

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

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



FILED
10/31/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Steve Saulte	01-01-13 to 07-08-16
	(Vacant)	07-09-16 to 07-28-16
	Therese K. Chambers	07-29-16 to 12-31-16
County Treasurer	Catherine C. Smith	01-01-13 to 12-31-16
Clerk of the Circuit Court	Linda Robbins	01-01-11 to 03-04-16
	(Vacant)	03-05-16 to 03-20-16
	Nicole Browne	03-21-16 to 12-31-18
County Sheriff	James Kennedy	01-01-11 to 12-31-14
	Brad Swain	01-01-15 to 12-31-18
County Recorder	Jim Fielder (deceased)	01-01-11 to 05-24-14
	(Vacant)	05-25-14 to 06-18-14
	Jeff Ellington	06-19-14 to 12-31-14
	Eric Schmitz	01-01-15 to 12-31-18
County Prosecuting Attorney	Chris Gaal	01-01-11 to 12-31-18
President of the Board of County Commissioners	Patrick Stoffers	01-01-14 to 12-31-14
	Julie Thomas	01-01-15 to 12-31-15
	Patrick Stoffers	01-01-16 to 12-31-16
President of the County Council	Geoff McKim	01-01-14 to 12-31-14
	Cheryl Munson	01-01-15 to 12-31-16



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF MONROE COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of Monroe 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 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 September 13, 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

September 13, 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 MONROE 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 Monroe 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 September 13, 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, 2014-002, 2014-003, and 2014-004 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

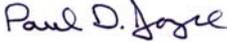
As part of obtaining reasonable assurance about whether the County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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, 2014-002, 2014-003, and 2014-004.

Monroe 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

September 13, 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.

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

Fund	Cash and Investments		Cash and Investments	
	01-01-14	Receipts	Disbursements	12-31-14
After Settlement Collections	\$ 1,099,359	\$ 7,767,792	\$ 1,099,359	\$ 7,767,792
Sheriff's Inmate Trust	11,782	528,384	512,904	27,262
Jail Commissary	158,783	168,374	276,706	50,451
Clerk's Trust	1,892,814	28,998,725	21,139,613	9,751,926
General	7,915,466	23,040,801	22,230,657	8,725,610
Accident Report	3,982	803	1,678	3,107
Animal Control	42,530	5,763	4,077	44,216
Aviation	412,054	763,535	764,782	410,807
Bid Deposits and Bonds Holding	565,220	74,040	29,275	609,985
Campaign Finance Enforcement - County	850	-	-	850
City and Town Court Costs	7,972	29,031	30,193	6,810
Clerk's Records Perpetuation	38,069	103,410	77,836	63,643
COIT - Special Legislation	326,441	1,309,877	1,410,818	225,500
COIT County Distributive Shares	2,226,662	10,117,829	9,644,167	2,700,324
Community Corrections	69,606	733,085	735,286	67,405
Community Transition Program	5,701	18,585	-	24,286
Convention Visitor and Tourism Promotion	834,859	1,707,159	1,567,749	974,269
Sales Disclosure - County Share	99,340	11,545	-	110,885
Cumulative Bridge	3,640,646	1,661,106	1,785,248	3,516,504
Cumulative Capital Development	1,254,649	2,183,577	1,478,237	1,959,989
Drug Free Community	54,359	72,782	81,484	45,657
Emergency Planning/Right To Know	24,271	9,285	10,602	22,954
Extradition	1,338	2,510	1,291	2,557
Firearms Training	84,541	26,160	58,044	52,657
Health	480,024	1,054,380	942,654	591,750
Identification Security Protection	52,249	8,025	54,430	5,844
Levy Excess	24,942	1,438	26,380	-
Local Health Maintenance	298,457	72,672	29,809	341,320
Local Road and Street	3,530,659	820,216	546,594	3,804,281
Medical Care for Inmates	14,586	-	-	14,586
Misdemeanant	180,024	83,427	41,540	221,911
Motor Vehicle Highway	582,693	5,461,795	5,154,779	889,709
Park Nonreverting Capital	40,564	37,648	30,347	47,865
Park Nonreverting Operating	132,289	141,781	197,522	76,548
Plat Book	51,844	22,975	14,700	60,119
Rainy Day	6,807,523	7,131	3,491,347	3,323,307
Reassessment - 2015	1,353,175	409,228	680,727	1,081,676
Recorder's Records Perpetuation	50,652	125,130	140,601	35,181
Supplemental Public Defender Services	814,620	717,067	728,298	803,389
Surplus Tax	140,948	24,083	94,948	70,083
Surveyor's Corner Perpetuation	16,205	18,590	8,854	25,941
Tax Sale Redemption	5,144	348,108	345,607	7,645
Tax Sale Surplus	1,318,781	1,010,981	1,659,740	670,022
Vehicle Inspection	10,241	1,440	6,736	4,945
Victim Impact Program	4,398	-	-	4,398
GAL/CASA	-	30,177	30,177	-
Auditors Ineligible Deductions	295,533	162,130	170,068	287,595
County Elected Officials Training	24,449	8,026	1,086	31,389
Monroe County E-911	801,934	732,169	796,092	738,011
F20.509 Rural Transit ARRA	-	68,526	68,526	-
Alternative Dispute Resolution	70,299	11,034	1,551	79,782
Convention Center Operating	58,599	474,335	499,671	33,263
Drug Buy Money	3,877	13	-	3,890
Sheriff Sale Administration	30,291	21,300	1,673	49,918
F93.217 Futures Clinic 2014	-	223,392	199,936	23,456
Court Interpreters	5,660	6,000	10,460	1,200
Donations	25,692	130	747	25,075
Richland TIF Debt Funds	420,421	43	1,960	418,504
Payroll Clearing	102,116	10,271,082	10,321,135	52,063
Payroll Withholding - Insurance	2,819,297	4,953,039	5,284,018	2,488,318
CVET Agency	-	537,816	537,816	-
Financial Institution Tax	-	700,877	700,877	-
COIT Homestead	-	1,414,861	1,414,861	-
HEA 1001 State Homestead Credit	24,875	-	24,875	-
State Fines and Forfeitures	2,476	18,635	18,913	2,198
Infraction Judgements	7,726	99,725	103,458	3,993
Overweight Vehicle Fines	-	609	420	189
Special Death Benefit	565	6,455	6,790	230

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

MONROE 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
Sales Disclosure - State Share	820	11,530	11,275	1,075
Coroners Training & Con't Education	784	13,056	12,924	916
Interstate Compact - State Share	211	1,103	1,188	126
Mortgage Recording Fees - State Share	783	9,900	9,958	725
Inheritance Tax	116,569	6,254	122,823	-
Education Plate Fees Agency	75	3,094	3,150	19
Riverboat Revenue Sharing	-	817,347	817,347	-
Innkeepers Tax Collections	-	2,259,459	2,259,459	-
COIT Distribution	-	27,506,977	27,506,977	-
93.563 ARRA Prosecutor IV-D Incentive	92,588	-	33,791	58,797
93.563 Prosecutor IV-D Incentive-Prior To Oct '99	13,119	-	13,119	-
93.563 Prosecutor IV-D Incentive-Post Oct '99	254,572	56,714	15,215	296,071
93.563 Clerk IV-D Incentive-Post Oct '99	113,894	69,673	115,076	68,491
Economic Development/Tourism	2,267	-	-	2,267
Juvenile Probation Admin-Rainy Day	164,275	-	-	164,275
Juvenile Probation Admin-Non-Reverting	1,147,230	29,572	52,690	1,124,112
User Fees-Cable Franchise	535,516	566,182	675,510	426,188
User Fees-Diversion-Prosecutor	35,095	336,662	339,572	32,185
User Fees-Court Alcohol/Drug	149,247	294,602	322,448	121,401
Fees-Sheriff/Law Enforcement Ed Fund	13,336	4,103	-	17,439
User Fees-Problem Solving Court	31,041	17,316	14,920	33,437
User Fees-Adult Probation	219,961	308,755	329,016	199,700
User Fees-Juvenile Probation	9,945	9,264	1,297	17,912
User Fees-Project Income	389,718	447,903	414,516	423,105
User Fee-Jury Pay	38,084	10,152	9,518	38,718
County User Fee/Law Ed	94,311	16,276	18,089	92,498
Local Ordinance-False Alarm Fee	5,378	2,100	-	7,478
Collection Fees-Personal Property	351	12,082	12,035	398
Monroe County Convention Center Debt	347,592	637,910	632,000	353,502
Showers Building Lease Rental	927,785	1,761,624	1,906,000	783,409
Aviation Construction	495,063	3,316,315	3,312,013	499,365
Aviation Building	563,298	24,363	-	587,661
Employee Morale	2,680	3,643	4,990	1,333
Monroe County Search/Recovery	15,769	7,786	1,326	22,229
Paperless Initiative	261	-	-	261
County Per Diems-YSB	558,441	139,008	275,178	422,271
Monroe County Building Pres/Blgtn Foundation	1,912	25,878	-	27,790
Monroe County Properties	510	-	-	510
Public Health Emergency Fund	20,033	-	-	20,033
County Fair	4,935	79,181	50,389	33,727
Convention-Vistor Capital Imprv/Maint	150,107	54,000	70,764	133,343
Crime Control	934	7	-	941
Big City/County Seat Belt Grant	5,703	-	7	5,696
Weights and Measures Ordinance Violations	12,662	-	-	12,662
Showers Building Operating	59,036	231,766	265,111	25,691
Curry Building Project Ordinance	6,161	-	-	6,161
County Offender Transportation	3,496	1,103	-	4,599
Westside Econ Dev/Richland Twp TIF	5,357,726	1,962,268	1,596,320	5,723,674
46 Corridor Econ Dev/Blgtn Twp	78,403	141,806	166,594	53,615
Fullerton Pike Econ Dev/TIF	1,970,502	96,368	3,000	2,063,870
Courthouse Rental	5,400	1,140	400	6,140
DLGF Hstd Pty Database Fund	1	90	91	-
Settlement	4,524	133,454,624	133,459,148	-
Wheel Tax/Surtax Combined	37,240	3,029,823	3,061,623	5,440
Ellettsville Pass Through	1,731	2,579	3,708	602
City Pass Through (Building)	113,886	105,226	187,560	31,552
F10.553 Y.S. Fed School Program	13,338	6,751	-	20,089
F93.069 Bio Terrorism	7,014	14,719	15,696	6,037
F20.609 Operation Pullover	(1,952)	9,106	12,050	(4,896)
F20.509 Rural Transit	-	1,075,095	1,075,095	-
F16.585 BJA Drug Court Enhancement	-	37,553	58,600	(21,047)
F16.540 Title II Juv. Re-entry	(3,765)	3,765	-	-
F93.617 Hava Polling Place Grant	22,647	-	21,700	947
IGIC Addressing Grant	3,000	-	-	3,000
F93.563 County IV-D Incentive	207,743	37,695	29,666	215,772
Multi State Learning Collabor.	3,543	-	15	3,528
In Jud. Supreme Court Grant	11,486	8,000	9,415	10,071

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

MONROE 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
Health Tobacco Cessation	110,904	54,262	41,967	123,199
Pilot Family Court Grant	152	11,677	7,356	4,473
Probation-Cares Grant 12-13	-	5,108	-	5,108
YSB Cares Grant 12-13	197	-	197	-
Juvenile Account Block	(7,700)	19,450	11,750	-
JAG Drug Court	(22,736)	65,982	59,864	(16,618)
Runaway and Homeless 12-15	(16,046)	114,778	106,905	(8,173)
Voca Grant 12-13	(6,817)	44,310	44,310	(6,817)
IV-D Parenting Time	(4,335)	77,754	84,418	(10,999)
SWtop Grant 12-13	(12,391)	26,528	31,003	(16,866)
DUI Task Enforcement	-	3,164	4,548	(1,384)
Project Safeplace 12-13	1,078	9,149	7,994	2,233
1503 YSB Grant 12-13	9,942	47,341	48,307	8,976
Donations - Probations	665	95	-	760
Donations - APS Unit 10	4,107	1,000	2,092	3,015
Donations - Safe Place	4,016	3,797	70	7,743
Donations - Emergency Mgt	1,815	-	-	1,815
Donations - Drug Treatment Court	20	-	-	20
Donations - Vietnam Memorial	200	-	-	200
Energy Conservation Non-Reverting	10,369	38,548	611	48,306
IN Workforce Development	645,149	-	48,586	596,563
F93.074 Medical Res Corp BHPP	-	4,331	4,346	(15)
F93.217 Futures Clinic 2013	(1,725)	78,359	76,634	-
F93.008 MRC NACCHO	12,014	3,500	9,396	6,118
F93.041 Adult Protection Services 13-14	(30,078)	119,801	119,690	(29,967)
Sassafras Audobon	100	-	100	-
Sodium Reduction Grant	(549)	5,801	5,252	-
MLK Garden Grant	-	400	400	-
Local Grants to Futures Clinic	180	5,200	-	5,380
Bloomington Bicycle Grant	1,500	1,570	2,926	144
2013 GO Bond Capital Projects	2,000,000	-	1,023,105	976,895
Donations-Sheriffs Department	-	23,455	12,141	11,314
Traffic Direction	-	917	917	-
Sheriff Cares Grant	-	5,221	5,161	60
Walmart Health	-	1,500	-	1,500
F97.073 2013 SHSP County Plan	-	2,000	2,000	-
F97.073 SHSP District Training	-	27,170	27,170	-
F97.042 2013 EMPG Competitive	-	5,180	5,180	-
F93.617 HAVA 2014	-	10,333	2,823	7,510
IJC Community Supervision	-	120,000	50,612	69,388
MLK Jr. Grant - Clerk	-	400	400	-
Monroe County Active Transportation	-	1,000	170	830
2013 GO Bond	-	1,974,802	988,875	985,927
GO Bond 2014 Capital Bond	-	2,000,000	1,473,975	526,025
Westside TIF Debt Res 2013 Bond	-	190,700	-	190,700
Westside TIF Sinking Fund	55,488	182,005	182,000	55,493
Storm Water Management	1,590,173	1,126,710	529,045	2,187,838
Totals	\$ 60,158,829	\$ 294,933,213	\$ 281,683,397	\$ 73,408,645

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

MONROE 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: peddler licenses, dog tax licenses, auctioneer licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

MONROE 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).

