

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF
FLOYD COUNTY, INDIANA
January 1, 2014 to December 31, 2014



FILED
06/09/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Scott L. Clark	05-06-13 to 12-31-18
County Treasurer	Linda L. Berger	01-01-13 to 12-31-16
Clerk of the Circuit Court	Christina M. Eurton	08-01-13 to 12-31-18
County Sheriff	Darrell Mills Frank Loop	01-01-11 to 12-31-14 01-01-15 to 12-31-18
County Recorder	Lois N. Endris	01-01-11 to 12-31-18
President of the Board of County Commissioners	Mark Seabrook Steve A. Bush	01-01-14 to 12-31-15 01-01-16 to 12-31-16
President of the County Council	James Wathen Matt Oakley Brad Striegel	01-01-14 to 12-31-14 01-01-15 to 12-31-15 01-01-16 to 12-31-16



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 FLOYD COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Floyd County (County), which comprises the financial position and results of operations for the year ended December 31, 2014, and the related notes to the financial statement as listed in the Table of Contents.

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, 2014.

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, 2014, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

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 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 records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

Other Information

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 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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated March 16, 2016, 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.


Paul D. Joyce, CPA
State Examiner

March 16, 2016



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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 FLOYD 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 Floyd County (County), which comprises the financial position and results of operations for the year ended December 31, 2014, and the related notes to the financial statement, and have issued our report thereon dated March 16, 2016, 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 items 2014-001 and 2014-002 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2014-001 and 2014-002.

Floyd 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.


Paul D. Joyce, CPA
State Examiner

March 16, 2016

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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.

FLOYD COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2014

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
Indiana Judicial "FLIP" Grant	\$ -	\$ 185,000	\$ 25,041	\$ 159,959
General	1,568,420	10,571,514	11,887,950	251,984
Accident Report	15,071	1,176	533	15,714
CAGIT County Certified Shares	25,503	3,745,687	3,768,353	2,837
CEDIT County Share	93,367	3,542,659	3,371,544	264,482
Child Advocacy	75	-	-	75
City and Town Court Costs	309,536	27,603	309,536	27,603
Clerk's Records Perpetuation	19,256	25,840	20,363	24,733
Community Corrections	2,580	382,377	384,957	-
Congressional School Interest	3,163	-	1,000	2,163
Congressional School Principal	24,995	-	-	24,995
Capital Development Fund/Travel	-	45,172	45,172	-
Sales Disclosure - County Share	72,581	13,026	5,240	80,367
Cumulative Bridge	1,527,151	931,004	764,926	1,693,229
Drug Free Community	14,637	33,497	34,254	13,880
Firearms Training	9,180	22,482	30,126	1,536
Health	224,745	498,305	550,397	172,653
Identification Security Protection	31,210	8,580	25,516	14,274
Levy Excess	40,783	-	-	40,783
Local Health Maintenance	80,176	61,328	63,121	78,383
Local Road and Street	1,171,621	4,711,082	5,043,997	838,706
Medical Care for Inmates	4,084	13,221	8,924	8,381
Misdemeanant	37,654	48,080	38,380	47,354
County Highway	543,485	2,207,149	2,435,997	314,637
Park Nonreverting Capital	477,870	17,886	34,987	460,769
Plat Book	8,930	-	-	8,930
Rainy Day	26,539	183	-	26,722
Reassessment - 2009	106,283	1,322	107,605	-
Reassessment - 2015	457,986	366,953	231,537	593,402
Recorder's Records Perpetuation	218,481	125,488	146,815	197,154
Sex and Violent Offender Administration	12,828	3,762	465	16,125
Supplemental Public Defender Services	86,977	50,682	30,836	106,823
Surplus Tax	274,313	188,792	79,368	383,737
Surveyor's Corner Perpetuation	57,155	15,105	19,842	52,418
Tax Sale Redemption	5,301	235,002	224,525	15,778
Tax Sale Surplus	1,265,867	828,446	1,066,899	1,027,414
Local Health Department Trust Account	49,519	36,638	31,379	54,778
Unsafe Building	539	-	-	539
Victim Impact Program	17,281	34,652	45,970	5,963
Guardian Ad Litem	-	20,037	20,037	-
Auditors Ineligible Deductions	482,017	202,145	470,164	213,998
County Elected Officials Training	21,964	8,700	1,470	29,194
Park And Recreation	82,997	184,597	220,333	47,261
County Offender Transportation Fund	13,728	8,810	-	22,538
Statewide 911	1,469	627,003	425,479	202,993
Adult Probation Administrative	419,100	53,050	73,905	398,245
Juvenile Probation Administrative	6,270	10,361	16,631	-
Supplemental Adult Probation Services	420,613	308,425	481,101	247,937
Supplemental Juvenile Probation Services	47,261	4,701	18,102	33,860
Sheriff Sale Administration	254,575	49,600	178,413	125,762
Pineview Purchase by Bond	-	206	-	206
Self-Insurance	25,705	151,305	177,010	-
Payroll Withholding - Federal	-	1,190,276	1,190,276	-
Payroll Withholding - FICA & Medicare	249	1,761,259	1,761,259	249
Payroll Withholding - Local Tax	-	139,446	139,446	-
Payroll Withholding - PERF	-	1,258,165	1,258,165	-
Payroll Withholding - Sheriff Pension	25,548	49,630	60,957	14,221
Payroll Withholding - State	24	382,876	382,876	24
Payroll Withholding - Wage Garnishments	-	45,802	45,802	-
Settlement	(46,310)	79,018,352	78,972,042	-
CVET Agency	-	247,767	247,767	-
Sewage Collections	-	5,043	5,043	-
Financial Institution Tax	-	341,771	341,771	-
CEDIT Homestead Credit	105,282	1,845,507	1,918,337	32,452
HEA 1001 State Homestead Credit	(11,287)	12,056	769	-
State Fines and Forfeitures	3,278	1,225	4,388	115
Infraction Judgements	1,705	23,822	23,814	1,713
Overweight Vehicle Fines	25	5,505	5,479	51
Special Death Benefit	440	5,350	5,410	380
Sales Disclosure - State Share	675	9,170	9,065	780
Coroners Training & Continuing Education	689	12,121	10,985	1,825
Mortgage Recording Fees - State Share	575	7,453	7,443	585
DLGF Homestead Property Database	7,006	165	7,165	6
Sex and Violent Offender Admin - State	21	417	400	38
Child Restraint Violations Fines	3,026	41,948	42,780	2,194
Forest Restoration	-	499	499	-
Inheritance Tax	85,387	45,480	130,867	-

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

FLOYD COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2014
(Continued)

