

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

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



FILED
10/25/2016

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report	3-5
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with <i>Government Auditing Standards</i>	6-7
Financial Statement and Accompanying Notes:	
Statement of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis	10-12
Notes to Financial Statement	13-17
Other Information - Unaudited:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis	20-42
Schedule of Payables and Receivables	43
Schedule of Leases and Debt	44
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for the Major Federal Program and on Internal Control over Compliance	46-47
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards.....	50
Notes to Schedule of Expenditures of Federal Awards	51
Schedule of Findings and Questioned Costs	52-54
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings.....	56
Corrective Action Plan	57
Other Reports.....	58

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Pam Adams	01-01-11 to 12-31-18
County Treasurer	Mary A. Gregg	01-01-13 to 12-31-16
Clerk of the Circuit Court	Diana Hazlett	01-01-11 to 12-31-18
County Sheriff	D. Michael Eslinger Justin Cole	01-01-11 to 12-31-14 01-01-15 to 12-31-18
County Recorder	Mary Jo Harkrider	01-01-13 to 12-31-16
President of the Board of County Commissioners	Jim Meece	01-01-14 to 12-31-16
President of the County Council	James A. Rahn John K. Pratt	01-01-14 to 12-31-14 01-01-15 to 12-31-16



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF PARKE COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Parke County (County), which comprises the financial position and results of operations for the year ended December 31, 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 Payables and Receivables, and Schedule of Leases and Debt, 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 August 31, 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

August 31, 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 PARKE COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of Parke County (County), which comprises the financial position and results of operations for the year ended December 31, 2014, and the related notes to the financial statement, and have issued our report thereon dated August 31, 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 a deficiency in internal control over financial reporting that we consider to be a material weakness.

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 deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2014-001 to be a material weakness.

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 item 2014-001.

Parke County's Response to Findings

The County's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. The County's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

August 31, 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.

PARKE 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
After Settlement Collections	\$ 463,243	\$ 655,805	\$ 463,243	\$ 655,805
Sheriff's Inmate Trust	511	115,506	112,938	3,079
Jail Commissary	36,082	82,639	110,128	8,593
Clerk's Trust	253,081	2,357,067	2,353,531	256,617
Sheriff's Cashbook	86	162,543	162,348	281
General	214,848	4,749,209	4,441,090	522,967
Accident Report	8,218	2,401	9,348	1,271
CAGIT Certified Shares	411,535	1,417,888	1,481,471	347,952
CEDIT County Share	609,278	535,150	565,524	578,904
Child Advocacy	639	-	-	639
City and Town Court Costs	8,776	3,387	12,163	-
Clerk's Records Perpetuation	9,440	3,180	4,914	7,706
Congressional School Interest	10,548	13	1,355	9,206
Congressional School Principal	33,865	-	-	33,865
Sales Disclosure - County Share	8,933	2,025	1,319	9,639
Covered Bridge	286,615	51,850	60,639	277,826
Cumulative Bridge	437,211	595,421	518,420	514,212
Cumulative Capital Development	172,321	184,785	238,302	118,804
Drug Free Community	59,522	26,872	22,044	64,350
Emergency Planning/Right To Know	19,975	8,334	8,188	20,121
Firearms Training	21,794	7,990	18,940	10,844
Health	22,489	61,616	83,236	869
Identification Security Protection	6,158	1,213	6,000	1,371
Levy Excess	76,275	307	-	76,582
Local Health Maintenance	30,310	33,212	20,896	42,626
Local Road and Street	67,505	145,168	174,901	37,772
LOIT Public Safety - County Share	60,382	537,757	589,432	8,707
Misdemeanant	14,143	11,128	9,891	15,380
Motor Vehicle Highway	1,732,915	2,873,471	2,729,823	1,876,563
Park Nonreverting Capital	6,396	500	-	6,896
Park Nonreverting Operating	26,327	41,337	49,769	17,895
Plat Book	106,835	8,370	-	115,205
Rainy Day	538,677	266	75,547	463,396
Reassessment - 2015	260,746	112,246	190,384	182,608
Recorder's Records Perpetuation	52,439	22,935	39,245	36,129
Riverboat	214,116	71,034	202,926	82,224
Sex and Violent Offender Administration	5,606	1,049	-	6,655
Sheriff's Pension Trust	3,106	16,769	11,633	8,242
Supplemental Public Defender Services	15,466	7,674	10,000	13,140
Surplus Tax	74,784	15,203	8,626	81,361
Surveyor's Corner Perpetuation	6,543	4,005	3,710	6,838
Tax Sale Redemption	11,357	38,024	44,698	4,683
Tax Sale Surplus	318,828	661,344	166,578	813,594
Local Health Department Trust Account	52,702	15,639	4,211	64,130
GAL/CASA	1,408	3,000	990	3,418
Auditors Ineligible Deductions	54,972	493	14,472	40,993
County Elected Officials Training	3,076	1,213	302	3,987
Park And Recreation	64,215	183,331	224,767	22,779
Statewide 911	155,751	211,561	189,253	178,059
Adult Probation Administrative	40,208	12,601	15,000	37,809
Juvenile Probation Administrative	-	1,931	-	1,931
Supplemental Adult Probation Services	51,957	83,906	89,438	46,425
Supplemental Juvenile Probation Services	45,019	6,731	11,808	39,942
Alternative Dispute Resolution	2,015	1,984	700	3,299
Donations	3,300	-	-	3,300
RDC - West Central TIF District	-	347,570	-	347,570
Payroll Clearing	883,426	3,833,174	3,767,372	949,228
Settlement	-	12,962,115	12,958,643	3,472
LOIT Prop Tax Oper Levies Replace	-	751,184	751,183	1
LOIT Public Safety	-	625,986	625,986	-
LOIT Stabilization	483,477	-	355,440	128,037
Wheel Tax	-	87,594	87,594	-
Sur Tax	-	235,310	235,310	-
CVET Agency	-	55,260	55,260	-
Financial Institution Tax	-	85,775	85,775	-
CEDIT Homestead Credit	208,209	629,574	632,334	205,449
HEA 1001 State Homestead Credit	1,391	-	1,391	-
Homestead Credit Rebate	7,997	-	-	7,997
LOIT PTRC	26,405	637,253	642,202	21,456
State Fines and Forfeitures	600	1,356	1,956	-
Infraction Judgements	933	11,050	11,370	613
Overweight Vehicles	-	171	171	-
Special Death Benefit	135	1,110	1,185	60
Sales Disclosure - State Share	130	2,015	1,985	160
Coroners Training & Con't Education	46	1,132	1,090	88