Utility fees, which are comprised mostly of charges for current services.

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.

Debt service - principal and interest, which includes 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.

MONROE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Utility operating expenses, which include all outflows for operating the utilities.

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.

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.

MONROE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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

MONROE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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. 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 reimbursable grants. The reimbursements for expenditures made by the County were not received by December 31, 2014.

MONROE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. *Holding Corporations*

The County has entered into a capital lease with Monroe County Jail, Law Enforcement and Governmental Space Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related-party of the County. Lease payments during the year 2014 totaled \$1,906,000.

The County has entered into a capital lease with Monroe County Convention Center Building Corp. (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related-party of the County. Lease payments during the year 2014 totaled \$632,000.

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.

MONROE 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	General	Accident Report	Animal Control	Aviation
Cash and investments - beginning	\$ 1,099,359	\$ 11,782	\$ 158,783	\$ 1,892,814	\$ 7,915,466	\$ 3,982	\$ 42,530	\$ 412,054
Receipts:								
Taxes	7,767,792	-	-	-	14,909,970	-	-	402,129
Licenses and permits	-	-	-	-	608,636	-	-	-
Intergovernmental receipts	-	-	-	-	1,610,827	-	-	33,191
Charges for services	-	528,384	168,210	-	1,264,971	-	-	-
Fines and forfeits	-	-	-	28,998,725	421,613	803	5,763	327,674
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	-	164	-	4,224,784	-	-	541
Total receipts	<u>7,767,792</u>	<u>528,384</u>	<u>168,374</u>	<u>28,998,725</u>	<u>23,040,801</u>	<u>803</u>	<u>5,763</u>	<u>763,535</u>
Disbursements:								
Personal services	-	-	-	-	13,256,739	-	-	414,711
Supplies	-	-	-	-	472,216	-	1,975	54,613
Other services and charges	-	-	-	-	6,370,642	-	1,049	257,098
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	1,002,974	1,678	1,053	38,360
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	<u>1,099,359</u>	<u>512,904</u>	<u>276,706</u>	<u>21,139,613</u>	<u>1,128,086</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>1,099,359</u>	<u>512,904</u>	<u>276,706</u>	<u>21,139,613</u>	<u>22,230,657</u>	<u>1,678</u>	<u>4,077</u>	<u>764,782</u>
Excess (deficiency) of receipts over disbursements	<u>6,668,433</u>	<u>15,480</u>	<u>(108,332)</u>	<u>7,859,112</u>	<u>810,144</u>	<u>(875)</u>	<u>1,686</u>	<u>(1,247)</u>
Cash and investments - ending	<u>\$ 7,767,792</u>	<u>\$ 27,262</u>	<u>\$ 50,451</u>	<u>\$ 9,751,926</u>	<u>\$ 8,725,610</u>	<u>\$ 3,107</u>	<u>\$ 44,216</u>	<u>\$ 410,807</u>

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

	Bid Deposits and Bonds Holding	Campaign Finance Enforcement - County	City and Town Court Costs	Clerk's Records Perpetuation	COIT - Special Legislation	COIT County Distributive Shares	Community Corrections
Cash and investments - beginning	\$ 565,220	\$ 850	\$ 7,972	\$ 38,069	\$ 326,441	\$ 2,226,662	\$ 69,606
Receipts:							
Taxes	-	-	-	-	1,309,856	9,896,703	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	218,093	719,270
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	29,031	61,664	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	74,040	-	-	41,746	21	3,033	13,815
Total receipts	74,040	-	29,031	103,410	1,309,877	10,117,829	733,085
Disbursements:							
Personal services	-	-	-	52,194	1,237,996	8,403,923	680,433
Supplies	-	-	-	12,740	46,490	298,229	288
Other services and charges	29,275	-	-	12,902	92,449	931,027	40,750
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	33,883	10,988	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	30,193	-	-	-	13,815
Total disbursements	29,275	-	30,193	77,836	1,410,818	9,644,167	735,286
Excess (deficiency) of receipts over disbursements	44,765	-	(1,162)	25,574	(100,941)	473,662	(2,201)
Cash and investments - ending	\$ 609,985	\$ 850	\$ 6,810	\$ 63,643	\$ 225,500	\$ 2,700,324	\$ 67,405

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

	Community Transition Program	Convention Visitor and Tourism Promotion	Sales Disclosure - County Share	Cumulative Bridge	Cumulative Capital Development	Drug Free Community	Emergency Planning/Right To Know
Cash and investments - beginning	\$ 5,701	\$ 834,859	\$ 99,340	\$ 3,640,646	\$ 1,254,649	\$ 54,359	\$ 24,271
Receipts:							
Taxes	-	1,707,159	-	1,297,990	1,978,652	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	18,585	-	-	340,709	163,439	-	9,285
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	11,545	-	-	72,782	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	22,407	41,486	-	-
Total receipts	<u>18,585</u>	<u>1,707,159</u>	<u>11,545</u>	<u>1,661,106</u>	<u>2,183,577</u>	<u>72,782</u>	<u>9,285</u>
Disbursements:							
Personal services	-	-	-	300,852	147,367	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	1,567,749	-	1,484,396	1,330,870	81,484	6,119
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	4,483
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>1,567,749</u>	<u>-</u>	<u>1,785,248</u>	<u>1,478,237</u>	<u>81,484</u>	<u>10,602</u>
Excess (deficiency) of receipts over disbursements	<u>18,585</u>	<u>139,410</u>	<u>11,545</u>	<u>(124,142)</u>	<u>705,340</u>	<u>(8,702)</u>	<u>(1,317)</u>
Cash and investments - ending	<u>\$ 24,286</u>	<u>\$ 974,269</u>	<u>\$ 110,885</u>	<u>\$ 3,516,504</u>	<u>\$ 1,959,989</u>	<u>\$ 45,657</u>	<u>\$ 22,954</u>

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

	Extradition	Firearms Training	Health	Identification Security Protection	Levy Excess	Local Health Maintenance	Local Road and Street
Cash and investments - beginning	\$ 1,338	\$ 84,541	\$ 480,024	\$ 52,249	\$ 24,942	\$ 298,457	\$ 3,530,659
Receipts:							
Taxes	-	-	505,752	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	127,763	-	-	72,672	784,897
Charges for services	2,510	-	-	-	-	-	-
Fines and forfeits	-	26,160	420,855	8,025	1,438	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	10	-	-	-	35,319
Total receipts	<u>2,510</u>	<u>26,160</u>	<u>1,054,380</u>	<u>8,025</u>	<u>1,438</u>	<u>72,672</u>	<u>820,216</u>
Disbursements:							
Personal services	-	-	780,079	-	-	14,782	-
Supplies	-	-	21,099	-	-	2,368	-
Other services and charges	1,291	-	141,476	22,500	-	12,659	546,594
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	31,930	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	58,044	-	-	26,380	-	-
Total disbursements	<u>1,291</u>	<u>58,044</u>	<u>942,654</u>	<u>54,430</u>	<u>26,380</u>	<u>29,809</u>	<u>546,594</u>
Excess (deficiency) of receipts over disbursements	<u>1,219</u>	<u>(31,884)</u>	<u>111,726</u>	<u>(46,405)</u>	<u>(24,942)</u>	<u>42,863</u>	<u>273,622</u>
Cash and investments - ending	<u>\$ 2,557</u>	<u>\$ 52,657</u>	<u>\$ 591,750</u>	<u>\$ 5,844</u>	<u>\$ -</u>	<u>\$ 341,320</u>	<u>\$ 3,804,281</u>

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

	Medical Care for Inmates	Misdemeanant	Motor Vehicle Highway	Park Nonreverting Capital	Park Nonreverting Operating	Plat Book	Rainy Day
Cash and investments - beginning	\$ 14,586	\$ 180,024	\$ 582,693	\$ 40,564	\$ 132,289	\$ 51,844	\$ 6,807,523
Receipts:							
Taxes	-	-	24,144	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	83,427	5,083,215	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	354,436	37,648	141,781	22,975	7,131
Total receipts	-	83,427	5,461,795	37,648	141,781	22,975	7,131
Disbursements:							
Personal services	-	6,394	2,412,301	-	76,786	-	-
Supplies	-	-	1,500,549	-	59,474	-	-
Other services and charges	-	35,146	860,490	63	45,978	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	381,439	30,284	15,284	14,700	791,347
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	2,700,000
Total disbursements	-	41,540	5,154,779	30,347	197,522	14,700	3,491,347
Excess (deficiency) of receipts over disbursements	-	41,887	307,016	7,301	(55,741)	8,275	(3,484,216)
Cash and investments - ending	\$ 14,586	\$ 221,911	\$ 889,709	\$ 47,865	\$ 76,548	\$ 60,119	\$ 3,323,307

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

	Reassessment - 2015	Recorder's Records Perpetuation	Supplemental Public Defender Services	Surplus Tax	Surveyor's Corner Perpetuation	Tax Sale Redemption	Tax Sale Surplus
Cash and investments - beginning	\$ 1,353,175	\$ 50,652	\$ 814,620	\$ 140,948	\$ 16,205	\$ 5,144	\$ 1,318,781
Receipts:							
Taxes	377,747	-	-	24,083	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	31,179	-	672,592	-	-	-	61,624
Charges for services	-	125,130	-	-	18,590	-	-
Fines and forfeits	-	-	44,475	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	302	-	-	-	-	348,108	949,357
Total receipts	<u>409,228</u>	<u>125,130</u>	<u>717,067</u>	<u>24,083</u>	<u>18,590</u>	<u>348,108</u>	<u>1,010,981</u>
Disbursements:							
Personal services	-	111,512	728,298	-	5,165	-	-
Supplies	-	4,908	-	-	1,693	-	-
Other services and charges	680,727	24,181	-	-	1,996	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	94,948	-	345,607	1,659,740
Total disbursements	<u>680,727</u>	<u>140,601</u>	<u>728,298</u>	<u>94,948</u>	<u>8,854</u>	<u>345,607</u>	<u>1,659,740</u>
Excess (deficiency) of receipts over disbursements	<u>(271,499)</u>	<u>(15,471)</u>	<u>(11,231)</u>	<u>(70,865)</u>	<u>9,736</u>	<u>2,501</u>	<u>(648,759)</u>
Cash and investments - ending	<u>\$ 1,081,676</u>	<u>\$ 35,181</u>	<u>\$ 803,389</u>	<u>\$ 70,083</u>	<u>\$ 25,941</u>	<u>\$ 7,645</u>	<u>\$ 670,022</u>

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

	Vehicle Inspection	Victim Impact Program	GAL/CASA	Auditors Ineligible Deductions	County Elected Officials Training	Monroe County E-911	F20.509 Rural Transit ARRA
Cash and investments - beginning	\$ 10,241	\$ 4,398	\$ -	\$ 295,533	\$ 24,449	\$ 801,934	\$ -
Receipts:							
Taxes	-	-	-	159,723	-	731,229	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	30,177	-	-	-	68,526
Charges for services	-	-	-	-	8,026	-	-
Fines and forfeits	1,440	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	2,407	-	940	-
Total receipts	1,440	-	30,177	162,130	8,026	732,169	68,526
Disbursements:							
Personal services	-	-	-	16,238	-	243,535	-
Supplies	-	-	-	10,969	-	-	-
Other services and charges	-	-	30,177	142,861	1,086	551,353	68,526
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	6,736	-	-	-	-	1,204	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	6,736	-	30,177	170,068	1,086	796,092	68,526
Excess (deficiency) of receipts over disbursements	(5,296)	-	-	(7,938)	6,940	(63,923)	-
Cash and investments - ending	\$ 4,945	\$ 4,398	\$ -	\$ 287,595	\$ 31,389	\$ 738,011	\$ -