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
Education Plate Fees Agency	375	1,331	1,331	375
Riverboat Revenue Sharing	300,364	934,694	1,213,209	21,849
Innkeepers Tax Collections	-	135,516	135,516	-
CEDIT Distribution	-	5,534,214	5,534,214	-
93.563 ARRA Prosecutor IV-D Incentive	198	-	-	198
93.563 ARRA Clerk IV-D Incentive	9,992	-	9,992	-
93.563 Title IV-D Incentive	103,341	26,565	5,400	124,506
93.563 Prosecutor IV-D Incentive-Post Oct '99	211,451	39,963	2,436	248,978
93.563 Clerk IV-D Incentive-Post Oct '99	55,558	26,565	26,806	55,317
Diversion Fund	95,037	37,951	52,758	80,230
Veterans Court User Fees	1,500	720	-	2,220
MCH Patient Fees	6,707	657	7,263	101
Alcohol & Drug User Fees	55,641	154,011	187,053	22,599
Veterans Court Donations	6,750	-	6,750	-
Center for Women & Families	3,624	-	3,624	-
Center W&F Rape Crisis	13,349	-	13,349	-
FC Gangs Task Force	2,278	-	667	1,611
New Albany Township Trustee	3,405	163,738	163,184	3,959
Floyd County Youth Service	41,085	558,053	599,138	-
Special Vehicle & Equipment	46,546	140,207	146,061	40,692
Local Law Enforcement Continuing Education	80,285	16,144	4,946	91,483
Enhanced Access	2,535	11,911	6,009	8,437
County Local Law Enforcement Training	1,247	1,984	312	2,919
County Court Home Monitoring	12,131	-	12,131	-
Community Redevelopment Non-Reverting	98,636	91,370	102,835	87,171
Non-Revolving Loan Fund	184,417	37,609	9,000	213,026
Bad Checks	41,721	1,540	5,025	38,236
American General Insurance	2	-	2	-
American Family Withholding	2,165	25,004	25,052	2,117
Humana Vision Care	2,319	19,602	19,526	2,395
Fort Dearborn Life Ins.	244	1,703	1,854	93
Colonial Life Withholding	2,909	4,934	4,946	2,897
Health Insurance	287,338	3,194,309	3,159,760	321,887
Medical Life Withholding	21,590	12,574	13,544	20,620
Guardian	8,119	98,817	98,888	8,048
Health Insurance Non-Reverting	27,959	27,713	55,672	-
Colonial Withholding	7,562	29,884	29,931	7,515
Deferred Compensation	180	232,341	232,521	-
Sheriff Asset Forfeiture	229,011	53,692	206,859	75,844
Floyd County Health WIC	(71,745)	215,520	208,255	(64,480)
Prosecutor STOP Grant	642	26,778	44,402	(16,982)
Floyd County JAG Grant	18,647	25,000	8,623	35,024
Bio Terror & Public Prep Program	(1,763)	70,937	62,829	6,345
Local Emergency Plan Civil Defense	23,622	4,650	5,376	22,896
EMPG Competitive Grant	-	5,603	5,603	-
Sexual Assault Grant	-	20,303	16,509	3,794
Community Corrections A & D Grant	2,525	1,713	2,125	2,113
Veterans Court Government Grants	6,361	-	2,511	3,850
Project Income	349,642	243,789	261,633	331,798
Veterans Service Horseshoe Grant	1,148	-	1,131	17
Pros Drug Investigation Non-reverting	38,212	8,035	8,304	37,943
Humana Life	1,009	18,267	18,128	1,148
County Police Deferred Comp	4,676	107,403	109,019	3,060
County Landowners Liab Cont	86,631	-	86,631	-
New York Life Withholding	41	-	-	41
United Way Withholding	46	-	46	-
Boston Mutual Life Insurance	64	-	64	-
State Homeland Security Grant	6,733	-	-	6,733
Juvenile Accountability Incentive	267	-	-	267
Parks Non-Reverting	238,031	236,545	155,005	319,571
CAGIT Distribution	-	13,706,790	13,706,790	-
Humana Critical	485	9,461	9,576	370
Humana Accident	61	3,950	3,887	124
Humana Disability	96	2,419	2,458	57
Court Reform Grant	-	37,446	37,446	-
Floyd County Surf & Storm Water ADM	12,500	-	12,500	-
Plan Commission Surf & Storm Water ADM	31,600	-	31,600	-
Stormwater Management Operating	416,974	728,872	670,173	475,673
Odyssey	1,266,801	3,103,678	3,345,789	1,024,690
SETS - Child Support	14,726	1,211,029	1,215,806	9,949
Sheriff's Commissary & Inmate Trust Fund	229,453	700,416	706,677	223,192
Floyd County Sheriff Fund	-	1,366,743	1,356,734	10,009
Treasurer's After Settlement Collections	7,525,580	1,810,051	7,525,580	1,810,051
Treasurer's Cash Change	350	-	-	350
Totals	\$ 23,008,160	\$ 152,340,452	\$ 161,209,779	\$ 14,138,833

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

FLOYD 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 Indiana 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. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

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.

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, 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.

FLOYD COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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).

Utility fees which are comprised mostly of charges for current services related to Storm Water.

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.

Debt service principal and interest which include fixed obligations resulting from financial transactions previously entered into by the County. It includes all expenditures for the reduction of the principal and interest of the County's general obligation indebtedness.

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.

FLOYD 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.

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.

FLOYD COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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 a cost-sharing 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
One North Capitol, 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.

FLOYD 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. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of reimbursements for expenditures made by the County for some grant funds not being received by December 31, 2014.

OTHER INFORMATION - UNAUDITED

The County's Annual Financial 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 Financial 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 other information presented was approved by management of the County. It is presented as intended by the County.

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014

	Indiana Judicial "FLIP" Grant	General	Accident Report	CAGIT County Certified Shares	CEDIT County Share	Child Advocacy	City and Town Court Costs	Clerk's Records Perpetuation
Cash and investments - beginning	\$ -	\$ 1,568,420	\$ 15,071	\$ 25,503	\$ 93,367	\$ 75	\$ 309,536	\$ 19,256
Receipts:								
Taxes	-	7,007,588	-	3,635,687	-	-	-	-
Intergovernmental	185,000	1,071,142	-	-	-	-	-	-
Charges for services	-	2,197,292	1,176	-	3,542,659	-	27,603	25,840
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	295,492	-	110,000	-	-	-	-
Total receipts	185,000	10,571,514	1,176	3,745,687	3,542,659	-	27,603	25,840
Disbursements:								
Personal services	22,144	8,752,908	-	3,768,353	212,910	-	-	3,186
Supplies	1,912	509,482	-	-	17,643	-	-	-
Other services and charges	985	2,354,769	-	-	2,909,709	-	-	5,000
Debt service - principal and interest	-	-	-	-	142,631	-	-	-
Capital outlay	-	68,896	-	-	88,651	-	-	-
Other disbursements	-	201,895	533	-	-	-	309,536	12,177
Total disbursements	25,041	11,887,950	533	3,768,353	3,371,544	-	309,536	20,363
Excess (deficiency) of receipts over disbursements	159,959	(1,316,436)	643	(22,666)	171,115	-	(281,933)	5,477
Cash and investments - ending	\$ 159,959	\$ 251,984	\$ 15,714	\$ 2,837	\$ 264,482	\$ 75	\$ 27,603	\$ 24,733

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	Community Corrections	Congressional School Interest	Congressional School Principal	Capital Development Fund/Travel	Sales Disclosure - County Share	Cumulative Bridge	Drug Free Community	Firearms Training
Cash and investments - beginning	\$ 2,580	\$ 3,163	\$ 24,995	\$ -	\$ 72,581	\$ 1,527,151	\$ 14,637	\$ 9,180
Receipts:								
Taxes	-	-	-	-	-	425,393	-	-
Intergovernmental	353,490	-	-	-	-	2,621	-	-
Charges for services	28,887	-	-	45,172	13,026	502,990	33,497	22,482
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	<u>382,377</u>	<u>-</u>	<u>-</u>	<u>45,172</u>	<u>13,026</u>	<u>931,004</u>	<u>33,497</u>	<u>22,482</u>
Disbursements:								
Personal services	358,622	-	-	-	-	115,539	-	-
Supplies	4,720	-	-	-	-	-	-	-
Other services and charges	21,550	-	-	-	5,240	255,321	34,254	-
Debt service - principal and interest	-	-	-	-	-	88,580	-	-
Capital outlay	-	-	-	-	-	305,474	-	-
Other disbursements	65	1,000	-	45,172	-	12	-	30,126
Total disbursements	<u>384,957</u>	<u>1,000</u>	<u>-</u>	<u>45,172</u>	<u>5,240</u>	<u>764,926</u>	<u>34,254</u>	<u>30,126</u>
Excess (deficiency) of receipts over disbursements	<u>(2,580)</u>	<u>(1,000)</u>	<u>-</u>	<u>-</u>	<u>7,786</u>	<u>166,078</u>	<u>(757)</u>	<u>(7,644)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 2,163</u>	<u>\$ 24,995</u>	<u>\$ -</u>	<u>\$ 80,367</u>	<u>\$ 1,693,229</u>	<u>\$ 13,880</u>	<u>\$ 1,536</u>

