

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

FULTON COUNTY, INDIANA

January 1, 2015 to December 31, 2015



**FILED**  
10/07/2016



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Transmittal Letter .....	3
County Auditor:	
Examination Results and Comments:	
Overdrawn Cash Balances .....	6
Annual Financial Report.....	6
Exit Conference .....	7

### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Judith A. Reed	01-01-13 to 12-31-16
County Treasurer	Lorie L. Hurst	01-01-13 to 12-31-16
Clerk of the Circuit Court	Teri Furnivall	01-01-15 to 12-31-18
County Sheriff	Chris Sailors	01-01-15 to 12-31-18
County Recorder	Cindy Goodman	01-01-15 to 12-31-18
President of the Board of County Commissioners	Roger D. Rose Sherry S. Fulton	01-01-15 to 12-31-15 01-01-16 to 12-31-16
President of the County Council	Gary Sriver	01-01-15 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](http://www.in.gov/sboa)

TO: THE OFFICIALS OF FULTON COUNTY, INDIANA

This report is supplemental to our examination report of Fulton County (County), for the period from January 1, 2015 to December 31, 2015. It has been provided as a separate report so that the reader may easily identify any Examination Results and Comments that pertain to the County. It should be read in conjunction with our Financial Statement Examination Report of the County, which provides our opinion on the County's financial statement. This report may be found at [www.in.gov/sboa/](http://www.in.gov/sboa/).

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

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

August 8, 2016

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COUNTY AUDITOR  
FULTON COUNTY

COUNTY AUDITOR  
FULTON COUNTY  
EXAMINATION RESULTS AND COMMENTS

**OVERDRAWN CASH BALANCES**

The financial statement presented in the Financial Statement Examination Report included the Pretrial Diversion Program Fee fund and the Interstate Compact Fund with overdrawn cash balances at December 31, 2015, of \$130 and \$900, respectively.

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14)

**ANNUAL FINANCIAL REPORT**

The Annual Financial Report (AFR) submitted through Gateway, which was used to compile the financial statement, contained errors and did not properly reflect the financial activity of the County. Adjustments to correct the errors were made to the financial statement and approved by the County's management. These errors included:

1. The County Recorder was included as a separate fund; however, the department's transactions were already included within another fund which resulted in an overstatement of receipts and disbursements of \$75,323.
2. The County Probation Department was included as a separate fund; however, the department's transactions were already included within another fund which resulted in an overstatement of receipts and disbursements of \$146,840.
3. The receipts and disbursements of the Treasurer's Trust fund included tax settlement transactions twice which resulted in an overstatement of \$20,725,813.
4. The Schedule of Expenditures of Federal Awards was understated \$156,292.

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."

COUNTY AUDITOR  
FULTON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on August 8, 2016, with Judith A. Reed, County Auditor; Sherry S. Fulton, President of the Board of County Commissioners; Bryan Lewis, County Commissioner; and Gary Sriver, President of the County Council.