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

	Alternative Dispute Resolution	Convention Center Operating	Drug Buy Money	Sheriff Sale Administration	F93.217 Futures Clinic 2014	Court Interpreters	Donations
Cash and investments - beginning	\$ 70,299	\$ 58,599	\$ 3,877	\$ 30,291	\$ -	\$ 5,660	\$ 25,692
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	160,244	6,000	-
Charges for services	-	-	-	21,300	21,253	-	-
Fines and forfeits	11,034	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	474,335	13	-	41,895	-	130
Total receipts	<u>11,034</u>	<u>474,335</u>	<u>13</u>	<u>21,300</u>	<u>223,392</u>	<u>6,000</u>	<u>130</u>
Disbursements:							
Personal services	-	-	-	-	143,104	-	-
Supplies	25	2,007	-	1,673	31,863	-	-
Other services and charges	1,526	486,173	-	-	24,969	10,460	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	11,491	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	747
Total disbursements	<u>1,551</u>	<u>499,671</u>	<u>-</u>	<u>1,673</u>	<u>199,936</u>	<u>10,460</u>	<u>747</u>
Excess (deficiency) of receipts over disbursements	<u>9,483</u>	<u>(25,336)</u>	<u>13</u>	<u>19,627</u>	<u>23,456</u>	<u>(4,460)</u>	<u>(617)</u>
Cash and investments - ending	<u>\$ 79,782</u>	<u>\$ 33,263</u>	<u>\$ 3,890</u>	<u>\$ 49,918</u>	<u>\$ 23,456</u>	<u>\$ 1,200</u>	<u>\$ 25,075</u>

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

	Richland TIF Debt Funds	Payroll Clearing	Payroll Withholding - Insurance	CVET Agency	Financial Institution Tax	COIT Homestead	HEA 1001 State Homestead Credit
Cash and investments - beginning	\$ 420,421	\$ 102,116	\$ 2,819,297	\$ -	\$ -	\$ -	\$ 24,875
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	537,816	700,877	1,414,861	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	43	10,271,082	4,953,039	-	-	-	-
Total receipts	43	10,271,082	4,953,039	537,816	700,877	1,414,861	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	1,960	10,316,216	5,284,018	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	4,919	-	537,816	700,877	1,414,861	24,875
Total disbursements	1,960	10,321,135	5,284,018	537,816	700,877	1,414,861	24,875
Excess (deficiency) of receipts over disbursements	(1,917)	(50,053)	(330,979)	-	-	-	(24,875)
Cash and investments - ending	\$ 418,504	\$ 52,063	\$ 2,488,318	\$ -	\$ -	\$ -	\$ -

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

	State Fines and Forfeitures	Infraction Judgements	Overweight Vehicle Fines	Special Death Benefit	Sales Disclosure - State Share	Coroners Training & Con't Education	Interstate Compact - State Share
Cash and investments - beginning	\$ 2,476	\$ 7,726	\$ -	\$ 565	\$ 820	\$ 784	\$ 211
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	11,530	13,056	-
Fines and forfeits	18,635	99,725	609	6,455	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	1,103
Total receipts	<u>18,635</u>	<u>99,725</u>	<u>609</u>	<u>6,455</u>	<u>11,530</u>	<u>13,056</u>	<u>1,103</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	18,913	103,458	420	6,790	11,275	12,924	1,188
Total disbursements	<u>18,913</u>	<u>103,458</u>	<u>420</u>	<u>6,790</u>	<u>11,275</u>	<u>12,924</u>	<u>1,188</u>
Excess (deficiency) of receipts over disbursements	<u>(278)</u>	<u>(3,733)</u>	<u>189</u>	<u>(335)</u>	<u>255</u>	<u>132</u>	<u>(85)</u>
Cash and investments - ending	<u>\$ 2,198</u>	<u>\$ 3,993</u>	<u>\$ 189</u>	<u>\$ 230</u>	<u>\$ 1,075</u>	<u>\$ 916</u>	<u>\$ 126</u>

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

	Mortgage Recording Fees - State Share	Inheritance Tax	Education Plate Fees Agency	Riverboat Revenue Sharing	Innkeepers Tax Collections	COIT Distribution	93.563 ARRA Prosecutor IV-D Incentive
Cash and investments - beginning	\$ 783	\$ 116,569	\$ 75	\$ -	\$ -	\$ -	\$ 92,588
Receipts:							
Taxes	-	-	-	-	2,259,459	27,506,977	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	6,254	3,094	817,347	-	-	-
Charges for services	9,900	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	9,900	6,254	3,094	817,347	2,259,459	27,506,977	-
Disbursements:							
Personal services	-	-	-	-	-	-	4,915
Supplies	-	-	-	-	-	-	390
Other services and charges	9,958	-	-	-	2,259,459	-	28,486
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	122,823	3,150	817,347	-	27,506,977	-
Total disbursements	9,958	122,823	3,150	817,347	2,259,459	27,506,977	33,791
Excess (deficiency) of receipts over disbursements	(58)	(116,569)	(56)	-	-	-	(33,791)
Cash and investments - ending	\$ 725	\$ -	\$ 19	\$ -	\$ -	\$ -	\$ 58,797

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

	93.563 Prosecutor IV-D Incentive-Prior To Oct '99	93.563 Prosecutor IV-D Incentive-Post Oct '99	93.563 Clerk IV-D Incentive-Post Oct '99	Economic Development/Tourism	Juvenile Probation Admin-Rainy Day	Juvenile Probation Admin-Non-Reverting	User Fees-Cable Franchise
Cash and investments - beginning	\$ 13,119	\$ 254,572	\$ 113,894	\$ 2,267	\$ 164,275	\$ 1,147,230	\$ 535,516
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	56,714	69,673	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	566,182
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	29,572	-
Total receipts	-	56,714	69,673	-	-	29,572	566,182
Disbursements:							
Personal services	-	15,172	90,356	-	-	-	-
Supplies	-	43	4,142	-	-	-	-
Other services and charges	13,119	-	20,578	-	-	52,690	672,890
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	2,620
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	13,119	15,215	115,076	-	-	52,690	675,510
Excess (deficiency) of receipts over disbursements	(13,119)	41,499	(45,403)	-	-	(23,118)	(109,328)
Cash and investments - ending	\$ -	\$ 296,071	\$ 68,491	\$ 2,267	\$ 164,275	\$ 1,124,112	\$ 426,188

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

	User Fees-Diversion-Prosecutor	User Fees-Court Alchol/Drug	Fees-Sheriff/Law Enforcement Ed Fund	User Fees-Problem Solving Court	User Fees-Adult Probation	User Fees-Juvenile Probation	User Fees-Project Income
Cash and investments - beginning	\$ 35,095	\$ 149,247	\$ 13,336	\$ 31,041	\$ 219,961	\$ 9,945	\$ 389,718
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	334,558	294,602	4,103	17,316	308,755	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	2,104	-	-	-	-	9,264	447,903
Total receipts	<u>336,662</u>	<u>294,602</u>	<u>4,103</u>	<u>17,316</u>	<u>308,755</u>	<u>9,264</u>	<u>447,903</u>
Disbursements:							
Personal services	328,803	296,882	-	2,680	312,280	-	236,763
Supplies	87	5,624	-	947	5,639	1,297	19,351
Other services and charges	10,290	19,942	-	11,293	10,814	-	157,717
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	392	-	-	-	283	-	685
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>339,572</u>	<u>322,448</u>	<u>-</u>	<u>14,920</u>	<u>329,016</u>	<u>1,297</u>	<u>414,516</u>
Excess (deficiency) of receipts over disbursements	<u>(2,910)</u>	<u>(27,846)</u>	<u>4,103</u>	<u>2,396</u>	<u>(20,261)</u>	<u>7,967</u>	<u>33,387</u>
Cash and investments - ending	<u>\$ 32,185</u>	<u>\$ 121,401</u>	<u>\$ 17,439</u>	<u>\$ 33,437</u>	<u>\$ 199,700</u>	<u>\$ 17,912</u>	<u>\$ 423,105</u>

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

	User Fee-Jury Pay	County User Fee/Law Ed	Local Ordinance-False Alarm Fee	Collection Fees-Personal Property	Monroe County Convention Center Debt	Showers Building Lease Rental	Aviation Construction
Cash and investments - beginning	\$ 38,084	\$ 94,311	\$ 5,378	\$ 351	\$ 347,592	\$ 927,785	\$ 495,063
Receipts:							
Taxes	-	-	-	-	498,300	1,627,856	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	133,768	3,312,451
Charges for services	-	-	-	12,068	139,610	-	-
Fines and forfeits	10,152	-	2,100	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	16,276	-	14	-	-	3,864
Total receipts	<u>10,152</u>	<u>16,276</u>	<u>2,100</u>	<u>12,082</u>	<u>637,910</u>	<u>1,761,624</u>	<u>3,316,315</u>
Disbursements:							
Personal services	-	-	-	855	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	9,518	18,089	-	11,180	-	-	-
Debt service - principal and interest	-	-	-	-	632,000	1,906,000	-
Capital outlay	-	-	-	-	-	-	3,312,013
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>9,518</u>	<u>18,089</u>	<u>-</u>	<u>12,035</u>	<u>632,000</u>	<u>1,906,000</u>	<u>3,312,013</u>
Excess (deficiency) of receipts over disbursements	<u>634</u>	<u>(1,813)</u>	<u>2,100</u>	<u>47</u>	<u>5,910</u>	<u>(144,376)</u>	<u>4,302</u>
Cash and investments - ending	<u>\$ 38,718</u>	<u>\$ 92,498</u>	<u>\$ 7,478</u>	<u>\$ 398</u>	<u>\$ 353,502</u>	<u>\$ 783,409</u>	<u>\$ 499,365</u>

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

	Aviation Building	Employee Morale	Monroe County Search/Recovery	Paperless Initiative	County Per Diems-YSB	Monroe County Building Pres/Blgtn Foundation	Monroe County Properties
Cash and investments - beginning	\$ 563,298	\$ 2,680	\$ 15,769	\$ 261	\$ 558,441	\$ 1,912	\$ 510
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	22,778	-	-	-	138,823	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	1,585	3,643	7,786	-	185	25,878	-
Total receipts	24,363	3,643	7,786	-	139,008	25,878	-
Disbursements:							
Personal services	-	-	-	-	275,178	-	-
Supplies	-	-	489	-	-	-	-
Other services and charges	-	4,990	108	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	729	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	4,990	1,326	-	275,178	-	-
Excess (deficiency) of receipts over disbursements	24,363	(1,347)	6,460	-	(136,170)	25,878	-
Cash and investments - ending	\$ 587,661	\$ 1,333	\$ 22,229	\$ 261	\$ 422,271	\$ 27,790	\$ 510

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

	Public Health Emergency Fund	County Fair	Convention-Vistor Capital Imprv/Maint	Crime Control	Big City/County Seat Belt Grant	Weights and Measures Ordinance Violations	Showers Building Operating
Cash and investments - beginning	\$ 20,033	\$ 4,935	\$ 150,107	\$ 934	\$ 5,703	\$ 12,662	\$ 59,036
Receipts:							
Taxes	-	73,146	54,000	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	6,035	-	-	-	-	-
Charges for services	-	-	-	-	-	-	231,766
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	7	-	-	-
Total receipts	-	79,181	54,000	7	-	-	231,766
Disbursements:							
Personal services	-	-	-	-	-	-	100,792
Supplies	-	-	-	-	-	-	9,909
Other services and charges	-	50,389	70,764	-	-	-	154,410
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	7	-	-
Total disbursements	-	50,389	70,764	-	7	-	265,111
Excess (deficiency) of receipts over disbursements	-	28,792	(16,764)	7	(7)	-	(33,345)
Cash and investments - ending	\$ 20,033	\$ 33,727	\$ 133,343	\$ 941	\$ 5,696	\$ 12,662	\$ 25,691

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

	Curry Building Project Ordinance	County Offender Transportation	Westside Econ Dev/Richland Twp TIF	46 Corridor Econ Dev/Blgtn Twp	Fullerton Pike Econ Dev/TIF	Courthouse Rental	DLGF Hstd Pty Database Fund
Cash and investments - beginning	\$ 6,161	\$ 3,496	\$ 5,357,726	\$ 78,403	\$ 1,970,502	\$ 5,400	\$ 1
Receipts:							
Taxes	-	-	1,945,068	141,806	96,368	-	90
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	740	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	1,103	17,200	-	-	400	-
Total receipts	-	1,103	1,962,268	141,806	96,368	1,140	90
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	1,445,420	166,594	3,000	400	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	150,900	-	-	-	91
Total disbursements	-	-	1,596,320	166,594	3,000	400	91
Excess (deficiency) of receipts over disbursements	-	1,103	365,948	(24,788)	93,368	740	(1)
Cash and investments - ending	\$ 6,161	\$ 4,599	\$ 5,723,674	\$ 53,615	\$ 2,063,870	\$ 6,140	\$ -