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	Health	Identification Security Protection	Levy Excess	Local Health Maintenance	Local Road and Street	Medical Care for Inmates	Misdemeanant	County Highway
Cash and investments - beginning	\$ 224,745	\$ 31,210	\$ 40,783	\$ 80,176	\$ 1,171,621	\$ 4,084	\$ 37,654	\$ 543,485
Receipts:								
Taxes	287,860	-	-	-	-	-	-	-
Intergovernmental	1,774	-	-	-	-	-	-	2,185,604
Charges for services	-	8,580	-	61,328	4,711,082	13,221	48,080	21,545
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	208,671	-	-	-	-	-	-	-
Total receipts	498,305	8,580	-	61,328	4,711,082	13,221	48,080	2,207,149
Disbursements:								
Personal services	474,287	-	-	6,252	246,920	-	-	1,754,491
Supplies	22,236	-	-	7,794	-	-	-	574,777
Other services and charges	53,716	25,516	-	34,281	-	-	-	66,439
Debt service - principal and interest	158	-	-	-	3,558,581	-	-	-
Capital outlay	-	-	-	14,794	1,238,496	-	-	40,290
Other disbursements	-	-	-	-	-	8,924	38,380	-
Total disbursements	550,397	25,516	-	63,121	5,043,997	8,924	38,380	2,435,997
Excess (deficiency) of receipts over disbursements	(52,092)	(16,936)	-	(1,793)	(332,915)	4,297	9,700	(228,848)
Cash and investments - ending	\$ 172,653	\$ 14,274	\$ 40,783	\$ 78,383	\$ 838,706	\$ 8,381	\$ 47,354	\$ 314,637

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	Park Nonreverting Capital	Plat Book	Rainy Day	Reassessment - 2009	Reassessment - 2015	Recorder's Records Perpetuation	Sex and Violent Offender Administration	Supplemental Public Defender Services
Cash and investments - beginning	\$ 477,870	\$ 8,930	\$ 26,539	\$ 106,283	\$ 457,986	\$ 218,481	\$ 12,828	\$ 86,977
Receipts:								
Taxes	-	-	-	485	364,871	-	-	-
Intergovernmental	-	-	-	837	2,082	-	-	-
Charges for services	12,430	-	183	-	-	125,488	3,762	50,682
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	5,456	-	-	-	-	-	-	-
Total receipts	17,886	-	183	1,322	366,953	125,488	3,762	50,682
Disbursements:								
Personal services	-	-	-	-	60,515	-	-	12,746
Supplies	-	-	-	-	38,122	-	465	-
Other services and charges	-	-	-	-	131,978	-	-	17,890
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	34,162	-	-	-	922	-	-	-
Other disbursements	825	-	-	107,605	-	146,815	-	200
Total disbursements	34,987	-	-	107,605	231,537	146,815	465	30,836
Excess (deficiency) of receipts over disbursements	(17,101)	-	183	(106,283)	135,416	(21,327)	3,297	19,846
Cash and investments - ending	\$ 460,769	\$ 8,930	\$ 26,722	\$ -	\$ 593,402	\$ 197,154	\$ 16,125	\$ 106,823

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	Surplus Tax	Surveyor's Corner Perpetuation	Tax Sale Redemption	Tax Sale Surplus	Local Health Department Trust Account	Unsafe Building	Victim Impact Program	Guardian Ad Litem
Cash and investments - beginning	\$ 274,313	\$ 57,155	\$ 5,301	\$ 1,265,867	\$ 49,519	\$ 539	\$ 17,281	\$ -
Receipts:								
Taxes	21,147	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	34,652	20,037
Charges for services	167,645	15,105	235,002	828,446	36,638	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	<u>188,792</u>	<u>15,105</u>	<u>235,002</u>	<u>828,446</u>	<u>36,638</u>	<u>-</u>	<u>34,652</u>	<u>20,037</u>
Disbursements:								
Personal services	-	13,420	-	-	-	-	45,970	-
Supplies	-	-	-	-	6,850	-	-	-
Other services and charges	-	994	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	4,981	-	-	1,953	-	-	-
Other disbursements	<u>79,368</u>	<u>447</u>	<u>224,525</u>	<u>1,066,899</u>	<u>22,576</u>	<u>-</u>	<u>-</u>	<u>20,037</u>
Total disbursements	<u>79,368</u>	<u>19,842</u>	<u>224,525</u>	<u>1,066,899</u>	<u>31,379</u>	<u>-</u>	<u>45,970</u>	<u>20,037</u>
Excess (deficiency) of receipts over disbursements	<u>109,424</u>	<u>(4,737)</u>	<u>10,477</u>	<u>(238,453)</u>	<u>5,259</u>	<u>-</u>	<u>(11,318)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 383,737</u>	<u>\$ 52,418</u>	<u>\$ 15,778</u>	<u>\$ 1,027,414</u>	<u>\$ 54,778</u>	<u>\$ 539</u>	<u>\$ 5,963</u>	<u>\$ -</u>

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	Auditors Ineligible Deductions	County Elected Officials Training	Park And Recreation	County Offender Transportation Fund	Statewide 911	Adult Probation Administrative	Juvenile Probation Administrative	Supplemental Adult Probation Services
Cash and investments - beginning	\$ 482,017	\$ 21,964	\$ 82,997	\$ 13,728	\$ 1,469	\$ 419,100	\$ 6,270	\$ 420,613
Receipts:								
Taxes	-	-	152,686	-	-	-	-	-
Intergovernmental	-	-	31,360	-	-	-	-	-
Charges for services	202,145	8,581	551	8,810	627,003	53,050	10,361	308,425
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	119	-	-	-	-	-	-
Total receipts	202,145	8,700	184,597	8,810	627,003	53,050	10,361	308,425
Disbursements:								
Personal services	-	-	165,162	-	1,728	18,918	16,631	368,411
Supplies	5,600	-	16,882	-	1,801	-	-	25,289
Other services and charges	74,225	1,470	38,248	-	57,387	-	-	67,597
Debt service - principal and interest	-	-	41	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	10,433
Other disbursements	390,339	-	-	-	364,563	54,987	-	9,371
Total disbursements	470,164	1,470	220,333	-	425,479	73,905	16,631	481,101
Excess (deficiency) of receipts over disbursements	(268,019)	7,230	(35,736)	8,810	201,524	(20,855)	(6,270)	(172,676)
Cash and investments - ending	\$ 213,998	\$ 29,194	\$ 47,261	\$ 22,538	\$ 202,993	\$ 398,245	\$ -	\$ 247,937

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	Supplemental Juvenile Probation Services	Sheriff Sale Administration	Pineview Purchase By Bond	Self-Insurance	Payroll Withholding - Federal	Payroll Withholding - FICA & Medicare	Payroll Withholding - Local Tax	Payroll Withholding - PERF
Cash and investments - beginning	\$ 47,261	\$ 254,575	\$ -	\$ 25,705	\$ -	\$ 249	\$ -	\$ -
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	4,701	49,600	-	151,305	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	-	206	-	1,190,276	1,761,259	139,446	1,258,165
Total receipts	4,701	49,600	206	151,305	1,190,276	1,761,259	139,446	1,258,165
Disbursements:								
Personal services	3,786	52,724	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	14,316	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	125,000	-	-	-	-	-	-
Other disbursements	-	689	-	177,010	1,190,276	1,761,259	139,446	1,258,165
Total disbursements	18,102	178,413	-	177,010	1,190,276	1,761,259	139,446	1,258,165
Excess (deficiency) of receipts over disbursements	(13,401)	(128,813)	206	(25,705)	-	-	-	-
Cash and investments - ending	\$ 33,860	\$ 125,762	\$ 206	\$ -	\$ -	\$ 249	\$ -	\$ -