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

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

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
Interstate Compact - State Share	38	625	663	-
Mortgage Recording Fees - State Share	193	1,143	1,163	173
Sex & Violent Offender State	6	117	112	11
7113 Child Restraint Violations Fines	50	375	425	-
Inheritance Tax	7,783	39	7,822	-
Education Plate Fees Agency	-	263	263	-
Riverboat Revenue Sharing	-	31,681	31,681	-
Innkeepers Tax Collections	48,165	142,157	167,801	22,521
Judgments Due Law Enforcement	31,375	2,476	2,070	31,781
CAGIT Distribution	-	2,503,942	2,503,942	-
CEDIT Distribution	-	629,574	629,574	-
93.563 ARRA Prosecutor IV-D Incentive	11,798	-	-	11,798
93.563 Title IV-D Incentive	20,794	4,368	-	25,162
93.563 Prosecutor IV-D Incentive-Post Oct '99	25,396	6,576	7,997	23,975
93.563 Clerk IV-D Incentive-Post Oct '99	102,219	4,368	1,363	105,224
Park Disc Golf Course	23	-	-	23
97.040 CSEPP Program	3,875	-	3,875	-
Innkeepers	63,797	173,608	133,846	103,559
Redevelopment Commission	884,174	201,427	1,085,601	-
Clerk Child Support	1,496	301,670	300,434	2,732
Reserve Deputies	3,946	-	753	3,193
National Night Out	625	-	625	-
RDP Grant Project 2011	556	6	562	-
2011 Drug & Problem Solving Grant	5,000	-	-	5,000
Sheriff Meth OT Grant	2,766	-	332	2,434
MADD Grant	205	-	205	-
Family Court Grant	5,050	-	1,450	3,600
EMS Station Local Match	8,406	6,594	15,000	-
County Law Enforcement Cont Ed	2,874	761	2,469	1,166
CASA Donation	67	-	-	67
Federal Forfeitures	198	-	-	198
Drug Court Assessments	235	-	-	235
16.738 Drug & Problem Solving Crt	9,119	9,120	11,076	7,163
Drug Coury Incentive LCC Mini	515	-	-	515
Adult Probation Match	6,195	19,000	23,984	1,211
Marine Patrol Grant	-	12,961	12,961	-
Forfeitures & Seizures	4,070	3,373	-	7,443
Drug Court Tune Up	683	-	-	683
Jury Pay	9,295	1,391	-	10,686
Problem Solving Crt Prg Income	10,824	7,210	847	17,187
Operation Pull Over Enforcement	34	-	-	34
Crime Victims Assistance	3,543	-	-	3,543
Local Planning Council Grant	2,792	-	-	2,792
Drug Court Workshop	1,227	-	-	1,227
Bulletproof Vest	435	6,572	6,879	128
Drug Court Loan Fund	371	-	-	371
Judge's Juvenile Incentive	191	-	-	191
LCC Mini Meth Surveillance	476	-	472	4
Tobacco Cessation Grant	1,947	-	-	1,947
93.069 H1N1 160-66 Grant	21	-	-	21
97.042 EMA Salary Reimbursement	-	16,189	16,189	-
97.042 Competitive Performance Grant	-	10,360	10,360	-
39.011 Non Revert Title III	397	-	-	397
Public Health Emergency Prepar	230	21,018	21,218	30
PHC Grant 08/31/07 - 10/31/07	33	-	-	33
Digital Camera Mini Grant	269	-	210	59
County Donation Fund	630	-	-	630
B Spencer Advocate Fund	515	-	-	515
E.M. Cert Kit Grant	55	-	55	-
Anti-Meth Mini Grant	152	-	-	152
Drug Court Vending Machine	1,106	752	1,452	406
16.588 STOP Grant	1,061	17,989	19,050	-
Eat Better / Move More	13	-	-	13
Jury Fee Fund	-	1,391	1,391	-
93.617 2013 HHS Grant	30,000	-	16,188	13,812
S.C.R.A.M. User Fee	3,016	5,146	5,619	2,543
Pre Trial Diversion	83,400	22,295	26,381	79,314
Bears Behind Bars	1,040	-	479	561
Sheriff Training Donation	50	30	-	80
10.766 USDA / RD EMS STATION	34,103	-	34,103	-
Secure Continuous Remote Monitoring	945	-	-	945
Data Exchange GIS Grant	30	4,000	4,030	-
IN Homeland Security Laptop	4,000	-	4,000	-
RDC - East Central TIF District	-	135,889	-	135,889
RDC - Central Parke TIF District	-	603,765	-	603,765

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

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

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
RDC - Operations	-	77,788	9,204	68,584
RDC - Revolving Loan	-	49,324	-	49,324
Emergency Trauma Kit Grant	-	953	952	1
IDVA Veterans Officer Training	-	441	439	2
AED Grant	-	6,850	6,843	7
Radio Ear Phone Mini Grant	-	1,019	934	85
Alzheimers Education	-	812	812	-
Emer Mgt Responder Exccercise	-	720	720	-
AED Training Equipment Grant	-	420	420	-
Trauma Kits	-	453	453	-
Totals	<u>\$ 10,249,189</u>	<u>\$ 41,465,713</u>	<u>\$ 40,908,137</u>	<u>\$ 10,806,765</u>

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

PARKE COUNTY
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the 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 tax, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeeper's tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the County.