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

	Settlement	Wheel Tax/Surtax Combined	Ellettsville Pass Through	City Pass Through (Building)	F10.553 Y.S. Fed School Program	F93.069 Bio Terrorism	F20.609 Operation Pullover
Cash and investments - beginning	\$ 4,524	\$ 37,240	\$ 1,731	\$ 113,886	\$ 13,338	\$ 7,014	\$ (1,952)
Receipts:							
Taxes	133,454,363	-	-	-	-	-	-
Licenses and permits	-	-	2,579	105,226	-	-	-
Intergovernmental receipts	-	3,029,823	-	-	6,751	14,719	9,106
Charges for services	261	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>133,454,624</u>	<u>3,029,823</u>	<u>2,579</u>	<u>105,226</u>	<u>6,751</u>	<u>14,719</u>	<u>9,106</u>
Disbursements:							
Personal services	-	-	-	-	-	6,820	12,050
Supplies	-	-	-	-	-	2,779	-
Other services and charges	-	-	3,708	187,560	-	5,322	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	775	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	<u>133,459,148</u>	<u>3,061,623</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>133,459,148</u>	<u>3,061,623</u>	<u>3,708</u>	<u>187,560</u>	<u>-</u>	<u>15,696</u>	<u>12,050</u>
Excess (deficiency) of receipts over disbursements	<u>(4,524)</u>	<u>(31,800)</u>	<u>(1,129)</u>	<u>(82,334)</u>	<u>6,751</u>	<u>(977)</u>	<u>(2,944)</u>
Cash and investments - ending	\$ <u>-</u>	\$ <u>5,440</u>	\$ <u>602</u>	\$ <u>31,552</u>	\$ <u>20,089</u>	\$ <u>6,037</u>	\$ <u>(4,896)</u>

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

	F20.509 Rural Transit	F16.585 BJA Drug Court Enhancement	F16.540 Title II Juv. Re-entry	F93.617 Hava Polling Place Grant	IGIC Addressing Grant	F93.563 County IV-D Incentive	Multi State Learning Collabor.
Cash and investments - beginning	\$ -	\$ -	\$ (3,765)	\$ 22,647	\$ 3,000	\$ 207,743	\$ 3,543
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	1,075,095	37,553	3,765	-	-	-	-
Charges for services	-	-	-	-	-	37,695	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>1,075,095</u>	<u>37,553</u>	<u>3,765</u>	<u>-</u>	<u>-</u>	<u>37,695</u>	<u>-</u>
Disbursements:							
Personal services	-	58,600	-	-	-	29,666	-
Supplies	-	-	-	-	-	-	-
Other services and charges	1,075,095	-	-	21,700	-	-	15
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>1,075,095</u>	<u>58,600</u>	<u>-</u>	<u>21,700</u>	<u>-</u>	<u>29,666</u>	<u>15</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(21,047)</u>	<u>3,765</u>	<u>(21,700)</u>	<u>-</u>	<u>8,029</u>	<u>(15)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (21,047)</u>	<u>\$ -</u>	<u>\$ 947</u>	<u>\$ 3,000</u>	<u>\$ 215,772</u>	<u>\$ 3,528</u>

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

	In Jud. Supreme Court Grant	Health Tobacco Cessation	Pilot Family Court Grant	Probation-Cares Grant 12-13	YSB Cares Grant 12-13	Juvenile Account Block	JAG Drug Court
Cash and investments - beginning	\$ 11,486	\$ 110,904	\$ 152	\$ -	\$ 197	\$ (7,700)	\$ (22,736)
Receipts:							
Taxes	-	-	-	5,108	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	54,262	-	-	-	11,750	65,982
Charges for services	8,000	-	11,677	-	-	7,700	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>8,000</u>	<u>54,262</u>	<u>11,677</u>	<u>5,108</u>	<u>-</u>	<u>19,450</u>	<u>65,982</u>
Disbursements:							
Personal services	-	40,157	-	-	-	-	59,864
Supplies	5,455	751	155	-	197	-	-
Other services and charges	3,960	1,059	7,201	-	-	11,750	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>9,415</u>	<u>41,967</u>	<u>7,356</u>	<u>-</u>	<u>197</u>	<u>11,750</u>	<u>59,864</u>
Excess (deficiency) of receipts over disbursements	<u>(1,415)</u>	<u>12,295</u>	<u>4,321</u>	<u>5,108</u>	<u>(197)</u>	<u>7,700</u>	<u>6,118</u>
Cash and investments - ending	<u>\$ 10,071</u>	<u>\$ 123,199</u>	<u>\$ 4,473</u>	<u>\$ 5,108</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (16,618)</u>

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

	Runaway and Homeless 12-15	Voca Grant 12-13	IV-D Parenting Time	SWtop Grant 12-13	DUI Task Enforcement	Project Safeplace 12-13	1503 YSB Grant 12-13
Cash and investments - beginning	\$ (16,046)	\$ (6,817)	\$ (4,335)	\$ (12,391)	\$ -	\$ 1,078	\$ 9,942
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	114,178	44,310	77,754	26,528	3,164	-	-
Charges for services	-	-	-	-	-	9,024	47,341
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	600	-	-	-	-	125	-
Total receipts	<u>114,778</u>	<u>44,310</u>	<u>77,754</u>	<u>26,528</u>	<u>3,164</u>	<u>9,149</u>	<u>47,341</u>
Disbursements:							
Personal services	94,901	44,310	23,935	31,003	4,548	-	38,707
Supplies	-	-	2,198	-	-	1,627	-
Other services and charges	12,004	-	58,285	-	-	6,367	9,600
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>106,905</u>	<u>44,310</u>	<u>84,418</u>	<u>31,003</u>	<u>4,548</u>	<u>7,994</u>	<u>48,307</u>
Excess (deficiency) of receipts over disbursements	<u>7,873</u>	<u>-</u>	<u>(6,664)</u>	<u>(4,475)</u>	<u>(1,384)</u>	<u>1,155</u>	<u>(966)</u>
Cash and investments - ending	<u>\$ (8,173)</u>	<u>\$ (6,817)</u>	<u>\$ (10,999)</u>	<u>\$ (16,866)</u>	<u>\$ (1,384)</u>	<u>\$ 2,233</u>	<u>\$ 8,976</u>

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

	Donations - Probations	Donations - APS Unit 10	Donations - Safe Place	Donations - Emergency Mgt	Donations - Drug Treatment Court	Donations - Vietnam Memorial	Energy Conservation Non-Reverting
Cash and investments - beginning	\$ 665	\$ 4,107	\$ 4,016	\$ 1,815	\$ 20	\$ 200	\$ 10,369
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	95	1,000	3,797	-	-	-	38,548
Total receipts	95	1,000	3,797	-	-	-	38,548
Disbursements:							
Personal services	-	879	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	1,213	-	-	-	-	611
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	70	-	-	-	-
Total disbursements	-	2,092	70	-	-	-	611
Excess (deficiency) of receipts over disbursements	95	(1,092)	3,727	-	-	-	37,937
Cash and investments - ending	\$ 760	\$ 3,015	\$ 7,743	\$ 1,815	\$ 20	\$ 200	\$ 48,306

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

	IN Workforce Development	F93.074 Medical Res Corp BHPP	F93.217 Futures Clinic 2013	F93.008 MRC NACCHO	F93.041 Adult Protection Services 13-14	Sassafras Audobon	Sodium Reduction Grant
Cash and investments - beginning	\$ 645,149	\$ -	\$ (1,725)	\$ 12,014	\$ (30,078)	\$ 100	\$ (549)
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	4,331	78,359	3,500	119,801	-	-
Charges for services	-	-	-	-	-	-	5,747
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	54
Total receipts	<u>-</u>	<u>4,331</u>	<u>78,359</u>	<u>3,500</u>	<u>119,801</u>	<u>-</u>	<u>5,801</u>
Disbursements:							
Personal services	-	-	17,428	5,765	114,495	-	818
Supplies	-	2,711	16,208	286	580	100	772
Other services and charges	48,586	835	1,104	3,345	4,615	-	3,662
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	800	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	41,894	-	-	-	-
Total disbursements	<u>48,586</u>	<u>4,346</u>	<u>76,634</u>	<u>9,396</u>	<u>119,690</u>	<u>100</u>	<u>5,252</u>
Excess (deficiency) of receipts over disbursements	<u>(48,586)</u>	<u>(15)</u>	<u>1,725</u>	<u>(5,896)</u>	<u>111</u>	<u>(100)</u>	<u>549</u>
Cash and investments - ending	<u>\$ 596,563</u>	<u>\$ (15)</u>	<u>\$ -</u>	<u>\$ 6,118</u>	<u>\$ (29,967)</u>	<u>\$ -</u>	<u>\$ -</u>

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

	MLK Garden Grant	Local Grants to Futures Clinic	Bloomington Bicycle Grant	2013 GO Bond Capital Projects	Donations-Sheriffs Department	Traffic Direction	Sheriff Cares Grant
Cash and investments - beginning	\$ -	\$ 180	\$ 1,500	\$ 2,000,000	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	5,221
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	910	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	400	5,200	1,570	-	23,455	7	-
Total receipts	400	5,200	1,570	-	23,455	917	5,221
Disbursements:							
Personal services	-	-	-	-	-	917	-
Supplies	400	-	1,356	-	56	-	-
Other services and charges	-	-	1,570	55,431	12,085	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	967,674	-	-	5,161
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	400	-	2,926	1,023,105	12,141	917	5,161
Excess (deficiency) of receipts over disbursements	-	5,200	(1,356)	(1,023,105)	11,314	-	60
Cash and investments - ending	\$ -	\$ 5,380	\$ 144	\$ 976,895	\$ 11,314	\$ -	\$ 60

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

	Walmart Health	F97.073 2013 SHSP County Plan	F97.073 SHSP District Training	F97.042 2013 EMPG Competitive	F93.617 HAVA 2014	IJC Community Supervision	MLK Jr. Grant - Clerk
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	2,000	27,000	5,180	10,333	-	-
Charges for services	-	-	-	-	-	120,000	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	1,500	-	170	-	-	-	400
Total receipts	1,500	2,000	27,170	5,180	10,333	120,000	400
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	2,823	-	-
Other services and charges	-	2,000	27,170	5,180	-	50,612	400
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	2,000	27,170	5,180	2,823	50,612	400
Excess (deficiency) of receipts over disbursements	1,500	-	-	-	7,510	69,388	-
Cash and investments - ending	\$ 1,500	\$ -	\$ -	\$ -	\$ 7,510	\$ 69,388	\$ -

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

	Monroe County Active Transportation	2013 GO Bond	GO Bond 2014 Capital Bond	Westside TIF Debt Res 2013 Bond	Westside TIF Sinking Fund	Storm Water Management	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 55,488	\$ 1,590,173	\$ 60,158,829
Receipts:							
Taxes	-	1,824,941	-	190,700	-	-	210,776,332
Licenses and permits	-	-	-	-	-	-	716,441
Intergovernmental receipts	-	149,861	-	-	-	-	22,203,323
Charges for services	-	-	-	-	-	-	3,113,387
Fines and forfeits	-	-	-	-	-	-	32,106,219
Utility fees	-	-	-	-	-	1,126,710	1,126,710
Other receipts	1,000	-	2,000,000	-	182,005	-	24,890,801
Total receipts	1,000	1,974,802	2,000,000	190,700	182,005	1,126,710	294,933,213
Disbursements:							
Personal services	-	-	-	-	-	296,265	31,578,213
Supplies	-	-	-	-	-	-	2,609,551
Other services and charges	170	-	1,473,975	-	-	-	39,796,524
Debt service - principal and interest	-	988,875	-	-	182,000	-	3,708,875
Capital outlay	-	-	-	-	-	98,036	6,767,002
Utility operating expenses	-	-	-	-	-	134,744	134,744
Other disbursements	-	-	-	-	-	-	197,088,488
Total disbursements	170	988,875	1,473,975	-	182,000	529,045	281,683,397
Excess (deficiency) of receipts over disbursements	830	985,927	526,025	190,700	5	597,665	13,249,816
Cash and investments - ending	\$ 830	\$ 985,927	\$ 526,025	\$ 190,700	\$ 55,493	\$ 2,187,838	\$ 73,408,645

MONROE COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2014

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
A T and T	E-911 Equipment	\$ 238,940	1/10/2014	1/10/2024
Caterpillar	Backhoe Equipment (Highway)	14,023	2/12/2012	2/10/2017
GABC Leasing	Dump Trucks (Highway)	54,494	11/8/2013	11/8/2017
J.P. Morgan Case Bank	Dump Trucks	332,700	2/14/2014	2/14/2018
John Deere	Tractor (Parks and Rec)	3,670	4/30/2012	4/30/2015
PNC	Vactor Equipment (Stormwater)	41,883	8/24/2012	8/24/2016
TFC	Street Sweeper (Stormwater)	37,989	10/26/2012	10/26/2016
Monroe County Convention Center Building Corp.	Convention Center Land Purchases	1,906,000	5/23/2011	1/20/2017
Monroe County Jail, Law Enforcement and Governmental Space Building Corp.	Purchase of Showers/Courthouse Renovation	<u>632,000</u>	1/1/2011	1/1/2021
Total governmental activities		<u>3,261,699</u>		
Total of annual lease payments		<u>\$ 3,261,699</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Westside Economic Development Area Bonds of 2013	\$ 1,535,000	\$ 189,100
General obligation bonds	County Capital Projects	2,000,000	2,016,989
General obligation bonds	Westside Economic Development Area Bonds of 2007	3,940,000	340,588
General obligation bonds	General Obligation Bonds, Series 2013	1,020,000	1,023,825
Revenue bonds	Redevelopment District Taxable Tax Increment Revenue Bonds, Series 2010	<u>5,185,000</u>	<u>938,815</u>
Total governmental activities		<u>13,680,000</u>	<u>4,509,317</u>
Totals		<u>\$ 13,680,000</u>	<u>\$ 4,509,317</u>

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 MONROE COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Monroe 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.