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	Payroll Withholding - Sheriff Pension	Payroll Withholding - State	Payroll Withholding - Wage Garnishments	Settlement	CVET Agency	Sewage Collections	Financial Institution Tax	CEDIT Homestead Credit
Cash and investments - beginning	\$ 25,548	\$ 24	\$ -	\$ (46,310)	\$ -	\$ -	\$ -	\$ 105,282
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	49,630	382,876	45,802	79,018,352	247,767	5,043	341,771	1,845,507
Total receipts	49,630	382,876	45,802	79,018,352	247,767	5,043	341,771	1,845,507
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	60,957	382,876	45,802	78,972,042	247,767	5,043	341,771	1,918,337
Total disbursements	60,957	382,876	45,802	78,972,042	247,767	5,043	341,771	1,918,337
Excess (deficiency) of receipts over disbursements	(11,327)	-	-	46,310	-	-	-	(72,830)
Cash and investments - ending	\$ 14,221	\$ 24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,452

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	HEA 1001 State Homestead Credit	State Fines and Forfeitures	Infraction Judgements	Overweight Vehicle Fines	Special Death Benefit	Sales Disclosure - State Share	Coroners Training & Continuing Education	Mortgage Recording Fees - State Share
Cash and investments - beginning	\$ (11,287)	\$ 3,278	\$ 1,705	\$ 25	\$ 440	\$ 675	\$ 689	\$ 575
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	1,225	23,822	-	-	9,170	12,121	7,453
Fines and forfeits	-	-	-	5,505	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	12,056	-	-	-	5,350	-	-	-
Total receipts	12,056	1,225	23,822	5,505	5,350	9,170	12,121	7,453
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	4,388	-	5,479	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	769	-	23,814	-	5,410	9,065	10,985	7,443
Total disbursements	769	4,388	23,814	5,479	5,410	9,065	10,985	7,443
Excess (deficiency) of receipts over disbursements	11,287	(3,163)	8	26	(60)	105	1,136	10
Cash and investments - ending	\$ -	\$ 115	\$ 1,713	\$ 51	\$ 380	\$ 780	\$ 1,825	\$ 585

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	DLGF Homestead Property Database	Sex and Violent Offender Admin - State	Child Restraint Violations Fines	Forest Restoration	Inheritance Tax	Education Plate Fees Agency	Riverboat Revenue Sharing	Innkeepers Tax Collections
Cash and investments - beginning	\$ 7,006	\$ 21	\$ 3,026	\$ -	\$ 85,387	\$ 375	\$ 300,364	\$ -
Receipts:								
Taxes	-	-	-	-	-	-	-	135,516
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	417	41,948	499	45,480	1,331	934,694	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	165	-	-	-	-	-	-	-
Total receipts	165	417	41,948	499	45,480	1,331	934,694	135,516
Disbursements:								
Personal services	-	-	-	-	-	-	181,221	-
Supplies	-	-	-	-	-	-	11,498	-
Other services and charges	-	-	-	-	-	-	452,093	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	42,780	-	-	-	12,680	-
Other disbursements	7,165	400	-	499	130,867	1,331	555,717	135,516
Total disbursements	7,165	400	42,780	499	130,867	1,331	1,213,209	135,516
Excess (deficiency) of receipts over disbursements	(7,000)	17	(832)	-	(85,387)	-	(278,515)	-
Cash and investments - ending	\$ 6	\$ 38	\$ 2,194	\$ -	\$ -	\$ 375	\$ 21,849	\$ -

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	CEDIT Distribution	93.563 ARRA Prosecutor IV-D Incentive	93.563 ARRA Clerk 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	Diversion Fund	Veterans Court User Fees
Cash and investments - beginning	\$ -	\$ 198	\$ 9,992	\$ 103,341	\$ 211,451	\$ 55,558	\$ 95,037	\$ 1,500
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	26,565	39,963	26,565	37,951	720
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	5,534,214	-	-	-	-	-	-	-
Total receipts	5,534,214	-	-	26,565	39,963	26,565	37,951	720
Disbursements:								
Personal services	-	-	-	-	-	-	22,745	-
Supplies	-	-	-	-	-	-	540	-
Other services and charges	-	-	-	-	-	-	29,400	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	73	-
Other disbursements	5,534,214	-	9,992	5,400	2,436	26,806	-	-
Total disbursements	5,534,214	-	9,992	5,400	2,436	26,806	52,758	-
Excess (deficiency) of receipts over disbursements	-	-	(9,992)	21,165	37,527	(241)	(14,807)	720
Cash and investments - ending	\$ -	\$ 198	\$ -	\$ 124,506	\$ 248,978	\$ 55,317	\$ 80,230	\$ 2,220

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	MCH Patient Fees	Alcohol & Drug User Fees	Veterans Court Donations	Center For Women & Families	Center W&F Rape Crisis	FC Gangs Task Force	New Albany Township Trustee	Floyd County Youth Service
Cash and investments - beginning	\$ 6,707	\$ 55,641	\$ 6,750	\$ 3,624	\$ 13,349	\$ 2,278	\$ 3,405	\$ 41,085
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	1,713	-	-	-	-	-	558,053
Charges for services	657	152,298	-	-	-	-	163,738	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	657	154,011	-	-	-	-	163,738	558,053
Disbursements:								
Personal services	7,263	175,673	-	-	-	-	143,924	558,527
Supplies	-	602	-	-	-	-	-	8,010
Other services and charges	-	9,612	-	-	-	-	-	32,313
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	696	-	-	-	-	-	288
Other disbursements	-	470	6,750	3,624	13,349	667	19,260	-
Total disbursements	7,263	187,053	6,750	3,624	13,349	667	163,184	599,138
Excess (deficiency) of receipts over disbursements	(6,606)	(33,042)	(6,750)	(3,624)	(13,349)	(667)	554	(41,085)
Cash and investments - ending	\$ 101	\$ 22,599	\$ -	\$ -	\$ -	\$ 1,611	\$ 3,959	\$ -

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	Special Vehicle & Equipment	Local Law Enforcement Continuing Education	Enhanced Access	County Local Law Enforcement Training	County Court Home Monitoring	Community Redevelopment Non-Reverting	Non-Revolving Loan Fund	Bad Checks
Cash and investments - beginning	\$ 46,546	\$ 80,285	\$ 2,535	\$ 1,247	\$ 12,131	\$ 98,636	\$ 184,417	\$ 41,721
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	140,207	16,144	-	1,984	-	91,370	37,609	1,540
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	-	11,911	-	-	-	-	-
Total receipts	<u>140,207</u>	<u>16,144</u>	<u>11,911</u>	<u>1,984</u>	<u>-</u>	<u>91,370</u>	<u>37,609</u>	<u>1,540</u>
Disbursements:								
Personal services	-	-	-	-	-	-	-	2,815
Supplies	-	-	-	-	-	-	-	-
Other services and charges	4,856	-	6,009	-	-	58,175	9,000	2,210
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	39	-	-
Other disbursements	141,205	4,946	-	312	12,131	44,621	-	-
Total disbursements	<u>146,061</u>	<u>4,946</u>	<u>6,009</u>	<u>312</u>	<u>12,131</u>	<u>102,835</u>	<u>9,000</u>	<u>5,025</u>
Excess (deficiency) of receipts over disbursements	<u>(5,854)</u>	<u>11,198</u>	<u>5,902</u>	<u>1,672</u>	<u>(12,131)</u>	<u>(11,465)</u>	<u>28,609</u>	<u>(3,485)</u>
Cash and investments - ending	<u>\$ 40,692</u>	<u>\$ 91,483</u>	<u>\$ 8,437</u>	<u>\$ 2,919</u>	<u>\$ -</u>	<u>\$ 87,171</u>	<u>\$ 213,026</u>	<u>\$ 38,236</u>