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

PARKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Intergovernmental receipts, which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of these types of receipts include, but are not limited to, the following: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the County.

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

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

Other receipts, which include amounts received from various sources including, but 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, which 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, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

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

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

PARKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

F. Interfund Transfers

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

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

PARKE 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.

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.

PARKE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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. Subsequent Event

The County received a \$1,700,000 loan from Old National Bank in January 2015 for repairs and renovations to the attic level, clock tower, and dome of the courthouse.

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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 County's Annual Financial Report 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.

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

	After Settlement Collections	Sheriff's Inmate Trust	Jail Commissary	Clerk's Trust	Sheriff's Cashbook	General	Accident Report
Cash and investments - beginning	\$ 463,243	\$ 511	\$ 36,082	\$ 253,081	\$ 86	\$ 214,848	\$ 8,218
Receipts:							
Taxes	-	-	-	-	-	3,131,059	-
Licenses and permits	-	-	-	-	-	158,445	-
Intergovernmental receipts	-	-	-	-	-	545,159	-
Charges for services	-	-	-	-	-	777,026	2,401
Fines and forfeits	-	-	-	-	-	51,232	-
Other receipts	655,805	115,506	82,639	2,357,067	162,543	86,288	-
Total receipts	<u>655,805</u>	<u>115,506</u>	<u>82,639</u>	<u>2,357,067</u>	<u>162,543</u>	<u>4,749,209</u>	<u>2,401</u>
Disbursements:							
Personal services	-	-	-	-	-	3,809,334	-
Supplies	-	-	-	-	-	67,945	-
Other services and charges	-	-	-	-	-	487,259	9,348
Capital outlay	-	-	-	-	-	2,725	-
Other disbursements	463,243	112,938	110,128	2,353,531	162,348	73,827	-
Total disbursements	<u>463,243</u>	<u>112,938</u>	<u>110,128</u>	<u>2,353,531</u>	<u>162,348</u>	<u>4,441,090</u>	<u>9,348</u>
Excess (deficiency) of receipts over disbursements	<u>192,562</u>	<u>2,568</u>	<u>(27,489)</u>	<u>3,536</u>	<u>195</u>	<u>308,119</u>	<u>(6,947)</u>
Cash and investments - ending	<u>\$ 655,805</u>	<u>\$ 3,079</u>	<u>\$ 8,593</u>	<u>\$ 256,617</u>	<u>\$ 281</u>	<u>\$ 522,967</u>	<u>\$ 1,271</u>

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

	CAGIT Certified Shares	CEDIT County Share	Child Advocacy	City and Town Court Costs	Clerk's Records Perpetuation	Congressional School Interest	Congressional School Principal
Cash and investments - beginning	\$ 411,535	\$ 609,278	\$ 639	\$ 8,776	\$ 9,440	\$ 10,548	\$ 33,865
Receipts:							
Taxes	1,415,440	535,150	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	3,387	2,494	-	-
Other receipts	2,448	-	-	-	686	13	-
Total receipts	1,417,888	535,150	-	3,387	3,180	13	-
Disbursements:							
Personal services	779,605	-	-	-	4,914	-	-
Supplies	13,696	250,000	-	-	-	-	-
Other services and charges	670,434	39,500	-	-	-	-	-
Capital outlay	2,642	276,024	-	-	-	-	-
Other disbursements	15,094	-	-	12,163	-	1,355	-
Total disbursements	1,481,471	565,524	-	12,163	4,914	1,355	-
Excess (deficiency) of receipts over disbursements	(63,583)	(30,374)	-	(8,776)	(1,734)	(1,342)	-
Cash and investments - ending	\$ 347,952	\$ 578,904	\$ 639	\$ -	\$ 7,706	\$ 9,206	\$ 33,865

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

	Sales Disclosure - County Share	Covered Bridge	Cumulative Bridge	Cumulative Capital Development	Drug Free Community	Emergency Planning/Right To Know	Firearms Training
Cash and investments - beginning	\$ 8,933	\$ 286,615	\$ 437,211	\$ 172,321	\$ 59,522	\$ 19,975	\$ 21,794
Receipts:							
Taxes	-	-	254,205	154,532	-	-	-
Licenses and permits	-	-	-	-	-	-	7,250
Intergovernmental receipts	-	-	334,345	14,258	-	8,334	-
Charges for services	2,025	51,850	-	-	-	-	-
Fines and forfeits	-	-	-	-	26,822	-	-
Other receipts	-	-	6,871	15,995	50	-	740
Total receipts	2,025	51,850	595,421	184,785	26,872	8,334	7,990
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	161,030	30,746	-	-	-
Other services and charges	615	60,639	3,910	197,556	10,319	8,188	-
Capital outlay	704	-	353,480	-	-	-	-
Other disbursements	-	-	-	10,000	11,725	-	18,940
Total disbursements	1,319	60,639	518,420	238,302	22,044	8,188	18,940
Excess (deficiency) of receipts over disbursements	706	(8,789)	77,001	(53,517)	4,828	146	(10,950)
Cash and investments - ending	\$ 9,639	\$ 277,826	\$ 514,212	\$ 118,804	\$ 64,350	\$ 20,121	\$ 10,844