Basis for Qualified Opinion on Formula Grants for Rural Areas

As described in item 2014-007 in the accompanying Schedule of Findings and Questioned Costs, the County did not comply with requirements regarding Subrecipient Monitoring that are applicable to its Formula Grants for Rural Areas. Compliance with such requirements is necessary, in our opinion, for the County to comply with requirements applicable to that program.

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

Qualified Opinion on Formula Grants for Rural Areas

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Formula Grants for Rural Areas* paragraph, 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 Formula Grants for Rural Areas for the year ended December 31, 2014.

Unmodified Opinion on Each of the Other Major Federal Programs

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 other major federal programs identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs for the year ended December 31, 2014.

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 2014-006, 2014-008, and 2014-009. 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.

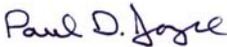
Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses 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 2014-005, 2014-006, 2014-007, and 2014-008 to be material weaknesses.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

September 13, 2016

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.

MONROE 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	Calendar Year 2014	\$ 3,019
Youth Services Bureau				
National School Lunch Program	Indiana Department of Education	10.555	Calendar Year 2014	3,307
Youth Services Bureau				
Total - Child Nutrition Cluster				6,326
Child and Adult Care Food Program	Indiana Department of Education	10.558	Calendar Year 2014	425
Youth Services Bureau				
Total - Department of Agriculture				6,751
<u>Department of Justice</u>				
JAG Program Cluster				
Edward Byrne Memorial Justice Assistance Grant Program	Indiana Criminal Justice Institute	16.738		
Monroe County Drug Treatment Court			2012-DJ-BX-0765	23,726
Monroe County Drug Treatment Court			2013-DJ-BX-0039	42,256
Total - JAG Program Cluster				65,982
Juvenile Accountability Block Grants	Indiana Criminal Justice Institute	16.523	2010-JB-FX-0086	11,750
Courts - Probation				
Juvenile Justice and Delinquency Prevention_ Allocation to States	Indiana Criminal Justice Institute	16.540	2011-JF-FX-0009	3,765
Juvenile Re-entry				
Crime Victim Assistance	Indiana Criminal Justice Institute	16.575	2013-VA-GX-0036	44,310
Prosecutor				
Drug Court Discretionary Grant Program	Indiana Judicial Center	16.585	10-DC-003	37,553
Courts-Probation				
Violence Against Women Formula Grants	Indiana Criminal Justice Institute	16.588	2013-WF-AX-0047	26,528
Prosecutor				
Total - Department of Justice				189,888
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster				
Highway Planning and Construction	Indiana Department of Transportation	20.205		
Upgrade Sign to meet MUTCD requirements MPO area			1006377/T-35390	3,227
Kinser Pike Bridge #46			1173326/B35900	49,830
Hunters Creek Road From State Road 446 to Tower Ridge Road			1297633/PLC-37870	126,201
Inspection and Reinspection of County Bridges			1382121/PLC936163	33,112
Stinesville Road Reconstruction			901794/R-35316	63,692
Total - Highway Planning and Construction Cluster				276,062
Highway Safety Cluster				
State and Community Highway Safety	City of Bloomington	20.600	1464	9,106
Operation Pullover Blitz				
Alcohol Impaired Driving Countermeasures Incentive Grants I	City of Bloomington	20.601	1496	3,164
DUI Taskforce				
Total - Highway Safety Cluster				12,270
Airport Improvement Program	Direct Grant	20.106		
Aviation Construction and Improvement Program			3-18-0006-29	3,190,791
Formula Grants for Rural Areas	Indiana Department of Transportation	20.509		
Operating			A249-13-320293A	164,512
Operating			A249-14-320293	535,197
Total - Formula Grants for Rural Areas				699,709
ARRA - Formula Grants for Rural Areas	Indiana Department of Homeland Security	20.509	14ARRA09C	68,526
Commissioners ARRA				
Interagency Hazardous Materials Public Sector Training and Planning Grants	Indiana Department of Homeland Security	20.703	C44P-3-086B	3,680
Emergency Mgmt				

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

MONROE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2014
(Continued)

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>Department of Transportation (continued)</u>				
National Infrastructure Investments Surface Transportation Program	Indiana Department of Transportation	20.933	800768/R-35316	86,959
Total - Department of Transportation				4,337,997
<u>Department of Health and Human Services</u>				
TANF Cluster				
Temporary Assistance for Needy Families Health	Indiana Family Health Council	93.558	MCH 386-3	31,260
Total - TANF Cluster				31,260
Medical Reserve Corps Small Grant Program Health	Indiana State Department of Health	93.008	5MRCSG101005-04	3,500
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements Health Health	Indiana State Department of Health	93.074	1U90TP000521-01 5U90TP000521-02	4,331 14,719
Total - Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements				19,050
Family Planning_Services Health Health	Indiana Family Health Council	93.217	SHSP-A-050511-36 SPHP-A-050511-36	128,984 75,527
Total - Family Planning_Services				204,511
Child Support Enforcement Clerk Court Prosecutor County - Incentive Payments Prosecutor - Incentive Payments Clerks Incentive Payments Indirect Cost	Indiana Department of Child Services	93.563	1304IN4005 1304IN4005 1304IN4005 1304IN4005 1304IN4005 1304IN4005 1304IN4005	183,858 218,093 728,639 29,666 15,215 115,077 161,288
Total - Child Support Enforcement				1,451,836
ARRA - Child Support Enforcement Prosecutor - Incentive Payments	Indiana Department of Child Services	93.563	90F10117-03-00	33,791
Child Support Enforcement Demonstrations and Special Projects Courts - Probation	Direct Grant	93.601	90F10117-03-00	77,754
Voting Access for Individuals with Disabilities_Grants to States HAVA Polling Place Grant HAVA 2014	Indiana Secretary of State	93.617	Calendar 2014 FY 2014	21,700 2,823
Total - Voting Access for Individuals with Disabilities_Grants to States				24,523
Basic Center Grant YSB/Runaway Homeless	Direct Grant	93.623	90CY645801	114,178
Social Services Block Grant Prosecutor	Indiana Family and Social Services Administration	93.667	53-15-PV-2740-01	8,000
HIV Prevention Activities_Health Department Based Health Health	Indiana State Department of Health	93.940	5-H25PS001360-05 U62PS003682	28,682 57,341
Total - HIV Prevention Activities_Health Department Based				86,023
Total - Department of Health and Human Services				2,054,426
<u>Department of Homeland Security</u>				
Emergency Management Performance Grants Emergency Management Emergency Management	Indiana Department of Homeland Security	97.042	C44P-3-035B C44P-5-052B	5,180 40,201
Total - Emergency Management Performance Grants				45,381
Homeland Security Grant Program Emergency Management Emergency Management	Indiana Department of Homeland Security	97.067	EMW2013SS00017 EMW-2013-SS-00017	27,000 2,000
Total - Homeland Security Grant Program				29,000
Total - Department of Homeland Security				74,381
Total federal awards expended				\$ 6,663,443

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

MONROE 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 and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances, the federal awards are considered expended when the reimbursement is received.

Note 2. Subrecipients

Of the federal expenditures presented in the SEFA, the County provided federal awards to subrecipients as follows for the year ended December 31, 2014:

Program Title	Federal CFDA Number	2014
Formula Grants for Rural Areas	20.509	\$ 699,709
ARRA - Formula Grants for Rural Areas	20.509	68,526

MONROE 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 for all programs except for Formula Grants for Rural Areas which is qualified.
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
20.106	Airport Improvement Program
20.509	Formula Grants for Rural Areas
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 - PREPARATION OF THE 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). Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could have remained undetected.

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

During the audit of the SEFA, there were incorrect expenditures reported for several programs as follows:

- Juvenile Accountability Block Grants (CFDA 16.523) was overstated \$7,700.
- Crime Victim Assistance (CFDA 16.575) was overstated \$30,177.
- Highway Planning and Construction (CFDA 20.205) was overstated \$13,201.
- National Infrastructure Investments (CFDA 20.933) was understated \$86,959.
- Formula Grants for Rural Areas (CFDA 20.509) was overstated \$375,366.
- Medical Reserve Corps Small Grant Program (CFDA 93.008) was overstated \$5,895.
- Child Support Enforcement (CFDA 93.563) was understated \$85,955.
- Social Services Block Grant (CFDA 93.667) was overstated \$111,801.

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

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. . . ."

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.

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (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."

***FINDING 2014-002 - INTERNAL CONTROLS OVER FINANCIAL
TRANSACTIONS AND REPORTING - COUNTY AUDITOR***

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

1. Reporting:

Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatements to the County's audited financial statement and then determining how those identified risks should be managed. The County had not identified risks to the preparation of a reliable financial statement, including notes to the financial statement.

Employees in the County Auditor's office entered the County's financial activity from the County's software directly into the Gateway system. The Annual Financial Report was used to prepare the financial statement presented in this report. There was no control in place to ensure the information reported was accurate and complete.

2. Financial Transactions:

Payroll Disbursements: The County Auditor's office had not separated incompatible activities related to payroll and payroll related liabilities. One employee was responsible for the following payroll functions without any oversight or review process to ensure the accuracy and completeness of amounts posted to the records:

- Changing the payroll amounts/deductions in the accounting software or to the Wage and Tax Statements (W-2).
- Verifying the amounts being paid to the employees agreed to the salary ordinance, leave balances recorded, signed time sheets, claim vouchers, and payroll system reports agreed to direct deposit.
- Posting and maintaining the Payroll Clearing fund and the various subaccounts of the Payroll Clearing fund.

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- Recording pension payments in the PERF subaccount, which contained many posting errors.

3. Redevelopment Commission Funds:

Due to new legislation, redevelopment commission funds were to come under the control of the County fiscal officer as of July 1, 2014. The two funds from the redevelopment commission, the Richland TIF Debt Funds and the Westside TIF Sinking Fund, were not included in the County Auditor's ledger as of December 31, 2014, and, therefore, did not come under the control of the County fiscal officer as of July 1, 2014. The financial activity of the two redevelopment commission funds was included by the County in the financial statement.

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)

Indiana Code 36-7-14-8(b) states in part:

"The fiscal officer of the unit establishing a redevelopment commission is the treasurer of there development commission. Notwithstanding any other provision of this chapter, the treasurer has charge over and is responsible for the administration, investment, and disbursement of all funds and accounts of the redevelopment commission in accordance with the requirements of state laws that apply to other funds and accounts administered by the fiscal officer. . . ."

FINDING 2014-003 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING - COUNTY TREASURER

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

1. Cash Reconcilements:

Reconcilements of the bank statement balances to the balances reported in the County Treasurer's Daily Balance of Cash and Depositories (Cash Book) had not been performed for any month during 2014. As a result, the County Commissioners entered into a contract with a consultant to perform a review, examination, and reconciliation of county funds for the period January 1, 2012 to January 1, 2015. The consultant discovered errors that included differences between amounts posted in the Cash Book and activity reported in the bank accounts, payroll posting errors, and reporting a balance for an investment which had been cashed. The December 31, 2014, reconciliation prepared by the consultant was accepted by the County and adjustments netting to a decrease of \$303,277 in the cash and investment balance was made to the Cash Book in October 2015.

