG Handbook, Section 1.9.2 states:

"Grantees must establish a system for record keeping that assists OCRA's review of files for compliance. In other words, records should be kept in a manner that clearly tells the whole story of a CDBG project from beginning to end. Financial records, supporting documents, statistical records and all other records pertinent to a grant must be retained for a period of three years after closeout of the grant year from which the grant funds were awarded. Grantees should be advised that the record retention period could exceed ten years. OCRA notifies Grantees as to when the record retention period begins and expires."

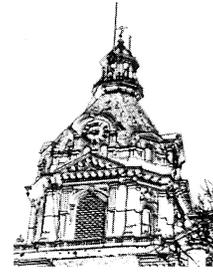
Indiana CDBG Handbook, Section 1.9.3-1 states:

"Semi Annual Reports – All Grantees must submit this report every six months (due by January 31 and July 31) until the project is closed out."

The County is not in compliance with reporting requirements for this program. Failure to comply with these requirements could cause the County to be ineligible to receive future federal awards and can impair the County's ability to monitor the grant budget.

We recommended that all future reports be prepared on the cash basis and be verified against the County Auditor's Ledger prior to submission. It will also be necessary to include in-kind matches which are not reported on the County Auditor's ledger.

Pam Adams
Parke County Auditor
116 West High Street, Room 104
Rockville, IN 47872
765-569-3422 or FAX 765-569-4037
auditor@parkecounty-in.gov



2012 Parke County Audit
Corrective Action Plan

Contact Person: Pam Adams
Contact Information: 116 W. High Street, Room 104
Rockville, IN 47872

FINDING 2012-1 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

1. LACK OF SEGREGATION OF DUTIES:

- **Treasurer's Office:** Currently each cashier balances their own cash drawer daily; once that is done the total amount of collections for all cash drawers (including credit card, internet, bank and walk-in payments) is matched to the daily payment summary report. The Treasurer, Mary Alice Gregg, recounts all monies and prepared the daily deposit. *Note: Mary Alice Gregg does not usually cashier; she only does so under certain circumstances.* The only time a cashier would prepare the daily deposit is if the Treasurer is out of the office for vacation, illness, meetings or conferences at which time the 1st Deputy Treasurer would then prepare the daily deposit. **Action:** *Someone from the Auditor's office will perform random checks of cash drawers in the Treasurer's office to verify accuracy. These checks will be unannounced to personnel in the Treasurer's office.* Due to the small number of personnel within the Treasurer's office the process for the daily deposit cannot be changed. Parke County Treasurer Mary Alice Gregg will be responsible for the plan and implementation will begin immediately.
- **Redevelopment Commission:** As the Executive Director (position vacant at this time) is the only position for Economic Redevelopment it is difficult to segregate duties, therefore we propose the following: At each meeting of the Redevelopment Commission the Executive Director will provide the Board with detailed financial reports consisting of a ledger of receipts and expenditures for both the current reporting period and a year to date reporting period; a ledger of investment balances, interest on investments and any investment changes. Neither the Executive Director nor the Commission President is authorized to sign checks, only the Commission Treasurer is authorized to sign checks. All invoices and requests for payment are presented to the Board for approval prior to payment. This plan will take effect at the next meeting of the Redevelopment Commission, the Redevelopment Board President and Executive Director will share joint responsibility for implementation of the plan.

2. **MONITORING OF CONTROLS:** Commencing in April 2013, the Parke County Auditor will provide the Parke County Board of Commissioners and the Parke County Council a detailed financial report of all funds. The report will include budgets appropriations, receipts, expenditures, transfers, corrections, adjustments and fund balances. The Board of Commissioners will be e-mailed a copy of the report in advance and will review a copy of the report at their second regular meeting of each month. The County Council will receive a copy of the report to review at their regular monthly meeting. The report will be for the month directly preceding their meeting(s).
3. **TREASURER'S MONTHLY RECONCILEMENT:** At the beginning of each month the Auditor and Treasurer, who do not regularly post transactions to their financial system, will physically review the Monthly Financial Comparison Report and compare the data from the report to the bank statement. Both the Auditor and Treasurer will sign and date the Monthly Financial Comparison Report to acknowledge their review of the data. Implementation of this plan will begin immediately. Parke County Auditor Pam Adams and Parke County Treasurer Mary Alice Gregg will share joint responsibility for this plan.
4. **DISBURSEMENT CONTROLS: Payroll withholdings;** a summary report of payroll withholdings will be presented to the Board of Commissioners by the County Auditor for each payroll period. The report will detail all federal, state, local, insurance and all other payroll withholdings for the payroll period. Implementation began at the Parke County Board of Commissioners April 1, 2013 regular meeting; County Auditor Pam Adams will be responsible for the plan. **Claims without supporting documentation:** The Board of Commissioners will provide to the County Council and County Auditor the number of Election Poll Workers for each polling precinct and the amount for which each Poll Worker will be compensated for working at the polls on Primary and General Election days. Implementation will begin at the Board of Commissioners May 6, 2013 regular meeting where they will be presented with a Resolution regarding election workers.
5. **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SEFA):** Moving forward a SEFA report of all federal grant receipts and disbursements will be prepared by the deputy auditor who is responsible for maintaining federal grant information within the Auditor's office. This report will be reviewed by the Auditor prior to ensure accurate reporting.