PARKE 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	LOIT Public Safety - County Share	Misdemeanant
Cash and investments - beginning	\$ 22,489	\$ 6,158	\$ 76,275	\$ 30,310	\$ 67,505	\$ 60,382	\$ 14,143
Receipts:							
Taxes	9,272	-	307	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	855	-	-	33,139	145,168	534,795	-
Charges for services	45,753	1,213	-	-	-	-	11,128
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	5,736	-	-	73	-	2,962	-
Total receipts	<u>61,616</u>	<u>1,213</u>	<u>307</u>	<u>33,212</u>	<u>145,168</u>	<u>537,757</u>	<u>11,128</u>
Disbursements:							
Personal services	79,554	-	-	12,990	-	248,163	-
Supplies	676	-	-	1,229	174,901	32,004	8,437
Other services and charges	2,836	-	-	6,187	-	248,044	-
Capital outlay	-	6,000	-	490	-	61,221	1,454
Other disbursements	170	-	-	-	-	-	-
Total disbursements	<u>83,236</u>	<u>6,000</u>	<u>-</u>	<u>20,896</u>	<u>174,901</u>	<u>589,432</u>	<u>9,891</u>
Excess (deficiency) of receipts over disbursements	<u>(21,620)</u>	<u>(4,787)</u>	<u>307</u>	<u>12,316</u>	<u>(29,733)</u>	<u>(51,675)</u>	<u>1,237</u>
Cash and investments - ending	<u>\$ 869</u>	<u>\$ 1,371</u>	<u>\$ 76,582</u>	<u>\$ 42,626</u>	<u>\$ 37,772</u>	<u>\$ 8,707</u>	<u>\$ 15,380</u>

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

	Motor Vehicle Highway	Park Nonreverting Capital	Park Nonreverting Operating	Plat Book	Rainy Day	Reassessment - 2015	Recorder's Records Perpetuation
Cash and investments - beginning	\$ 1,732,915	\$ 6,396	\$ 26,327	\$ 106,835	\$ 538,677	\$ 260,746	\$ 52,439
Receipts:							
Taxes	-	-	-	-	-	102,764	-
Licenses and permits	16,545	-	-	-	-	-	-
Intergovernmental receipts	2,704,364	-	-	-	-	9,482	-
Charges for services	30,355	500	40,979	8,370	-	-	22,711
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	122,207	-	358	-	266	-	224
Total receipts	2,873,471	500	41,337	8,370	266	112,246	22,935
Disbursements:							
Personal services	1,471,703	-	-	-	-	45,854	120
Supplies	1,050,270	-	33,635	-	-	-	-
Other services and charges	140,625	-	4,515	-	53,961	138,880	-
Capital outlay	67,225	-	-	-	15,870	5,650	-
Other disbursements	-	-	11,619	-	5,716	-	39,125
Total disbursements	2,729,823	-	49,769	-	75,547	190,384	39,245
Excess (deficiency) of receipts over disbursements	143,648	500	(8,432)	8,370	(75,281)	(78,138)	(16,310)
Cash and investments - ending	\$ 1,876,563	\$ 6,896	\$ 17,895	\$ 115,205	\$ 463,396	\$ 182,608	\$ 36,129

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

	Riverboat	Sex and Violent Offender Administration	Sheriff's Pension Trust	Supplemental Public Defender Services	Surplus Tax	Surveyor's Corner Perpetuation	Tax Sale Redemption
Cash and investments - beginning	\$ 214,116	\$ 5,606	\$ 3,106	\$ 15,466	\$ 74,784	\$ 6,543	\$ 11,357
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	71,034	-	-	-	-	-	-
Charges for services	-	1,049	13,533	-	-	4,005	-
Fines and forfeits	-	-	3,236	7,674	-	-	-
Other receipts	-	-	-	-	15,203	-	38,024
Total receipts	71,034	1,049	16,769	7,674	15,203	4,005	38,024
Disbursements:							
Personal services	-	-	11,633	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	10,000	-	3,710	-
Capital outlay	202,926	-	-	-	-	-	-
Other disbursements	-	-	-	-	8,626	-	44,698
Total disbursements	202,926	-	11,633	10,000	8,626	3,710	44,698
Excess (deficiency) of receipts over disbursements	(131,892)	1,049	5,136	(2,326)	6,577	295	(6,674)
Cash and investments - ending	\$ 82,224	\$ 6,655	\$ 8,242	\$ 13,140	\$ 81,361	\$ 6,838	\$ 4,683

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

	Tax Sale Surplus	Local Health Department Trust Account	GAL/CASA	Auditors Ineligible Deductions	County Elected Officials Training	Park And Recreation	Statewide 911
Cash and investments - beginning	\$ 318,828	\$ 52,702	\$ 1,408	\$ 54,972	\$ 3,076	\$ 64,215	\$ 155,751
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	15,562	-	-	-	-	-
Charges for services	-	-	1,000	-	1,213	183,322	206,299
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	661,344	77	2,000	493	-	9	5,262
Total receipts	661,344	15,639	3,000	493	1,213	183,331	211,561
Disbursements:							
Personal services	-	-	-	3,655	-	135,692	89,180
Supplies	-	1,415	-	4,857	-	6,877	455
Other services and charges	-	2,689	990	2,749	302	75,062	86,845
Capital outlay	-	107	-	3,211	-	-	12,773
Other disbursements	166,578	-	-	-	-	7,136	-
Total disbursements	166,578	4,211	990	14,472	302	224,767	189,253
Excess (deficiency) of receipts over disbursements	494,766	11,428	2,010	(13,979)	911	(41,436)	22,308
Cash and investments - ending	\$ 813,594	\$ 64,130	\$ 3,418	\$ 40,993	\$ 3,987	\$ 22,779	\$ 178,059

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

	Adult Probation Administrative	Juvenile Probation Administrative	Supplemental Adult Probation Services	Supplemental Juvenile Probation Services	Alternative Dispute Resolution	Donations	RDC - West Central TIF District
Cash and investments - beginning	\$ 40,208	\$ -	\$ 51,957	\$ 45,019	\$ 2,015	\$ 3,300	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	41,629
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	12,601	1,931	83,896	6,716	1,984	-	-
Other receipts	-	-	10	15	-	-	305,941
Total receipts	12,601	1,931	83,906	6,731	1,984	-	347,570
Disbursements:							
Personal services	15,000	-	65,607	-	-	-	-
Supplies	-	-	964	4,000	-	-	-
Other services and charges	-	-	8,867	5,446	700	-	-
Capital outlay	-	-	-	2,362	-	-	-
Other disbursements	-	-	14,000	-	-	-	-
Total disbursements	15,000	-	89,438	11,808	700	-	-
Excess (deficiency) of receipts over disbursements	(2,399)	1,931	(5,532)	(5,077)	1,284	-	347,570
Cash and investments - ending	\$ 37,809	\$ 1,931	\$ 46,425	\$ 39,942	\$ 3,299	\$ 3,300	\$ 347,570