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	American General Insurance	American Family Withholding	Humana Vision Care	Fort Dearborn Life Ins.	Colonial Life Withholding	Health Insurance	Medical Life Withholding	Guardian
Cash and investments - beginning	\$ 2	\$ 2,165	\$ 2,319	\$ 244	\$ 2,909	\$ 287,338	\$ 21,590	\$ 8,119
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	25,004	19,602	1,703	4,934	3,194,309	12,574	98,817
Total receipts	-	25,004	19,602	1,703	4,934	3,194,309	12,574	98,817
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	2	25,052	19,526	1,854	4,946	3,159,760	13,544	98,888
Total disbursements	2	25,052	19,526	1,854	4,946	3,159,760	13,544	98,888
Excess (deficiency) of receipts over disbursements	(2)	(48)	76	(151)	(12)	34,549	(970)	(71)
Cash and investments - ending	\$ -	\$ 2,117	\$ 2,395	\$ 93	\$ 2,897	\$ 321,887	\$ 20,620	\$ 8,048

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	Health Insurance Non-Reverting	Colonial Withholding	Deferred Compensation	Sheriff Asset Forfeiture	Floyd County Health WIC	Prosecutor STOP Grant	Floyd County JAG Grant	Bio Terror & Public Prep Program
Cash and investments - beginning	\$ 27,959	\$ 7,562	\$ 180	\$ 229,011	\$ (71,745)	\$ 642	\$ 18,647	\$ (1,763)
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	215,520	13,454	12,000	3,500
Charges for services	-	-	-	53,692	-	13,324	13,000	67,437
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	27,713	29,884	232,341	-	-	-	-	-
Total receipts	27,713	29,884	232,341	53,692	215,520	26,778	25,000	70,937
Disbursements:								
Personal services	-	-	-	-	147,843	44,057	-	-
Supplies	-	-	-	-	20,023	-	-	37,622
Other services and charges	-	-	-	206,859	40,389	345	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	4,969
Other disbursements	55,672	29,931	232,521	-	-	-	8,623	20,238
Total disbursements	55,672	29,931	232,521	206,859	208,255	44,402	8,623	62,829
Excess (deficiency) of receipts over disbursements	(27,959)	(47)	(180)	(153,167)	7,265	(17,624)	16,377	8,108
Cash and investments - ending	\$ -	\$ 7,515	\$ -	\$ 75,844	\$ (64,480)	\$ (16,982)	\$ 35,024	\$ 6,345

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	Local Emergency Plan Civil Defense	EMPG Competitive Grant	Sexual Assault Grant	Community Corrections A & D Grant	Veterans Court Government Grants	Project Income	Veterans Service Horseshoe Grant	Prosecutor Drug Investigation Non-reverting
Cash and investments - beginning	\$ 23,622	\$ -	\$ -	\$ 2,525	\$ 6,361	\$ 349,642	\$ 1,148	\$ 38,212
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	5,603	20,303	1,713	-	-	-	-
Charges for services	4,650	-	-	-	-	243,789	-	8,035
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	4,650	5,603	20,303	1,713	-	243,789	-	8,035
Disbursements:								
Personal services	-	-	-	-	-	163,436	-	-
Supplies	-	-	-	-	-	8,652	-	385
Other services and charges	5,375	-	-	2,125	-	10,507	-	6,256
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	74,540	-	1,663
Other disbursements	1	5,603	16,509	-	2,511	4,498	1,131	-
Total disbursements	5,376	5,603	16,509	2,125	2,511	261,633	1,131	8,304
Excess (deficiency) of receipts over disbursements	(726)	-	3,794	(412)	(2,511)	(17,844)	(1,131)	(269)
Cash and investments - ending	\$ 22,896	\$ -	\$ 3,794	\$ 2,113	\$ 3,850	\$ 331,798	\$ 17	\$ 37,943

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	Humana Life	County Police Deferred Comp	County Landowners Liab Cont	New York Life Withholding	United Way Withholding	Boston Mutual Life Insurance	State Homeland Security Grant	Juvenile Accountability Incentive
Cash and investments - beginning	\$ 1,009	\$ 4,676	\$ 86,631	\$ 41	\$ 46	\$ 64	\$ 6,733	\$ 267
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	18,267	107,403	-	-	-	-	-	-
Total receipts	18,267	107,403	-	-	-	-	-	-
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Other disbursements	18,128	109,019	86,631	-	46	64	-	-
Total disbursements	18,128	109,019	86,631	-	46	64	-	-
Excess (deficiency) of receipts over disbursements	139	(1,616)	(86,631)	-	(46)	(64)	-	-
Cash and investments - ending	\$ 1,148	\$ 3,060	\$ -	\$ 41	\$ -	\$ -	\$ 6,733	\$ 267

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	Parks Non-Reverting	CAGIT Distribution	Humana Critical	Humana Accident	Humana Disability	Court Reform Grant	Floyd County Surf & Storm Water ADM	Plan Commission Surf & Storm Water ADM
Cash and investments - beginning	\$ 238,031	\$ -	\$ 485	\$ 61	\$ 96	\$ -	\$ 12,500	\$ 31,600
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	32,903	-	-
Charges for services	236,545	-	-	-	-	4,543	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	13,706,790	9,461	3,950	2,419	-	-	-
Total receipts	<u>236,545</u>	<u>13,706,790</u>	<u>9,461</u>	<u>3,950</u>	<u>2,419</u>	<u>37,446</u>	<u>-</u>	<u>-</u>
Disbursements:								
Personal services	20,073	-	-	-	-	-	-	-
Supplies	53,604	-	-	-	-	715	-	-
Other services and charges	40,928	-	-	-	-	36,731	-	-
Debt service - principal and interest	40,000	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	12,500	31,600
Other disbursements	400	13,706,790	9,576	3,887	2,458	-	-	-
Total disbursements	<u>155,005</u>	<u>13,706,790</u>	<u>9,576</u>	<u>3,887</u>	<u>2,458</u>	<u>37,446</u>	<u>12,500</u>	<u>31,600</u>
Excess (deficiency) of receipts over disbursements	<u>81,540</u>	<u>-</u>	<u>(115)</u>	<u>63</u>	<u>(39)</u>	<u>-</u>	<u>(12,500)</u>	<u>(31,600)</u>
Cash and investments - ending	<u>\$ 319,571</u>	<u>\$ -</u>	<u>\$ 370</u>	<u>\$ 124</u>	<u>\$ 57</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

FLOYD COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014
 (Continued)