FINDING 2012-2 - INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO CDBG - STATE ADMINISTERED CDBG CLUSTER

Federal Agency: United States Department of Housing and Urban Development

Federal Program: Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii

CFDA Number: 14.228

Federal Award Number and Year (or Other Identifying Number): CF-10-216

Pass-Through Entity: Indiana Office of Community and Rural Affairs

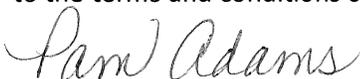
CASH MANAGEMENT: A comprehensive checklist will be prepared for each grant fund, the checklist will be placed in the front of each grant folder and contain the following information: title of the grant fund; grant fund number; department that applied for the grant; grant administrator's name and contact information; dates of receipts and disbursements; Davis Bacon requirements; local match requirements; and special tests and provision requirements. *Receipts and Disbursements:* The grant administrator is to provide the County Auditor with a copy of all claim forms submitted to receive reimbursement for expenses related to the grant; providing the Auditor with information regarding the amount and an approximate date as to when reimbursement will be received. The elected official or department head

shall request that the Board of County Commissioners allow a County Warrant (check) to be processed outside of the normal claims cycle as soon as grant monies are received and receipted into the fund. A receipts journal of all grant funds will be printed and reviewed each day to determine if/when grant monies are received and to match grant monies to the corresponding grant fund, these receipts journals will be kept in a binder with the grant folders. Davis Bacon: (*Grants that include contractor payroll*) The grant administrator will be required to submit copies of contractor's payroll records to the County Auditor. The County Auditor will provide the grant administrator with a checklist to complete when the administrator performs interviews of contractor employees the administrator will submit the completed documentation to the County Auditor indicating when the interviews were performed the checklist will also include the name of the contractor employee(s) who were interviewed; the Auditor will randomly contact contractor employees to follow up and ensure the interviews were performed, a sheet will be put in the grant folder with the name of the contractor employee, the date and time they were contacted and whom from the Auditor's office contacted the contractor employee. Local Matching Funds: The Auditor will work with the grant administrator, elected official and/or department head when a grant application is approved to make a schedule of the local match requirements. If the local match is financial, a worksheet will be included with all claim forms indicating the amount of grant funds and the amount of local funds to be applied to each invoice. If the local match is "in-kind" for services or local labor the elected official or department head will submit a journal of the in-kind services which will include the date, time, names of persons performing the in-kind service and the amount of consideration that counts toward the local match for the grant. Implementation of this plan will begin immediately and the Auditor will be responsible for coordinating administrators, elected officials and/or department heads to ensure all portions of the plan are met. Special Tests and Provisions: Upon receipt of approval for a grant application the grant administrator, elected official and/or department head will work with the Auditor and review information regarding special tests and provisions for each grant. These requirements are unique to each grant, the requirements will be outlined on the comprehensive checklist included in the grant folder and a person will be assigned to perform each task/requirement; a member of the Auditor's staff will be assigned to follow up to ensure the requirements are met. Copies of the Community Development Block Grant (CDBG) Manual and the LPA Guidance Document have been printed and placed in a binder with the grant folders. Each time a federal grant is awarded the compliance supplement will be printed, reviewed by the Auditor's office and kept in the corresponding grant folder. Implementation of this plan will begin immediately and the Auditor will be responsible for coordinating administrators, elected officials and/or department heads to ensure all portions of the plan are met.

FINDING 2012-3 – REPORTING

Federal Agency: United States Department of Housing and Urban Development
Federal Program: Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii
CFDA Number: 14.228
Federal Award Number and Year (or Other Identifying Number): CF-10-216, 2012
Pass-Through Entity: Indiana Office of Community and Rural Affairs

REPORTING: Reporting: A copy of each report and supporting documentation regarding a grant will be provided to the Auditor prior the report being given to the President of the Board of Commissioners for his/her signature. The Auditor will review the report(s), supporting documentation and compare both to the terms and conditions contained in the grant award.



Pam Adams

Parke County Auditor

4/22/2013

PARKE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 23, 2013, with Jim Meece, President of the Board of County Commissioners; John K. Pratt, Vice President of the County Council; James A. Rahn, President of the County Council; and Pam Adams, Auditor. The officials concurred with our audit findings.