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2. Cash Book:

- The amounts posted to the County Treasurer's Cash Book did not always agree with the collections for that day's business. The differences were due to corrections; however, these corrections were not reviewed and approved by someone other than the person making the correction.
- Many of the bank account balances reported in the Cash Book were incorrect due to using the financial software module that imported bank information from the County Auditor's ledger entries. Many entries defaulted to the operating bank account and no review was made by the Treasurer to verify these amounts were accurate. Also, several bank accounts were included on the Treasurer's Cash Book at December 31 with balances; however the accounts had been closed but never removed from the record. These errors were included in the consultant proposed adjustments.
- The Cash Book was prepared electronically and then printed out at the end of each day. However, this was not always performed on a timely basis. It was determined that changes were made to the electronic file after the daily activity had been reconciled. There were no controls to prevent the employee from making corrections or changes to prior days.
- There were no controls to verify that the property tax software reports and the Cash Book balances agreed.
- The Treasurer did not have sufficient controls over electronic vendor payments. There were errors discovered where the incorrect amount was recorded, the date was incorrect, or an entry was not recorded.

3. Excise tax:

The Treasurer posted the amount determined by the County Auditor to be distributed at each semi annual settlement to the Cash Book. This was not reconciled by the Treasurer to license excise tax collections posted in the Cash Book.

In addition, wheel and surtax receipts were being posted to the license excise tax account on the Cash Book. At December 31, 2014, the Cash Book reported \$1,128,461 in unidentified excise tax and \$277,403 in unidentified wheel tax and surtax.

4. Financial Reporting:

The After Settlement Collections fund balance reported to the County Auditor for inclusion in the financial statement for 2014 was incorrect. As a result, the December 31, 2014, cash and investment balance included in the Annual Financial Report was understated by \$5,997,551. Audit adjustments were proposed, approved by management of the County, and made to the financial statement.

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

5. Redevelopment Commission Funds:

The County Treasurer did not have a proper system of internal controls in place to ensure that all bank accounts were included on the Cash Book. Due to new legislation, Redevelopment Commission funds were to come under the control of the County fiscal officer as of July 1, 2014. The bank accounts of the Redevelopment Commission were not under the control of the County fiscal officer and were not included on the Cash Book as of December 31, 2014. The cash balance of the accounts as of December 31, 2014 was \$473,997.

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 Treasurers of Indiana, Chapter 10)

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."

Indiana Code 5-13-5-1 states:

"(a) Every public officer who receives or distributes public funds shall:

- (1) keep a cashbook into which the public officer shall enter daily, by item, all receipts of public funds; and
- (2) balance the cashbook daily to show funds on hand at the close of each day.

(b) The cashbook is a public record and is open to public inspection in accordance with IC 5-14-3.

(c) A person who violates this section is subject to criminal prosecution under IC 35-44.2-2-2."

It is important that the amounts distributed at each semiannual settlement agree with the amounts shown in the treasurer's daily balance of cash and depositories, since a settlement and distribution in excess of the amounts entered in this record will result in "cash short" on the day the settlement is made. Conversely, if the settlement and distribution is made for less than the amount shown in this record, it will result in "cash long" for that day. Therefore, every effort should be made before settlement and distribution to see that the amounts distributed for each taxing district agree with the amounts entered in the register of taxes collected and in the treasurer's daily balance of cash and depositories. (Accounting and Uniform Compliance Guidelines Manual for County Treasurers of Indiana, Chapter 4)

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Indiana Code 36-7-14-8(b) states in part:

"The fiscal officer of the unit establishing a redevelopment commission is the treasurer of the redevelopment commission. Notwithstanding any other provision of this chapter, the treasurer has charge over and is responsible for the administration, investment, and disbursement of all funds and accounts of the redevelopment commission in accordance with the requirements of state laws that apply to other funds and accounts administered by the fiscal officer. . . . "

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)

FINDING 2014-004 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING - CLERK OF THE CIRCUIT COURT

There was a deficiency in the internal control system of the Clerk of the Circuit Court (Clerk) related to financial transactions and reporting. We believe the following deficiency constituted a material weakness.

Trust funds that were moved to interest bearing bank accounts were not accounted for in the Clerk of the Circuit Court's Cash Book. As a result, the Clerk's office incorrectly reported the receipts, disbursements, and balances of the Clerk's Trust fund to the County Auditor for inclusion on the Annual Financial Report. The corrections to be made to the reported amounts for the beginning balance, receipts, disbursements and ending balance were \$191,101; (\$2,200,243); (\$9,949,098) and \$7,939,956, respectively. Audit adjustments were proposed, approved by management of the County, and made to the financial statement.

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 Clerks of the Circuit Courts of Indiana, Chapter 13)

Section III - Federal Award Findings and Questioned Costs

FINDING 2014-005 - INTERNAL CONTROLS OVER FORMULA GRANTS FOR RURAL AREAS

Federal Agency: Department of Transportation

Federal Programs: Formula Grants for Rural Areas, ARRA - Formula Grants for Rural Areas

CFDA Number: 20.509

Federal Award Numbers and Years (or Other Identifying Numbers): A249-13-320293A, A249-14-320293, 14ARRA09C

Pass-Through Entity: Indiana Department of Transportation

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The County had not established an effective internal control system, which would have included segregation of duties, related to the grant agreement and the following compliance requirements: Allowable Costs/Cost Principles, Cash Management, Suspension and Debarment, Reporting, and Period of Availability.

Allowable Costs/Cost Principles and Period of Availability

The County had not designed or implemented adequate policies and procedures to ensure transactions were properly accounted for, were for allowable costs, or were within the period of availability. The subrecipient provided disbursement ledgers, but there was no evidence they were reviewed by the County. There was no segregation of duties, such as an oversight, review, or approval process.

Cash Management and Reporting

The County had not designed or implemented adequate policies and procedures to ensure that program funds were expended prior to requesting reimbursements and the quarterly financial reports were accurate. One person prepared and submitted the reports. There was no segregation of duties, such as an oversight, review, or approval process.

Suspension and Debarment

The County had not designed or implemented adequate policies and procedures to ensure the subrecipient was not suspended or debarred. There was no segregation of duties, such as an oversight, review, or approval process.

The failure to establish an effective internal control system placed 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 have also allowed noncompliance with compliance requirements and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

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. . . ."

We recommended that the County establish internal control procedures to ensure compliance with the requirements that have a direct and material effect on the programs.

FINDING 2014-006 - EQUIPMENT AND REAL PROPERTY MANAGEMENT

Federal Agency: Department of Transportation
Federal Program: Formula Grants for Rural
CFDA Number: 20.509
Federal Award Number and Year (or Other Identifying Number): 14ARRA09C
Pass-Through Entity: Indiana Department of Transportation

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Management of the County had not established an effective internal control system related to the grant agreement and the Equipment and Real Property Management compliance requirement. Controls were not in place to ensure that the requirements were met.

The County did not have adequate property records that identify equipment acquired with federal grant funds. Revised property records were presented for audit; however, those records were obtained from the subrecipient. No physical inventory or reconciling the physical inventory to the original acquisition records had been done. There was no identification of the equipment as being purchased with federal grant funds.

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. . . ."

49 CFR 18.32(d) states:

"Management requirements. Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with grant funds, until disposition takes place will, as a minimum, meet the following requirements:

- (1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
- (2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
- (3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.
- (4) Adequate maintenance procedures must be developed to keep the property in good condition.
- (5) If the grantee or subgrantee is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return."

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the compliance requirement could have resulted in the loss of federal funds to the County.

We recommended that the County establish controls and procedures related to the grant agreement, and Equipment and Real Property Management compliance requirement to ensure compliance with related requirements.

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2014-007 - SUBRECIPIENT MONITORING

Federal Agency: Department of Transportation

Federal Programs: Formula Grants for Rural Areas, ARRA - Formula Grants for Rural Areas

CFDA Number: 20.509

Federal Award Numbers and Years (or Other Identifying Numbers): A249-13-320293A, A249-14-320293,
14ARRA09C

Pass-Through Entity: Indiana Department of Transportation

The County had not established an effective internal control system, which would have included segregation of duties, related to the grant agreement and the following compliance requirement: Subrecipient Monitoring.

The County had not planned for the Subrecipient Monitoring responsibilities. The County did not have written plans that described how and by whom all of its pass-through responsibilities would be met. We also found that the County did not provide the CFDA title and number and the federal award name and number to its subrecipient. The County did not perform on-site visits or receive sufficient information that would have ensured that the subrecipient was properly following the guidelines of the grant agreement or the compliance requirement.

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. . . ."

OMB Circular A-133, Subpart D, section .400(d) states:

"Pass-through entity responsibilities. A pass-through entity shall perform the following for the Federal awards it makes:

- (1) Identify Federal awards made by informing each subrecipient of CFDA title and number, award name and number, award year, if the award is R&D, and name of Federal agency. When some of this information is not available, the pass-through entity shall provide the best information available to describe the Federal award.
- (2) Advise subrecipients of requirements imposed on them by Federal laws, regulations, and the provisions of contracts or grant agreements as well as any supplemental requirements imposed by the pass-through entity.
- (3) Monitor the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and those performance goals are achieved.
- (4) Ensure that subrecipients expending \$300,000 (*\$500,000 for fiscal years ending after December 31, 2003*) or more in Federal awards during the subrecipient's fiscal year have met the audit requirements of this part for that fiscal year.

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (5) Issue a management decision on audit findings within six months after receipt of the subrecipient's audit report and ensure that the subrecipient takes appropriate and timely corrective action.
- (6) Consider whether subrecipient audits necessitate adjustment of the pass-through entity's own records.
- (7) Require each subrecipient to permit the pass-through entity and auditors to have access to the records and financial statements as necessary for the pass-through entity to comply with this part."

The failure to establish an effective internal control system enabled noncompliance to go undetected. Noncompliance with the compliance requirement could have resulted in the loss of federal funds to the County.

We recommended that the County establish controls and procedures to ensure compliance with the requirements that have a direct and material effect on the programs.

FINDING 2014-008 - ALLOWABLE COSTS/COST PRINCIPLES

Federal Agency: Department of Health and Human Services
Federal Programs: Child Support Enforcement, ARRA - Child Support Enforcement
CFDA Number: 93.563
Federal Award Numbers and Years (or Other Identifying Numbers): 1304IN4005, 90F10117-03-00
Pass-Through Entity: Indiana Department of Child Services

The County had not established an effective internal control system, which would have included segregation of duties, related to the grant agreement and the Allowable Costs/Cost Principles compliance requirement that have a direct and material effect to the programs.

The County Auditor contracted with a consultant to prepare a cost allocation plan. The County did not establish internal controls to ensure that the cost allocation plan was complete and accurate.

In addition, the Clerk of the Circuit Court and the County Prosecuting Attorney did not maintain personnel Activity Reports or Semiannual Certifications for employees paid partially or fully from the Child Support Enforcement Program.

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. . . ."

OMB Circular A-87, Attachment B, section 8h states in part:

". . . (3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification.

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

These certifications will be prepared at least semi annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

(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. . . . "

The failure to establish internal controls enabled material noncompliance to go undetected. Non-compliance with the grant agreement or the compliance requirements that have a direct and material effect to the program could have resulted in the loss of federal funds to the County.

We recommended that the County establish controls and procedures to ensure compliance with the requirements that have a direct and material effect on the program.

FINDING 2014-009 - SUSPENSION AND DEBARMENT

Federal Agency: Department of Transportation

Federal Programs: Formula Grants for Rural Areas, ARRA - Formula Grants for Rural Areas

CFDA Number: 20.509

Federal Award Numbers and Years (or Other Identifying Numbers): A249-13-320293A, A249-14-320293,
14ARRA09C

Pass-Through Entity: Indiana Department of Transportation

The County passed through the federal program funds to a subrecipient. The County failed to verify that their subrecipient was not suspended or debarred.

2 CFR 180.300 states:

"When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by:

- (a) Checking SAM Exclusions; or
- (b) Collecting a certification from that person; or
- (c) Adding a clause or condition to the covered transaction with that person."

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the compliance requirement could have resulted in the loss of federal funds to the County.

We recommended that the County comply with the grant agreement and the Suspension and Debarment compliance requirement.

AUDITEE-PREPARED DOCUMENTS

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

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2013-006

Original Assigned SBA Audit Report Number: B44887
Report Period: January 1, 2013 to December 31, 2013
Pass-Through Entity or Federal Grantor Agency: U.S. Department of Transportation
Contact Person Responsible for Corrective Action: Mr. Bruce Payton, Airport Director
Mrs. Amy Gharst, Administrative Assistant
Contact Phone Number: 812-825-5406

Status of Audit Finding:

The Airport has established an effective internal controls system, which would include segregation of duties related to the grant agreement and some of the compliance requirements that have a direct and material effect to the program. This includes: Cash Management; Davis-Bacon Act; Matching, Level of Effort, Earmarking; Period of Availability of Federal Funds; Procurement and Suspension and Debarment; Reporting; and Special Tests and Provisions.

The Airport Director and Airport Administrative Assistant will ensure there is segregation of duties for all compliance requirements over grant requirements.