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

	Payroll Clearing	Settlement	LOIT Prop Tax Oper Levies Replace	LOIT Public Safety	LOIT Stabilization	Wheel Tax	Sur Tax
Cash and investments - beginning	\$ 883,426	\$ -	\$ -	\$ -	\$ 483,477	\$ -	\$ -
Receipts:							
Taxes	-	12,962,115	751,184	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	625,986	-	87,594	235,310
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	3,833,174	-	-	-	-	-	-
Total receipts	3,833,174	12,962,115	751,184	625,986	-	87,594	235,310
Disbursements:							
Personal services	3,767,372	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	12,958,643	751,183	625,986	355,440	87,594	235,310
Total disbursements	3,767,372	12,958,643	751,183	625,986	355,440	87,594	235,310
Excess (deficiency) of receipts over disbursements	65,802	3,472	1	-	(355,440)	-	-
Cash and investments - ending	\$ 949,228	\$ 3,472	\$ 1	\$ -	\$ 128,037	\$ -	\$ -

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

	CVET Agency	Financial Institution Tax	CEDIT Homestead Credit	HEA 1001 State Homestead Credit	Homestead Credit Rebate	LOIT PTRC	State Fines and Forfeitures
Cash and investments - beginning	\$ -	\$ -	\$ 208,209	\$ 1,391	\$ 7,997	\$ 26,405	\$ 600
Receipts:							
Taxes	-	-	629,574	-	-	625,986	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	55,260	85,775	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	1,356
Other receipts	-	-	-	-	-	11,267	-
Total receipts	55,260	85,775	629,574	-	-	637,253	1,356
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	55,260	85,775	632,334	1,391	-	642,202	1,956
Total disbursements	55,260	85,775	632,334	1,391	-	642,202	1,956
Excess (deficiency) of receipts over disbursements	-	-	(2,760)	(1,391)	-	(4,949)	(600)
Cash and investments - ending	\$ -	\$ -	\$ 205,449	\$ -	\$ 7,997	\$ 21,456	\$ -

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

	Infraction Judgements	Overweight Vehicles	Special Death Benefit	Sales Disclosure - State Share	Coroners Training & Con't Education	Interstate Compact - State Share	Mortgage Recording Fees - State Share
Cash and investments - beginning	\$ 933	\$ -	\$ 135	\$ 130	\$ 46	\$ 38	\$ 193
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	1,132	-	1,143
Fines and forfeits	11,050	171	1,110	-	-	625	-
Other receipts	-	-	-	2,015	-	-	-
Total receipts	11,050	171	1,110	2,015	1,132	625	1,143
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	11,370	171	1,185	1,985	1,090	663	1,163
Total disbursements	11,370	171	1,185	1,985	1,090	663	1,163
Excess (deficiency) of receipts over disbursements	(320)	-	(75)	30	42	(38)	(20)
Cash and investments - ending	<u>\$ 613</u>	<u>\$ -</u>	<u>\$ 60</u>	<u>\$ 160</u>	<u>\$ 88</u>	<u>\$ -</u>	<u>\$ 173</u>

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

	Sex & Violent Offender State	7113 Child Restraint Violations Fines	Inheritance Tax	Education Plate Fees Agency	Riverboat Revenue Sharing	Innkeepers Tax Collections	Judgments Due Law Enforcement
Cash and investments - beginning	\$ 6	\$ 50	\$ 7,783	\$ -	\$ -	\$ 48,165	\$ 31,375
Receipts:							
Taxes	-	-	-	-	-	142,157	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	39	263	31,681	-	-
Charges for services	117	-	-	-	-	-	-
Fines and forfeits	-	375	-	-	-	-	2,476
Other receipts	-	-	-	-	-	-	-
Total receipts	117	375	39	263	31,681	142,157	2,476
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	112	425	7,822	263	31,681	167,801	2,070
Total disbursements	112	425	7,822	263	31,681	167,801	2,070
Excess (deficiency) of receipts over disbursements	5	(50)	(7,783)	-	-	(25,644)	406
Cash and investments - ending	<u>\$ 11</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,521</u>	<u>\$ 31,781</u>

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

	CAGIT Distribution	CEDIT Distribution	93.563 ARRA Prosecutor IV-D Incentive	93.563 Title IV-D Incentive	93.563 Prosecutor IV-D Incentive-Post Oct '99	93.563 Clerk IV-D Incentive-Post Oct '99	Park Disc Golf Course
Cash and investments - beginning	\$ -	\$ -	\$ 11,798	\$ 20,794	\$ 25,396	\$ 102,219	\$ 23
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	2,503,942	629,574	-	-	-	-	-
Charges for services	-	-	-	4,368	6,576	4,368	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	2,503,942	629,574	-	4,368	6,576	4,368	-
Disbursements:							
Personal services	-	-	-	-	7,997	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	841	-
Other disbursements	2,503,942	629,574	-	-	-	522	-
Total disbursements	2,503,942	629,574	-	-	7,997	1,363	-
Excess (deficiency) of receipts over disbursements	-	-	-	4,368	(1,421)	3,005	-
Cash and investments - ending	\$ -	\$ -	\$ 11,798	\$ 25,162	\$ 23,975	\$ 105,224	\$ 23

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

	97.040 CSEPP Program	Innkeepers	Redevelopment Commission	Clerk Child Support	Reserve Deputies	National Night Out	RDP Grant Project 2011
Cash and investments - beginning	\$ 3,875	\$ 63,797	\$ 884,174	\$ 1,496	\$ 3,946	\$ 625	\$ 556
Receipts:							
Taxes	-	173,608	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	201,427	301,670	-	-	6
Total receipts	-	173,608	201,427	301,670	-	-	6
Disbursements:							
Personal services	-	-	-	-	-	-	444
Supplies	-	-	-	-	-	625	-
Other services and charges	-	-	-	-	753	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	3,875	133,846	1,085,601	300,434	-	-	118
Total disbursements	3,875	133,846	1,085,601	300,434	753	625	562
Excess (deficiency) of receipts over disbursements	(3,875)	39,762	(884,174)	1,236	(753)	(625)	(556)
Cash and investments - ending	\$ -	\$ 103,559	\$ -	\$ 2,732	\$ 3,193	\$ -	\$ -