	Stormwater Management Operating	Odyssey	ISETS - Child Support	Sheriff's Commissary & Inmate Trust Fund	Floyd County Sheriff Fund	Treasurer's After Settlement Collections	Treasurer's Cash Change	Totals
Cash and investments - beginning	\$ 416,974	\$ 1,266,801	\$ 14,726	\$ 229,453	\$ -	\$ 7,525,580	\$ 350	\$ 23,008,160
Receipts:								
Taxes	-	-	-	-	-	-	-	12,031,233
Intergovernmental	-	-	-	-	-	-	-	4,753,361
Charges for services	-	3,103,678	1,211,029	-	-	-	-	20,979,566
Fines and forfeits	-	-	-	-	-	-	-	5,505
Utility fees	728,872	-	-	-	-	-	-	728,872
Other receipts	-	-	-	700,416	1,366,743	1,810,051	-	113,841,915
Total receipts	728,872	3,103,678	1,211,029	700,416	1,366,743	1,810,051	-	152,340,452
Disbursements:								
Personal services	490,532	-	-	-	-	-	-	18,433,732
Supplies	-	-	-	-	-	-	-	1,375,224
Other services and charges	179,547	-	-	-	-	-	-	7,313,482
Debt service - principal and interest	-	-	-	-	-	-	-	3,829,991
Capital outlay	-	-	-	-	-	-	-	2,115,880
Other disbursements	94	3,345,789	1,215,806	706,677	1,356,734	7,525,580	-	128,141,470
Total disbursements	670,173	3,345,789	1,215,806	706,677	1,356,734	7,525,580	-	161,209,779
Excess (deficiency) of receipts over disbursements	58,699	(242,111)	(4,777)	(6,261)	10,009	(5,715,529)	-	(8,869,327)
Cash and investments - ending	\$ 475,673	\$ 1,024,690	\$ 9,949	\$ 223,192	\$ 10,009	\$ 1,810,051	\$ 350	\$ 14,138,833

FLOYD COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2014

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: Ally	Prosecutor Vehicle	\$ 7,588	12/30/2014	11/30/2016
Total of annual lease payments		<u>\$ 7,588</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Pineview Building Purchase	\$ 1,370,000	\$ 139,744
General obligation bonds	Bridge Bond	515,000	70,475
General obligation bonds	Parks Department Bond	1,345,000	106,038
General obligation bonds	Road Improvement Bond Series 2014	4,120,000	319,806
Notes and loans payable	Dump Truck	<u>83,311</u>	<u>32,787</u>
Total governmental activities		<u>7,433,311</u>	<u>668,850</u>
Totals		<u>\$ 7,433,311</u>	<u>\$ 668,850</u>

FLOYD COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2014

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	\$ 1,462,833
Infrastructure	50,000,000
Buildings	19,547,470
Improvements other than buildings	11,679,855
Machinery, equipment, and vehicles	7,710,110
Total capital assets	\$ 90,400,268

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

TO: THE OFFICIALS OF FLOYD COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Floyd 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, 2014. 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, 2014.

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are 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 items 2014-003 and 2014-004. Our opinion on each major federal program is not modified with respect to these matters.

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 the 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 types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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 items 2014-003 and 2014-004 to be material weaknesses.

The County's response to the internal control over the 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.


Paul D. Joyce, CPA
State Examiner

March 16, 2016

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTE

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

FLOYD COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2014

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>Department of Agriculture</u>				
Child Nutrition Cluster				
School Breakfast Program	Indiana Department of Education	10.553	2014	\$ 4,454
School Breakfast Program				
National School Lunch Program	Indiana Department of Education	10.555	2014	6,824
National School Lunch Program				
Total - Child Nutrition Cluster				<u>11,278</u>
Special Supplemental Nutrition Program for Women, Infants, and Children	Indiana State Department of Health	10.557	ISDHWIC01172013	208,537
WIC		10.557	ISDHWIC10112012	6,984
WIC				
Total - Special Supplemental Nutrition Program for Women Infants and Children				<u>215,521</u>
Total - Department of Agriculture				<u>226,799</u>
<u>Department of Justice</u>				
JAG Program Cluster				
Edward Byrne Memorial Justice Assistance Grant Program	Direct Grant	16.738	2014-DJ-BX-0886	8,622
JAG				
Total - JAG Program Cluster				<u>8,622</u>
Equitable Sharing Program	Direct Grant	16.922	2014	201,279
Sheriff Forfeiture				
Juvenile Accountability Block Grants	Indiana Criminal Justice Institute	16.523	2010-JB-FX-0086	6,685
JABG				
Crime Victim Assistance	Indiana Criminal Justice Institute	16.575	2013-VA-GX-0036	54,956
Victims Assistance				
Violence Against Women Formula Grants	Indiana Criminal Justice Institute	16.588	2013-WF-AX-0010	26,778
S.T.O.P. Grant				
Total - Department of Justice				<u>298,320</u>
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster				
Highway Planning and Construction	Indiana Department of Transportation	20.205	Des #0200786	6,497
Old Vincennes Road				
Total - Highway Planning and Construction Cluster				<u>6,497</u>
Highway Safety Cluster				
State and Community Highway Safety	Indiana Criminal Justice Institute	20.600	NHTSA-4022014	120
Operation Pullover				
Safety Belt Performance Grants	Indiana Criminal Justice Institute	20.609	NHTSA-4052014	7,933
Operation Pullover				
Total - Highway Safety Cluster				<u>8,053</u>
Total - Department of Transportation				<u>14,550</u>
<u>Department of Health and Human Services</u>				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	Indiana State Department of Health	93.074	A70-4-0532216	13,680
Bioterrorism			A70-4-0532292	27,667
			A70-4-0532314	5,926
			A70-5-0532375	20,164
Total - Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements				<u>67,437</u>
Child Support Enforcement	Indiana Department of Child Services	93.563	2014	502,629
Child Support				
Total - Department of Health and Human Services				<u>570,066</u>
<u>Department of Homeland Security</u>				
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042	C44P-4-358B	5,180
EMA		97.042	C44P-5-023B	31,096
EMA				
Total - Department of Homeland Security				<u>36,276</u>
Total federal awards expended				<u>\$ 1,146,011</u>

The accompanying note is an integral part of the Schedule of Expenditures of Federal Awards.

FLOYD COUNTY
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the 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.

FLOYD 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; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unmodified
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:

CFDA Number	Name of Federal Program or Cluster
16.922	Equitable Sharing Program
93.563	Child Support Enforcement

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 2014-001 - INTERNAL CONTROLS AND COMPLIANCE OVER FINANCIAL TRANSACTIONS AND REPORTING

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

FLOYD COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Lack of Segregation of Duties

The County departments of the County Sheriff and Clerk of the Circuit Court have not separated incompatible activities related to receipts, disbursements, and cash and investments. In each department one individual is responsible for performing the reconciliation of the depository account balance with the record balance, preparing and making bank deposits, reconciling daily cash collections, recording receipt and disbursements transactions in the ledger, and preparing the supplemental Annual Financial Report. Control activities should be in place to reduce the risks of errors in financial reporting. The failure to establish these controls could enable material misstatements or irregularities to remain undetected.

Annual Financial Report

Evidence was not presented to ensure that the financial information input into the County's Annual Financial Report within the Gateway system, which is used to generate the County's financial statement, was properly reviewed and verified to the County's financial records and the records of the County's outside offices to determine that no material errors occurred. As a result, receipts were overstated by \$71,435,563; disbursements were overstated by \$71,362,986; and the beginning cash and investments balance was understated by \$49,687. The material amount of the overstatements in receipts and disbursements is due to the incorrect reporting of the Treasurer's After Settlement Collections. Audit adjustments were proposed, approved by the County Auditor, and made to the County's financial statement presented in this report.

Cash Reconcilements

Depository reconciliations of the fund balances to the bank account balances in the County Treasurer's Office were conducted; however, the reconciliations contained errors and did not balance. No controls were in place to review and verify the accuracy of the reconcilements. A comparison of the Treasurer's Daily Balance of Cash and Depositories, Form No. 47 (Cash Book), to the bank accounts on December 31, 2014, indicated a cash long of \$185,701.

Without the proper system of internal controls in place that operates effectively, material misstatements of the financial statement occurred and remained undetected.

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7."