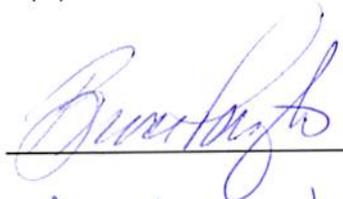
FINDING 2013-007

Original Assigned SBA Audit Report Number: B44887
Report Period: January 1, 2013 to December 31, 2013
Pass-Through Entity or Federal Grantor Agency: U.S. Department of Transportation
Contact Person Responsible for Corrective Action: Mr. Bruce Payton, Airport Director
Mrs. Amy Gharst, Administrative Assistant
Contact Phone Number: 812-825-5406

Status of Audit Finding:

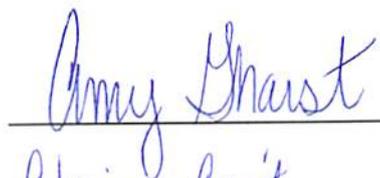
The Airport Administrative Assistant will maintain a detailed schedule of all Equipment and Real Property purchased. This will be reviewed and approved by the Airport Director and Assistant Director.

The Airport Director and Administrative Assistant will see there is segregation of duties over the Equipment and Real Property Management.



Airport Director

6.8.2016



Admin. Ass't

6.8.2016



MONROE COUNTY HIGHWAY DEPARTMENT ENGINEERING DIVISION

501 NORTH MORTON STREET SUITE 216 • BLOOMINGTON, INDIANA • 47404

PHONE: (812) 349-2555 • FAX: (812) 349-2959

www.co.monroe.in.us

April 5, 2016

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2013-008

Original Assigned SBA Audit Report Number: B44887
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: Lisa J. Ridge
Contact Phone Number: 812 349-2555

The Monroe County Highway Department has established an internal control system, including segregation of duties to provide reasonable assurance related to the grant agreement and all compliance requirements that have a direct and material effect to the program.

The Monroe County Highway Department has established an internal check point system which includes the segregation of duties so that one person is not in complete control of the grant agreement process. Monroe County Highway has implemented internal control points that include the Public Works Director, Financial Manager and Administrative Assistant positions respectively.

Monroe County Highway has established an internal control system to oversee, review and approve and separate functions over certain activities related to the program, in order to prevent, detect and correct any misstatements in a timely basis to assure there are no material weaknesses over financial reporting.

Lisa Ridge
(Signature)

Public Works Director
(Title)

4-5-2016
(Date)

**Monroe Circuit
Court
Office of Court Services**
The Justice Building
301 North College Avenue
Bloomington, Indiana 47404-3865
(812)349-2615
Fax (812)349-2791

**Bonnie Austin
Director**

**Lisa Abraham
Deputy Court
Adm.**

**Lisa Wesemann
Public Service Coordinator**

**Bernice Luck
Financial Coordinator**

**Lorie Robinson
Case Management
Coordinator**

**Michelle Pritchard
Court Program Coordinator**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2013-009

Original Assigned SBA Audit Report Number: B44887
Report Period: January 1, 2013 to December 31, 2013
Pass-Through Entity or Federal Grantor Agency: Indiana Department of Child Services
Contact Person Responsible for Corrective Action: Lorie Robinson
Contact Phone Number: 812-349-2057

Status of Audit Finding: Corrective action was taken for 2014 and we continue to establish Internal Controls, including segregation of duties, related to the IVD grant agreement and all compliance requirements that have a direct and material effect to the program. Court Administration now has more than one individual to oversee, review and approve or certify the functions associated with the Title IVD Court Program. The spreadsheets used to calculate allowable costs are verified with the financial reports generated by the Auditor. The MEC and QIE are signed and certified by someone other than the preparer.

**Monroe Circuit
Court
Office of Court Services**
The Justice Building
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Lorie Robinson
Case Management
Coordinator

Michelle Pritchard
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FINDING 2013-011

Original Assigned SBA Audit Report Number: B44887
Report Period: January 1, 2013 to December 31, 2013
Pass-Through Entity or Federal Grantor Agency: Indiana Department of Child Services
Contact Person Responsible for Corrective Action: Lorie Robinson
Contact Phone Number: 812-349-2057

Status of Audit Finding: Corrective action was taken to maintain time and effort reports on all full and part-time employees whose salaries are reimbursed by the grant. The court uses the DCS State Form 45272 (3/92)/DFC Form 918 Record of Monthly Time. Employees track their IVD hours worked and record it each day during the month then signs in the appropriate space at the end of the month to certify the reported hours represent only Title IVD work. The Preparer of the MEC retains the original or scanned copy with signatures.

On December 8th, 2015 Monroe County Council passed Resolution 2015-40 Establishing Alternative Methods for Calculating and Budgeting Health Insurance Benefits for County Employees. The resolution establishes a written policy for the allocation of the costs of fringe benefits to departmental budgets



(Signature)



(Title)



(Date)

**Nicole Lynn Browne
Clerk of Monroe Circuit Court
301 N. College Avenue, Room 201
P.O. Box 547
Bloomington, IN 47402**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2013-009 and 2013-010

Original Assigned SBA Audit Report Number: B44887
Report Period: January 1, 2013 to December 31, 2013
Pass-Through Entity or Federal Grantor Agency: Indiana Department of Child Services
Contact Person Responsible for Corrective Action: Nicole Browne
Contact Phone Number: 812-349-5004

Status of Audit Finding: 2013-009-INTERNAL CONTROLS AND COMPLIANCE REQUIREMENTS and 2013-010-ALLOWABLE COSTS/COST PRINCIPLES NONCOMPLIANCE RELATING TO CHILD SUPPORT ENFORCEMENT-CLERK:

The Monroe County Clerk initiated the process of preparing revisions of the County Clerk of the Circuit Court Title IV-D Reimbursement Claims with an outside agency; Malcon, Malinowski Consulting INC in October of 2013. Assessing controls and reviewing of documentation and information is an ongoing process.

The employee's salary whose wages and benefits were being taken out of the IVD incentive fund was corrected and on September 8th, 2014 the questioned costs of \$31,978 were reimbursed to the Clerk's IV-D Incentive Fund by the County General Fund through the County Auditor's Office receipt # 40209.

Nicole Lynn Browne
(Signature)

Monroe County Clerk
(Title)

May 20, 2016
(Date)



Chris Gaal
Prosecuting Attorney

Charlotte T. Zietlow Justice Center
 301 North College Avenue
 Room 211
 Bloomington, IN 47404

MAIN 812-349-2670
FAX 812-349-2725
www.monroeprosecutor.us

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2013-009 and 2013-010

Original Assigned SBA Audit Report Number: B44887
 Report Period: January 1, 2013 to December 31, 2013
 Pass-Through Entity or Federal Grantor Agency: Indiana Department of Child Services
 Contact Person Responsible for Corrective Action: Beth Hamlin
 Contact Phone Number: 349-2064

Status of Audit Finding:

Since 12/2014, the corrective action submitted has remained intact. The additional signature page for child support claims is generated by Office Manager and subsequently reviewed and approved by Grant Manager to include language specifying and acknowledging what is intended by the Grant Manager's signature; requests for reimbursement from the IN DCS continue to be completed online by the Office Manager and are reviewed and authorized by the Executive Director.

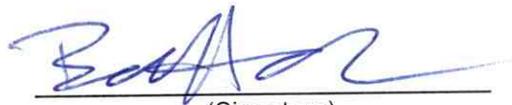
After much discussion, the County Council did agree to pass a policy clarifying the practice that the health insurance percentage would be applied to all employees and paid into the health fund, regardless of whether or not the employee opted for health insurance coverage. The policy was instituted on December, 2015, by way of Monroe County Resolution 2015-40.

FINDING 2013-011

Original Assigned SBA Audit Report Number: B44887
 Report Period: January 1, 2013 to December 31, 2013
 Pass-Through Entity or Federal Grantor Agency: Indiana Department of Child Services
 Contact Person Responsible for Corrective Action: Cynthia Pope
 Contact Phone Number: 349-2683

Status of Audit Finding:

Since March 14, 2014, Cindy Pope (Office Administrator) has continued use of State Form 445272/DFC Form 918. Ms. Pope maintains this form on her computer and fills the form out per timesheets which are signed by employee and supervisor. There were some months in 2014 where the form 445272 was completed timely, but not signed by the employees in a timely manner. The form was signed at a later date based on signed timesheets that are kept on file in the Monroe County Auditor's Office. The 445272 form is now being reviewed and signed on a monthly basis, and signed timesheets of all the Monroe County Prosecutor's Office are scanned and saved on the Office Manager's computer on a bi-weekly basis to back up form 445272.



(Signature)

Executive Director, MCPD

(Title)

5/19/16

(Date)



Chris Gaal
Prosecuting Attorney

Charlotte T. Zietlow Justice Center
 301 North College Avenue
 Room 211
 Bloomington, IN 47404

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2013-009 and 2013-010

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Status of Audit Finding:

Since 12/2014, the corrective action submitted has remained intact. The additional signature page for child support claims is generated by Office Manager and subsequently reviewed and approved by Grant Manager to include language specifying and acknowledging what is intended by the Grant Manager's signature; requests for reimbursement from the IN DCS continue to be completed online by the Office Manager and are reviewed and authorized by the Executive Director.

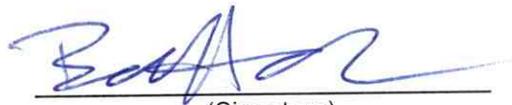
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 Pass-Through Entity or Federal Grantor Agency: Indiana Department of Child Services
 Contact Person Responsible for Corrective Action: Cynthia Pope
 Contact Phone Number: 349-2683

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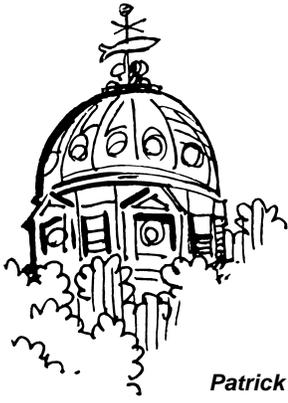
(Signature)

Executive Director, MCPD

(Title)

5/12/16

(Date)



OFFICE OF
MONROE COUNTY COMMISSIONERS
100 West Kirkwood Avenue
The Courthouse Room 322
BLOOMINGTON, INDIANA 47404

Telephone 812-349-2550
Facsimile 812-349-7320

Patrick Stoffers, President

Julie Thomas, Vice President

Iris Kiesling, Member

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2013-012

Fiscal year in which the finding initially occurred: January 1, 2013 – December 31, 2013

Pass-Through Entity: Indiana Department of Transportation
Contact Person Responsible for Corrective Action: Patrick Stoffers
Contact Phone Number: 812-349-2550

Issues identified: Failure to establish internal controls, segregation of duties, ensure compliance with Allowable Costs/Cost Principles, Cash Management, Procurement, and Suspension and Debarment, and Subrecipient Monitoring

Status of Audit Findings:

Monroe County Government **established in 2015** policies and procedures to ensure an effective internal control system that includes segregation of duties related to the grant agreement and compliance requirements of Allowable Costs/ Cost Principles and Cash Management of federal grant funds.

Monroe County Government **will establish in 2016** the proper policies and procedures to insure adequate internal control systems, oversight, review, and approval to ensure procurement, and suspension and debarment review and Subrecipient Monitoring in 2016.

Specifically, the Commissioners will:

- Ensure the subrecipient is not on the Debarment and Suspension list,
- will obtain corrective action plans from Area 10 / Rural Transit in response to their independent audit results,
- Require verification of all certificates and assurances (Title VI, Section 504/ADA, EEO,)
 - Certificates of use required for all vehicles under the program,
 - DBE information if applicable,
 - Establish a full vehicle inventory and obtain a 5 year vehicle replacement plan,
 - Require monthly and quarterly financial and ridership reports
 - These have to include revenue and expense statement with a detailed report of expenses by budget category as identified in the budget form of the application.
 - Include information with the quarterly report that reflects the proposed reimbursement does not exceed 50% of allowable expenses
- Annual report submitted to INDOT
- Independent Audit
- INDOT site monitoring report
- Sub Award reporting system (FSRS)
- DBE data report

- Will require verification of entities contracted with by the Recipient meet the Debarment and Suspension regulations, DBE, Affirmative Action and Procurement history and process.

FINDING 2013-013

Fiscal year in which the finding initially occurred: January 1, 2013 – December 31, 2013

Pass-Through Entity: Indiana Department of Transportation
Contact Person Responsible for Corrective Action: Patrick Stoffers
Contact Phone Number: 812-349-2550

Issues Identified: Inadequate records of real property acquired with federal grant funds.