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

	2011 Drug & Problem Solving Grant	Sheriff Meth OT Grant	MADD Grant	Family CourtGrant	EMS Station Local Match	County Law Enforcement Cont Ed	CASA Donation
Cash and investments - beginning	\$ 5,000	\$ 2,766	\$ 205	\$ 5,050	\$ 8,406	\$ 2,874	\$ 67
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	6,594	761	-
Total receipts	-	-	-	-	6,594	761	-
Disbursements:							
Personal services	-	310	-	491	-	-	-
Supplies	-	-	205	-	-	-	-
Other services and charges	-	-	-	959	15,000	2,469	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	22	-	-	-	-	-
Total disbursements	-	332	205	1,450	15,000	2,469	-
Excess (deficiency) of receipts over disbursements	-	(332)	(205)	(1,450)	(8,406)	(1,708)	-
Cash and investments - ending	<u>\$ 5,000</u>	<u>\$ 2,434</u>	<u>\$ -</u>	<u>\$ 3,600</u>	<u>\$ -</u>	<u>\$ 1,166</u>	<u>\$ 67</u>

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

	Federal Forfeitures	Drug Court Assessments	16.738 Drug & Problem Solving Crt	Drug Coury Incentive LCC Mini	Adult Probation Match	Marine Patrol Grant	Forfeitures & Seizures
Cash and investments - beginning	\$ 198	\$ 235	\$ 9,119	\$ 515	\$ 6,195	\$ -	\$ 4,070
Receipts:							
Taxes	-	-	9,120	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	12,961	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	19,000	-	3,373
Total receipts	-	-	9,120	-	19,000	12,961	3,373
Disbursements:							
Personal services	-	-	11,076	-	23,984	11,325	-
Supplies	-	-	-	-	-	1,636	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	-	11,076	-	23,984	12,961	-
Excess (deficiency) of receipts over disbursements	-	-	(1,956)	-	(4,984)	-	3,373
Cash and investments - ending	<u>\$ 198</u>	<u>\$ 235</u>	<u>\$ 7,163</u>	<u>\$ 515</u>	<u>\$ 1,211</u>	<u>\$ -</u>	<u>\$ 7,443</u>

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

	Drug Court Tune Up	Jury Pay	Problem Solving Crt Prg Income	Operation Pull Over Enforcement	Crime Victims Assistance	Local Planning Council Grant	Drug Court Workshop
Cash and investments - beginning	\$ 683	\$ 9,295	\$ 10,824	\$ 34	\$ 3,543	\$ 2,792	\$ 1,227
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	1,391	7,210	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	1,391	7,210	-	-	-	-
Disbursements:							
Personal services	-	-	847	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	-	847	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	1,391	6,363	-	-	-	-
Cash and investments - ending	<u>\$ 683</u>	<u>\$ 10,686</u>	<u>\$ 17,187</u>	<u>\$ 34</u>	<u>\$ 3,543</u>	<u>\$ 2,792</u>	<u>\$ 1,227</u>

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

	Bulletproof Vest	Drug Court Loan Fund	Judge's Juvenile Incentive	LCC Mini Meth Surveillance	Tobacco Cessation Grant	93.069 H1N1 160-66 Grant	97.042 EMA Salary Reimbursement
Cash and investments - beginning	\$ 435	\$ 371	\$ 191	\$ 476	\$ 1,947	\$ 21	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	16,189
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	6,572	-	-	-	-	-	-
Total receipts	6,572	-	-	-	-	-	16,189
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	6,879	-	-	472	-	-	-
Other disbursements	-	-	-	-	-	-	16,189
Total disbursements	6,879	-	-	472	-	-	16,189
Excess (deficiency) of receipts over disbursements	(307)	-	-	(472)	-	-	-
Cash and investments - ending	\$ 128	\$ 371	\$ 191	\$ 4	\$ 1,947	\$ 21	\$ -

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

	97.042 Competitive Performance Grant	39.011 Non Revert Title III	Public Health Emergency Prepar	PHC Grant 08/31/07 - 10/31/07	Digital Camera Mini Grant	County Donation Fund	B Spencer Advocate Fund
Cash and investments - beginning	\$ -	\$ 397	\$ 230	\$ 33	\$ 269	\$ 630	\$ 515
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	10,360	-	20,807	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	211	-	-	-	-
Total receipts	10,360	-	21,018	-	-	-	-
Disbursements:							
Personal services	-	-	15,660	-	-	-	-
Supplies	-	-	632	-	-	-	-
Other services and charges	-	-	1,467	-	-	-	-
Capital outlay	5,180	-	3,459	-	210	-	-
Other disbursements	5,180	-	-	-	-	-	-
Total disbursements	10,360	-	21,218	-	210	-	-
Excess (deficiency) of receipts over disbursements	-	-	(200)	-	(210)	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ 397</u>	<u>\$ 30</u>	<u>\$ 33</u>	<u>\$ 59</u>	<u>\$ 630</u>	<u>\$ 515</u>