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for County Treasurers of Indiana, Chapter 10)

FLOYD COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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; Accounting and Uniform Compliance Guidelines Manual for Clerks of the Circuit Court of Indiana, Chapter 13; Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14; Accounting and Uniform Compliance Guidelines Manual for County Treasurers of Indiana, Chapter 10)

FINDING 2014-002 - PREPARATION OF 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 Auditor's Chief Deputy prepares the SEFA and no evidence was presented that there was any oversight, review, approval, or other compensating control to verify the accuracy of the information and amounts. 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 occur and remain undetected.

During the audit of the SEFA, we noted the following errors:

1. Four federal grants totaling \$60,254 in expenditures were not reported.
2. The expenditures were under reported on eight grants and over reported on six grants resulting in a net over reporting of \$138,985 for those grants.
3. Two state grants were erroneously reported as federal grant programs.

Audit adjustments were proposed, accepted by the County, and made to the SEFA presented in this report.

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 County Auditors of Indiana, Chapter 14)

OMB Circular A-133, Subpart C, section .300 states in part: "The auditee shall: . . . (d) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with section .310."

FLOYD COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

OMB Circular A-133, Subpart C, section .310(b) states:

"Schedule of expenditures of Federal awards. The auditee shall also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple award years, the auditee may list the amount of Federal awards expended for each award year separately. At a minimum, the schedule shall:

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.
- (4) Include notes that describe the significant accounting policies used in preparing the schedule.
- (5) To the extent practical, pass-through entities should identify in the schedule the total amount provided to subrecipients from each Federal program.
- (6) Include, in either the schedule or a note to the schedule, the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the schedule."

Section III - Federal Award Findings and Questioned Costs

FINDING 2014-003 - REPORTING

Federal Agency: Department of Justice

Federal Program: Equitable Sharing Program

CFDA Number: 16.922

Federal Award Number and Year (or Other Identifying Number): 2014

Management of the County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the compliance requirements pertaining to Reporting.

FLOYD COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The Federal Equitable Sharing Agreement and Certification Form (Report), required to be filed annually by grantees, included the signatures of the County Sheriff and President of the County Commissioners certifying the Report as accurate. The Report was prepared from financial records maintained at the County Sheriff's Department and had not been reconciled to the fund balance within the Sheriff Asset Forfeiture fund per the County Auditor's records. As a result, the reported balance on December 31, 2014, was \$29,060 greater than the County's Sheriff Asset Forfeiture fund balance per the County Auditor's records. The variance consists of an unidentified prior period difference of \$9,140; three deposits received from the U.S. Marshalls Service during the months of June, July, and December 2014, totaling \$19,470, which were posted to the County Sheriff's records, but not recorded in the County Auditor's records until January 7, 2015; and a reporting error resulting in an understatement of disbursements in the amount of \$450.

No controls were identified for reconciling the Sheriff's Department records to the fund on the County Auditor's records and correcting errors or for reviewing and verifying the accuracy of required reports.

The failure to establish an effective internal control system places the County at risk of non-compliance with the grant agreement and the compliance requirements. A lack of segregation of duties within the internal control system allowed noncompliance with compliance requirements and could allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

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 compliance requirement of a federal program will be prevented, or 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 states in part:

"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."

28 CFR 66.20(b) states in part:

"The financial management systems of other grantees and subgrantees must meet the following standards:

- (1) *Financial reporting.* Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant."

The failure to establish internal controls enabled material noncompliance to go undetected. Non-compliance of the grant agreement or the compliance requirements could result in the loss of federal funds to the County.

We recommended that the County's management establish and implement controls, including segregation of duties, related to the grant agreement and compliance requirements pertaining to Reporting.

FLOYD COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2014-004 - ALLOWABLE COSTS/COST PRINCIPLES

Federal Agency: Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA Number: 93.563
Federal Award Number and Year (or Other Identifying Number): 2014
Pass-Through Entity: Indiana Department of Child Services

Management of the County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the compliance requirements pertaining to Allowable Costs/Cost Principles.

The County's IV-D Court reimbursement requests for the Child Support Enforcement Program (IV-D) are required to be submitted on a Monthly Expense Claim For Title IV-D (Monthly Expense Claim). To ensure accurate accountability for Monthly Expense Claims, monthly personnel activity reports for part time IV-D employees are recorded on a Record of Monthly Time form, which distinguishes IV-D hours from total non-IV-D hours. The Record of Monthly Time forms are to be verified by the employee to reflect after-the-fact hours worked.

A third-party contractor conducted a time study of the County's Courts (Circuit, Magistrate, Superior 1 and Superior III) prior to implementing the Court Title IV-D program. The time study identified which court employees worked on IV-D cases and the percentage of time devoted to IV-D activities. Through this methodology, the third-party contractor applied the calculated IV-D percentages to the total IV-D employee payroll each month and the amounts were then included in the Court's Monthly Record of Monthly Time and Monthly Expense Claim for Title IV-D.

No evidence was presented to indicate that the employee reviewed and approved their Record of Monthly Time; therefore, no control could be identified to ensure that all personal services submitted for reimbursement had been incurred and paid prior to requesting reimbursement.

The failure to establish an effective internal control system places the County at risk of non-compliance 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 program.

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 compliance requirement of a federal program will be prevented, or 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 states in part:

"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."

FLOYD COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

OMB Circular A-87, Attachment B, item 8(h), states in part:

- "(4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) unless a statistical sampling system (see subsection (6)) or other substitute system has been approved by the cognizant Federal agency. . . .
- (5) Personnel activity reports or equivalent documentation must meet the following standards:
- (a) They must reflect an after the fact distribution of the actual activity of each employee,
 - (b) They must account for the total activity for which each employee is compensated,
 - (c) They must be prepared at least monthly and must coincide with one or more pay periods, and
 - (d) They must be signed by the employee.
 - (e) Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards but may be used for interim accounting purposes, provided that:
 - (i) The governmental unit's system for establishing the estimates produces reasonable approximations of the activity actually performed;
 - (ii) At least quarterly, comparisons of actual costs to budgeted distributions based on the monthly activity reports are made. Costs charged to Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent; and
 - (iii) The budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances."

The failure to establish internal controls enabled material noncompliance to go undetected. Non-compliance of the grant agreement or the compliance requirements could result in the loss of federal funds to the County.

We recommended that the County's management establish and implement controls, including segregation of duties, related to the grant agreement and compliance requirements pertaining to Allowable Costs/Cost Principles.

FLOYD COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Management's View

Management is disputing the assertion that there is not an effective internal control system in place and they do not agree that it is necessary for the Court employee or supervisory official to review and approve the Record of Monthly Time for employees paid from Child Support Enforcement funds.

Response to Management's View

Although we agree that it is not required that a supervisory official review and approve the Record of Monthly Time, OMB Circular A-87, Attachment B, item 8h(5) does specifically state that the personnel activity reports or equivalent record (Record of Monthly Time) must be signed by the employee. If no control is in place to ensure that the Record of Monthly Time has been signed by each employee, an internal control deficiency is deemed to exist.

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AUDITEE PREPARED DOCUMENTS

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

Floyd County, IN
Director of Operations and County Planning
2524 Corydon Pike Suite 202
New Albany, IN 47150

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2013-003 REPORTING

Original Assigned SBA Audit Report Number: B44419
Report Period: January 1, 2013 to December 31, 2013
Pass-Through Entity or Federal Grantor Agency: Indiana Department of Transportation
Contact Person Responsible for Corrective Action: Donald M. Lopp, Director of Operations
Contact Phone Number: (812) 948-4110

Status of Audit Finding:

We have resolved the quarterly report issue with INDOT. We have two employees trained as ERC with INDOT which is the responsible part for submission of quarterly reporting. We have also been able to now electronically submit quarterly reports. We submit all reports to INDOT via the ITAP program.