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

	E.M. Cert Kit Grant	Anti-Meth Mini Grant	Drug Court Vending Machine	16,588 STOP Grant	Eat Better / Move More	Jury Fee Fund	93,617 2013 HHS Grant
Cash and investments - beginning	\$ 55	\$ 152	\$ 1,106	\$ 1,061	\$ 13	\$ -	\$ 30,000
Receipts:							
Taxes	-	-	-	17,989	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	1,391	-
Other receipts	-	-	752	-	-	-	-
Total receipts	-	-	752	17,989	-	1,391	-
Disbursements:							
Personal services	-	-	-	19,050	-	-	-
Supplies	55	-	1,452	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	16,188
Other disbursements	-	-	-	-	-	1,391	-
Total disbursements	55	-	1,452	19,050	-	1,391	16,188
Excess (deficiency) of receipts over disbursements	(55)	-	(700)	(1,061)	-	-	(16,188)
Cash and investments - ending	<u>\$ -</u>	<u>\$ 152</u>	<u>\$ 406</u>	<u>\$ -</u>	<u>\$ 13</u>	<u>\$ -</u>	<u>\$ 13,812</u>

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

	S.C.R.A.M. User Fee	Pre Trial Diversion	Bears Behind Bars	Sheriff Training Donation	10.766 USDA / RD EMS STATION	Secure Continuous Remote Monitoring	Data Exchange GIS Grant
Cash and investments - beginning	\$ 3,016	\$ 83,400	\$ 1,040	\$ 50	\$ 34,103	\$ 945	\$ 30
Receipts:							
Taxes	-	-	-	-	-	-	4,000
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	5,146	22,295	-	-	-	-	-
Other receipts	-	-	-	30	-	-	-
Total receipts	5,146	22,295	-	30	-	-	4,000
Disbursements:							
Personal services	-	19,484	-	-	-	-	-
Supplies	-	-	479	-	-	-	-
Other services and charges	5,619	2,756	-	-	-	-	4,030
Capital outlay	-	4,141	-	-	34,040	-	-
Other disbursements	-	-	-	-	63	-	-
Total disbursements	5,619	26,381	479	-	34,103	-	4,030
Excess (deficiency) of receipts over disbursements	(473)	(4,086)	(479)	30	(34,103)	-	(30)
Cash and investments - ending	\$ 2,543	\$ 79,314	\$ 561	\$ 80	\$ -	\$ 945	\$ -

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

	IN Homeland Security Laptop	RDC - East Central TIF District	RDC - Central Parke TIF District	RDC - Operations	RDC - Revolving Loan	Emergency Trauma Kit Grant	IDVA Veterans Officer Training
Cash and investments - beginning	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	11,405	74,412	-	-	-	441
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	124,484	529,353	77,788	49,324	953	-
Total receipts	-	135,889	603,765	77,788	49,324	953	441
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	952	-
Other services and charges	-	-	-	9,204	-	-	439
Capital outlay	4,000	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	4,000	-	-	9,204	-	952	439
Excess (deficiency) of receipts over disbursements	(4,000)	135,889	603,765	68,584	49,324	1	2
Cash and investments - ending	\$ -	\$ 135,889	\$ 603,765	\$ 68,584	\$ 49,324	\$ 1	\$ 2

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

	AED Grant	Radio Ear Phone Mini Grant	Alzheimers Education	Emer Mgt Responder Exercise	AED Training Equipment Grant	Trauma Kits	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,249,189
Receipts:							
Taxes	-	-	-	-	-	-	21,046,349
Licenses and permits	-	-	-	-	-	-	182,240
Intergovernmental receipts	-	-	-	-	-	-	8,732,236
Charges for services	-	-	-	-	-	-	1,422,436
Fines and forfeits	-	-	-	-	-	-	256,569
Other receipts	6,850	1,019	812	720	420	453	9,825,883
Total receipts	6,850	1,019	812	720	420	453	41,465,713
Disbursements:							
Personal services	-	-	-	-	-	-	10,651,044
Supplies	-	-	-	720	-	453	1,850,346
Other services and charges	-	-	812	-	-	-	2,323,684
Capital outlay	6,843	934	-	-	420	-	1,098,471
Other disbursements	-	-	-	-	-	-	24,984,592
Total disbursements	6,843	934	812	720	420	453	40,908,137
Excess (deficiency) of receipts over disbursements	7	85	-	-	-	-	557,576
Cash and investments - ending	\$ 7	\$ 85	\$ -	\$ -	\$ -	\$ -	\$ 10,806,765

PARKE COUNTY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2014

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 833,125</u>	<u>\$ -</u>

PARKE COUNTY
 SCHEDULE OF LEASES AND DEBT
 December 31, 2014

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Caterpillar Financial Services	Wheeled Excavator	\$ 28,096	12/15/2014	12/15/2019
Ikon / Ricoh	Copier - Printer	1,328	12/3/2012	12/3/2017
Ikon / Ricoh	Copier - Printer	4,049	12/7/2011	12/7/2016
Ricoh USA Inc	Copier - Printer	<u>14,444</u>	10/28/2014	10/28/2019
Total governmental activities		<u>47,917</u>		
Total of annual lease payments		<u>\$ 47,917</u>		

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF PARKE COUNTY, INDIANA

Report on Compliance for the Major Federal Program

We have audited Parke County's (County) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2014. The County's major federal program is 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 the County's major federal program 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 the major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on the 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 its major federal program for the year ended December 31, 2014.

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


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 the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the 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.

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. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

August 31, 2016

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

PARKE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 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	Pass-Through To Subrecipient	Total Federal Awards Expended
<u>Department of Agriculture</u>					
Community Facilities Loans and Grants Cluster Community Facilities Loans and Grants USDA/RD EMS Station	Direct Grant	10.766	IN-705-00-04	\$ -	\$ 34,103
Total - Community Facilities Loans and Grants Cluster				-	34,103
Total - Department of Agriculture				-	34,103
<u>Department of Commerce</u>					
ARRA - State Broadband Data and Development Grant Program	Indiana Office of Technology	11.558	EDS# D20-3-8132	-	4,000
Total - ARRA - State Broadband Data and Development Grant Program				-	4,000
Total - Department of Commerce				-	4,000
<u>Department of Justice</u>					
JAG Program Cluster					
Edward Byrne Memorial Justice Assistance Grant Program Drug Court Drug Court	Indiana Criminal Justice Institute	16.738	2011-DJ-BX-2622 2013-DJ-BX-0039	-	1,521 7,599
Total - JAG Program Cluster				-	9,120
Violence Against Women Formula Grants STOP Grant	Indiana Criminal Justice Institute	16.588	2013-WF-AX-0047	-	17,989
Total - Department of Justice				-	27,109
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster					
Highway Planning and Construction Bridge Inspections Bridge 72 Bridge 248	Indiana Department of Transportation	20.205 20.205 20.205	Des#1173327 Des#0800716 Des#0900839	-	91,672 108,708 109,723
Total - Highway Planning and Construction				-	310,103
Total - Highway Planning and Construction Cluster				-	310,103
Interagency Hazardous Materials Public Sector Training and Planning Grants	Indiana Department of Homeland Security	20.703	C44P-4-434B	-	4,998
Total - Department of Transportation				-	315,101
<u>Department of Health and Human Services</u>					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements Public Health Emergency Preparedness					
	Indiana Department of Child Services	93.074	A70-5-0532429 A70-4-0532264	-	5,807 15,000
Total - Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements				-	20,807
Child Support Enforcement					
Clerk IV-D General IV-D Indirect Costs Prosecutor IV-D Prosecutor IV-D Incentive Clerk IV-D Incentive	Indiana Department of Child Services	93.563	Clerk General Prosecutor Title IV-D Title IV-D	-	23,092 15,968 19,847 7,997 1,363
Total - Child Support Enforcement				-	68,267
Total - Department of Health and Human Services				-	89,074
<u>Department of Homeland Security</u>					
Boating Safety Financial Assistance Marine Patrol	Indiana Department of Homeland Security	97.012	E11-1-0008	-	12,961
Disaster Grants - Public Assistance (Presidentially Declared Disasters) Snow Storm	Indiana Department of Homeland Security	97.036	DR-4173	-	30,355
Emergency Management Performance Grants					
Competitive Performance EMA Salary Reimbursement	Indiana Department of Homeland Security	97.042 97.042	C44P-4-414B C44P-5-059B	-	5,180 16,189
Total - Emergency Management Performance Grants				-	21,369
Total - Department of Homeland Security				-	64,685
Total federal awards expended				\$ -	\$ 534,072

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

PARKE COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the County under programs of the federal government for the year ended December 31, 2014. The information in the SEFA is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the SEFA presents only a select portion of the operations of the County, it is not intended to and does not present the financial position of the County.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received.

PARKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; 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?	no
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?	no

Identification of Major Programs:

_____ Name of Federal Program or Cluster _____

Highway Planning and Construction Cluster

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

Auditee qualified as low-risk auditee? no

Section II - Financial Statement Findings

FINDING 2014-001 - PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Condition

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).

During the audit of the SEFA, there were the following errors:

1. One grant had the wrong pass-through entity name and four grants had the wrong pass-through entity numbers.

PARKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2. The following grants were overstated on the schedule: Bridge 72 - 20.205 for \$75,181, Emergency Preparedness - 93.074 for \$211, Title IV-D General - 93.563 for \$34,883 and Competitive Performance - 97.042 for \$5,180.
3. The following grants were understated on the schedule: Title IV-D Clerk - 93.563 for \$18,724, Title IV-D Prosecutor - 93.563 for \$13,271, Title IV-D Prosecutor Incentive - 93.563 for \$3,629 and Title IV-D Clerk Incentive - 93.563 for \$1,363.
4. The following grants were omitted from the schedule: USDA EMS Grant - 10.766 for \$34,103, Disaster Grant - 97.036 for \$30,355, Broadband Data Grant - 11.558 for \$4,000 and Hazardous Material - 20.703 for \$4,998.

Audit adjustments were proposed, accepted by the County, and made to the SEFA.

Criteria

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)

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."

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.

PARKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (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."

Cause

Management had not established a system of internal control that would have ensured proper reporting of the SEFA.

Effect

Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA remained undetected. The SEFA contained the errors identified in the *Condition*.

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

AUDITEE-PREPARED DOCUMENTS

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

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



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2013-002

Fiscal year in which the finding initially occurred: 2013
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Office of Community and Rural Affairs
Contact Person Responsible for Corrective Action: Pam Adams
Contact Phone Number: 765-569-3422

Status of Audit Finding: The Parke County Auditor's office has developed a tracking spreadsheet listing requirements for each grant; including but not limited to: new grant applications, grant renewal information, matching funds, pass-through and non-cash assistance information. The Auditor's office has also prepared a comprehensive information sheet for each grant listing all pertinent information; including but not limited to the unit/department who made the grant application, name and contact person from the unit/department responsible for reporting, dates reports/tasks are due, procedures for following up with the unit/department when deadlines for reports/tasks approach. The Auditor and 1st Deputy Auditor compile and enter data for the SEFA report, and verify it prior to submission.

FINDING 2013-003

Fiscal year in which the finding initially occurred: 2013
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Office of Community and Rural Affairs
Contact Person Responsible for Corrective Action: Pam Adams
Contact Phone Number: 765-569-3422

Status of Audit Finding: Communicated with the Indiana Office of Community and Rural Affairs regarding the semiannual reports for the Community Development Block Grant CFDA 14.228 to determine what requirements needed to be fulfilled to close out the grant. The grant is now closed and everything has been filed accordingly.

Pam Adams
(Signature)

Parke County Auditor
(Title)

8-10-2016
(Date)

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



CORRECTIVE ACTION PLAN

FINDING 2014-001 – PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Contact Person Responsible for Corrective Action: Pam Adams
Contact Phone Number: 765-569-3422

Views of Responsible Official:

Description of Corrective Action Plan:

Develop a spreadsheet log with every grant fund listed, when EFT notices are received from the Auditor of State the amounts are entered onto the log. At year end the Auditor and a Deputy Auditor will balance the entries on the log to the County financial ledger.

Anticipated Completion Date: No later than November 1, 2016


Pam Adams

(Signature)

Parke County Auditor

(Title)

August 30, 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/>.