Donald M. Lopp
(Signature)

Director of Operations
(Title)

8-20-2015
(Date)



Scott L. Clark, Auditor of Floyd County

January 25, 2016

Auditee Contact Person: Scott L. Clark

Title of Contact Person: Auditor

Phone no.: 812-948-5435

Section II - Federal Award Findings and Questioned Costs

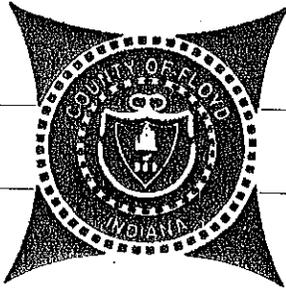
Corrective Action Plan

2014-001

The Auditor will make a concerted effort to ensure that the information submitted by the Treasurer's office is reviewed and verified to the County's financial records to ensure an accurate and timely report, with no material errors.

A handwritten signature in black ink, appearing to read "S.L. Clark", is written over a horizontal line.

Scott L. Clark, Auditor



(812) 948-5477

Linda L. Berger, Treasurer of Floyd County

Room 113, City-County Bldg. • 311 Hauss Square • New Albany, IN 47150
E-Mail: lberger@floydcounty.in.gov

CORRECTIVE ACTION PLAN

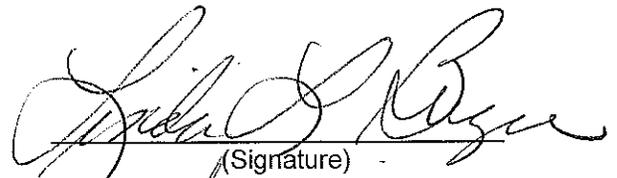
FINDING 2014-001

Contact Person Responsible for Corrective Action: Linda L. Berger
Contact Phone Number: 812-948-5477

Description of Corrective Action Plan:

As Treasurer, I am now comparing Cash Books and Bank Statements at the end of each month. This was formerly done by my 1st Deputy, but she also did the Cash Books. As Treasurer, I have taken the responsibility of verification monthly.

Anticipated Completion Date : This was put into place during audit of 2014 records.


(Signature)

Treasurer
(Title)

1-7-16
(Date)



FLOYD COUNTY SHERIFF'S DEPARTMENT
"The Sheriff shall keep and preserve the peace of his county"

CORRECTIVE ACTION PLAN

FINDING 2014-001

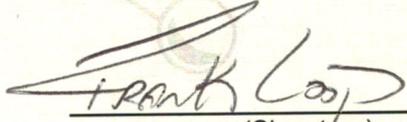
Contact Person Responsible for Corrective Action: Sheriff Frank Loop
Contact Phone Number: (812) 948-5400

Description of Corrective Action Plan:

The County Sheriff's Department will have a segregation of duties that relates to receipts, disbursements, and cash/investments. For receipts, and disbursements, a second person in the department will sign off on deposits, transactional, and receipt paperwork as well as physical monies that are to be deposited. That person will also initial all paperwork they check and verify. In addition, an additional person will be added to the signature cards of bank accounts controlled by the Floyd County Sheriff's Department. This will ensure no single person has control over the accounts with regards to deposits, disbursements, and transactions.

Anticipated Completion Date:

This Corrective Action Plan was completed and placed into service on 1/11/2016.



(Signature)

SHERIFF

(Title)

1-12-16

(Date)

Christy M Eurton, Clerk of the Circuit Court



311 Hauss Square, Room 235, New Albany, IN 47150

812-542-3043
Fax 812-948-4711

Corrective Action Plan

Finding 2014-001

Contact Person Responsible for Corrective Action: Christy M. Eurton
Contact Phone Number: 812-542-3043

Description of Corrective Action Plan:

Implement a Review Process of Daily Deposits:
Bookkeeper balances daily tills and run balance reports. Daily balance reports are printed for each till. Deposit slips and bank deposit receipts are attached to the balance reports. Clerk Eurton will review the reports and deposit receipts, then initial and date reports.

Additionally, a Deputy Clerk will take the daily deposits to the bank. The Bookkeeper will reconcile the daily deposits. Clerk Eurton will review and sign the monthly SBOA Accounts Reconciliation.

Anticipated Completion Date: 10/31/15

Christina M Eurton
(Signature)

Clerk
(Title)

1/7/16
(Date)



Scott L. Clark, Auditor of Floyd County

March 16, 2016

Auditee Contact Person : Scott L. Clark
Title of Contacted Person: Floyd County Auditor
Phone no. : 812-948-5435

Section II – Federal Award Findings and Questioned Costs

Corrective Action Plan

Finding 2014-002

The County Auditor is taking immediate action to implement adequate internal controls over the Schedule of Expenditures of Federal Awards (SEFA).

Since all grants must be signed by the County Commissioners, the auditor will review all Commissioner meeting minutes on a monthly basis and obtain copies of all approved grants. The auditor will forward to the chief deputy, who prepares a separate schedule of Federal Awards. At the end of the year, all federal awards and grants are submitted to Gateway on an annual basis. The auditor approves the schedule prior to submitting to Gateway.

Further, all grant revenue listed on the schedule will agree to the financial statements for the county.

This will ensure the accuracy for future years.

A handwritten signature in blue ink, appearing to read "S. Clark", is written over a horizontal line.

Scott L. Clark, Auditor



FLOYD COUNTY SHERIFF'S DEPARTMENT
"The Sheriff shall keep and preserve the peace of his county"

CORRECTIVE ACTION PLAN

FINDING 2014-003:

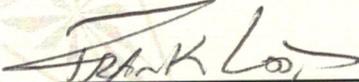
Contact Person Responsible for Corrective Action: Sheriff Frank Loop
Contact Phone Number: (812) 948-5400

Description of Corrective Action Plan:

The Floyd County Sheriff's Department will work with the Floyd County Auditor's Office to locate any discrepancies between the records maintained by the Floyd County Sheriff's Department and the official records of the Floyd County Auditor's Office. Once those discrepancies are discovered, we will work with the Auditor of Floyd County to make the corrections necessary to bring both records in to reconciliation with each respective agency within Floyd County. For future years, both records will be compared to make sure both offices have the correct information to post accurate amounts for transparency as well as accuracy.

Anticipated Completion Date:

This Corrective Action Plan will be in place by 6/30/2016.



(Signature)

SHERIFF

(Title)

1-12-16

(Date)

FLOYD CIRCUIT COURT

52ND Judicial Circuit

Room 417 City County Building

311 Hauss Square

New Albany, Indiana 47150

Telephone: (812) 948-5455

Fax (812) 948-4735

J. TERRENCE CODY, JUDGE

CORRECTIVE ACTION PLAN

Jonathan Wineinger
Field Examiner
State Board of Accounts

FINDING 2014-004

Contact Person Responsible for Corrective Action:
Hon. J. Terrence Cody

Contact Phone Number:
(812) 948-5455

Description of Corrective Action Plan:

Although not agreeing that it is necessary that a Court employee or other supervisory official (Floyd County Judges and Magistrate) must review and approve the Record of Monthly Time to ensure that all personal services submitted for reimbursement had been incurred and paid prior to requesting reimbursement as all Indiana Department of Child Services procedures in the submission of claims are presently being complied with and further disputing there is not an effective internal control system in place, the following corrective action will be taken and initiated: The Judge of the Floyd Circuit Court or one (1) of the Judges of the Floyd Superior Courts or the Floyd County Magistrate will verify that employee time sheets submitted with the monthly claim for reimbursement to the Indiana Department of Child Services are accurate. This process will begin with claims filed on or after January 1, 2016.

J. Terrence Cody

(Signature)

Judge Floyd Circuit

(Title)

FEBRUARY 11, 2016

(Date)

OTHER REPORTS

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