Status of Audit Findings:

Monroe County in 2015 established a record system and management of real property acquired by federal funds policy and procedures. MCG has created a data base of all real property purchased by federal grants that includes the following information:

Description of the Item
ID Number (VIN# in this instance)
Percentage purchased by Federal funds
Location of property
Use of the property
Condition of property
Disposition of property when appropriate

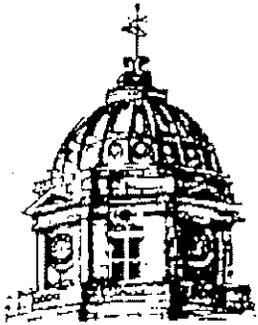
Defined a schedule to conduct a physical inventory every two years with the reconciling of property records

Safety and security of physical property maintained with insurance policies, security systems, and routine observation.

Maintenance schedule and reports provided semi yearly

Manner or disposition recorded and use of monies received – reported and put into the grant program.

Angel Purdie
Commissioners' Administrator



THERESE K. CHAMBERS
Monroe County Auditor

Monroe County Courthouse
100 W. Kirkwood, Rm. 209
Bloomington, IN 47404
Office (812) 349-2510
Fax (812) 349-2280

**CORRECTIVE ACTION PLAN
(SBOA Audit for Year: 2014)**

FINDING 2014-001:

Contact Person Responsible for Corrective Action: Therese Chambers
Contact Phone Number: 812-349-2510

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

Grant-related findings:

Regarding preparation of the schedule of expenditures of federal awards, Grant Navigator is up and running and being kept current. The Claims Financial Representative is processing the claims in the software system for payment of claims submitted by departments. The Grant Administrator is double-checking for accuracy and making sure that funds are being spent appropriately according to the grant terms.

The Grants Administrator is in communication with departments regarding questions and concerns with the grants. We will also be monitoring fund balances on grants to make sure funds are not being overspent. New spreadsheets have been created to track funds when they come in and funds as they are spent.

There has been a new position established, Second Financial Representative. If we can get the Council to fund this much-needed position for 2017 forward, it will be responsible for auditing and cross-checking the AP claims. This position would also be responsible for cross-checking the grants and the Schedule of Expenditures of Financial Awards (SEFA). This would include comparing the financial statements to what is reported. For the reimbursable grants, the expenditures on the SEFA would be the receipts received for that year. With the upfront grant awards, which we have very few of, where the money is received before it is spent we will track those expenditures. Then once the SEFA is completed by the Grants Administrator, the Second Financial Representative will do the review between Gateway and our system.

Anticipated completion date: 2017.

FINDING 2014-002:

Contact Person Responsible for Corrective Action: Therese Chambers
Contact Phone Number: 812-349-2510

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

Debt, AP Claims and Payroll findings:

Claims are generated by the department paying the debt. Claims are checked in the Auditor's office and will be followed up by creation of a spreadsheet for all debt and capital lease payments with a separate tab for each debt. These will be tracked by payment date, payment amount, interest, unit making payments, and method of payment including check number. The Auditor's office Administrative Assistant will follow up with bank to make sure each check clears and compare to Gateway information. We are creating the same type of procedures for contracts as well.

Anticipated completion date: 2016 and 2017.

In connection with controls over receipting, disbursing, recording and accounting for the financial activities to avoid invalid transactions or inaccurate records and financial statements, we are double-checking the claims against the invoice edit report and then checking the checks against the check register report once they are printed. The person entering is not the person doing the checking. This procedure was put into place July 29, 2016. This duty would also be that of the Second Financial Representative.

The new LOW payroll financial software should help with some of these issues by generating reports to assist in cross-checking of data entry. W2s will be handled from the LOW system with LOW's assistance.

The Grants Administrator is also the backup to Payroll and is trained to complete payroll in the absence of the Payroll Administrator. As backup, the Grants Administrator will also be double-checking payroll entries, direct deposit amounts, and cross-checking the pension plans. The Grants Administrator will double-check the salary amounts entered into the software system against the Salary Ordinance.

The Payroll Administrator will ensure that all timesheets and vouchers are being signed by the department head or elected official. Payroll clearing of funds will be handled the same as the PERF. Employee leave information is calculated by Human Resources and entered into the Auditor's system.

Receipting is now a dual effort between Treasurer and Auditor. The Treasurer's office receives the checks and/or cash. Auditor receives a copy of the check. Cash is counted by the Auditor and Treasurer offices at the same time and calculation tape is created and printed. The tape is initialed by both the Auditor and Treasurer and the Auditor's office then quietuses the amount in. The Treasurer signs off on the quietus for cross-checking.

Anticipated completion date: 2016 and 2017.



CATHERINE C. SMITH
Monroe County Treasurer

Courthouse, Room 204
100 West Kirkwood Avenue
Bloomington, IN 47404
Office (812) 349-2531
Fax (812) 349-2079

August 31, 2016

MEMORANDUM FOR RECORD

Treasurer's Office Corrective Action Plan (for Audit Year 2014)

FINDING 2014-003 – Internal Controls over Financial Transaction and Reporting

Contact Person Responsible for Corrective Action: Catherine Smith

Contact Phone Number: 812-360-2338/812-349-2531

Description of Corrective Action Plan:

Item One: Cash Reconcilements

During the 2014 year, the Treasurer's Office did fail to reconcile our bank balances in the Harris Software provided by the Commissioners. This software pulls information electronically from the Auditor's daily input into the Auditor's Funds Ledger where many incorrect entries had been made including, but not limited to, writing checks and allowing bank withdrawals from incorrect banks. This software directly imported all transactions including mistakes into the Treasurer's data. These mistakes made the balancing of the various accounts virtually impossible using the provided accounting software, however, every individual bank transaction was verified the next business day after the account transaction was made on each bank's individual commercial software. This action prevented incorrect banking transactions from impacting the county's cash on hand. A permanent correction is being implemented by the acquisition, implementation and future use of a newly purchased financial accounting software. This software will alleviate the need to hand populate the county's cashbook and provides software tools to accept or reject migrating information from the Auditor to the Treasurer. This software has been purchased and is currently in the process of being implemented, as of August 24, 2016.

Item Two: Cash Book

During the 2014 year, the Treasurer's Cashbook did (at times) disagree agree with tax collection reports for certain day's business. In 2014, the Treasurer's Office was using the Manatron MVPTax Software. This software adjusts payments in arrears when a change occurs, so if a report is pulled at a later date any payments that were changed would reflect the new, rather than the original amount. Because of this, each day's transactions were printed off and placed in the daily folder for that date (Daily Report) and for the taxation period up to that date (Period Report). Those report amounts were placed on the cashbook for those days. When new reports were pulled at a later date for the SBOA Field Rep, the reports had changes incorporated in them and did not reflect the original business conducted on those days. This was an inherent weakness in the MVP software. This software ceased being used in April 2015 and the new software Low accumulates payments differently, in that they are not directly applied at the time of receipt to a specific tax. They remain in a holding capacity until the settlement process distributes them once every six months. This alleviates the risk of payments changing in the taxation system during the

taxation period. Migrating to this software corrected this weakness in taxation collection at that time. Going forward these differences will be alleviated as any changes (such as a bounced tax check) are subtracted by the Low software on that day's business rather than voiding a payment made at an earlier date. The cash book program used in 2014 was an Excel representation of the SBOA prescribed form and was more or less a by-hand operation. This is no longer the method used for cashbook entries. The Low Property Software has an interactive cash book program as part of its interactive features and does not allow the cash book to be changed in arrears. It interfaces directly with the tax collection software and automatically populates the tax collections on the cash book, eliminating the possibility of most human error. This will be correct in audit year 2016.

Action Item: *To initiate an internal control over cashbook entry changes, a new log will be established and each change will require a signoff by the cash book manager's supervisor. This will begin in September 2016.*

Item Three: Excise Tax

Beginning on 6/1/16 and correcting this deficiency, is the process of the Auditor providing to the Treasurer (every Friday) the BMV amounts for both Excise and Wheel and Sur tax which allows the Treasurer to record the BMV provided amounts accurately on the correct cash book lines. The provisions of this breakout in a timely manner has made the recording instantly accurate and allows comparison with the bank deposits at the same time. This will be correct in audit year 2016.

Item Four: Financial Reporting

The Treasurer's Office will provide a completed and signed copy of the Supplemental Annual Financial Report to the Auditor for the purpose of the Auditor's input into Gateway by January 20th every year. This will be correct in audit year 2016.

Item Five: Redevelopment Commission Funds

The Redevelopment Commission's banking balances will be added to the cash book beginning in September 2016, thus correcting this time in audit year 2016.

Respectfully,

Catherine C. Smith

Monroe County Treasurer

Nicole Lynn Browne
Clerk of Monroe Circuit Courts
301 N. College Avenue, Room 201
P.O. Box 547
Bloomington, IN 47402

CORRECTIVE ACTION PLAN

FINDING 2014-004

Qiangsheng Huang
812-349-2613

Odyssey software does not have a way to include totals for the I69 interest bearing account or the ISETS Child Support financials in the Cash Book or Receipts report sent each year to the Monroe County Auditor.

A spreadsheet has been generated to include the I69 interest bearing account, ISETS and the Clerk's Cash Book and Daily Balance into one report that will be submitted annually to the Auditor.

This will be implemented in the report for year 01/01/2016 to 12/31/2016 that will be submitted at the end of 2016.

Nicole Lynn Browne
(Signature)

Monroe County Clerk
(Title)

8-18-16
(Date)



OFFICE OF
MONROE COUNTY COMMISSIONERS
100 West Kirkwood Avenue
The Courthouse Room 322
BLOOMINGTON, INDIANA 47404

Telephone 812-349-2550
Facsimile 812-349-7320

Patrick Stoffers, President

Julie Thomas, Vice President

Iris Kiesling, Member

FINDING 2014-005

Contact Person Responsible for Corrective Action: Patrick Stoffers
Contact Phone Number: 812-349-2550

Views of Responsible Official: The Monroe County Board of Commissioners concur with the SBOA finding.

Description of Corrective Action Plan:

The Monroe County Board of Commissioners have established an effective internal control system which includes segregation of duties related to the grant agreement and the following compliance requirements: Allowable Costs/Cost Principles and Cash Management was corrected in 2015.

The County has implemented policies and procedures that ensure transactions are properly posted and are for allowable costs and cost principles and within the period of availability. Disbursement ledgers are reviewed, positions have been identified as being responsible for oversight, review and approval.

The County has implemented policies and procedures that ensure program funds were expended prior to requesting reimbursement and the quarterly financial reports are accurate. The Area 10 / Rural Transit has established an internal oversight, review and approval process that is then sent to the county where a second oversight, review and approval process occurs.

Suspension and Debarment: Corrected in 2016. MCG has confirmed that Area 10 / Rural Transit is not on the Suspension and Debarment list. MCG will confirm prior to submission of the grant application and again at 6 months into the grant.

Finding 2014-006

Contact Person Responsible for Corrective Action: Patrick Stoffers
Contact Phone Number: 812-349-2550

Views of Responsible Official: The Monroe County Board of Commissioners concur with the SBOA finding.

Description of Corrective Action Plan:

This finding was corrected in 2015. A physical inventory was conducted, reconciling of inventory with acquisition records has been established. All items purchased by grant funds have been identified. Physical inventory is scheduled to be completed every two years. The next scheduled physical inventory assessment will occur in 2017

FINDING 2014-007

Contact Person Responsible for Corrective Action: Patrick Stoffers
Contact Phone Number: 812-349-2550

Views of Responsible Official: The Monroe County Board of Commissioners concur with the SBOA finding.

Description of Corrective Action Plan:

Due to the timing of audit findings and education of monitoring parties, Monroe County Government (MCG) is deficient in this area until 2016. AS such:

The Monroe County Board of Commissioners will establish effective internal controls specific to the segregation of duties in 2016 by establishing monthly meetings with the Area 10 / Rural Transit +/- on site visits thus ensuring the programs compliance with the of Federal awards in compliance with the contract and grant agreement.

Monroe County will ensure:

1. Area 10 / Rural Transit is advised of the CFDA title, number, award name and number, award year, and the name of the Federal Agency
2. Area 10 / Rural Transit is advised of requirements imposed on them by Federal Laws, regulation, and provision of the contract and grant agreement in addition to any requirements imposed by Monroe County Government as the pass through entity.
3. Monitor the activities of Area 10 / Rural Transit to ensure proper use of grant funds and performance goals achieved.
4. Audit requirements are met for the fiscal year of receipt
5. Provide a response to audit findings within 6 months of receipt of the grant recipients independent audit report and ensure appropriate and corrective action is taken.
6. Determine if Area 10 / Rural Transit's audits require adjustments to MCG's records.
7. Area 10 / Rural Transit will permit MCG and auditors access to their records and financial statements as necessary for MCG to comply with the SBOA's sub recipient monitoring expectations.



Chris Gaal
Prosecuting Attorney

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Bloomington, IN 47404

MAIN 812-349-2670
FAX 812-349-2725
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August 18, 2016

Finding 2014-008 -

Federal Agency: Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA Number: 93.563
Federal Award Number: 1304IN4005
Pass-Through Entity: Indiana Department of Child Services
Auditee Contact Person: Beth Hamlin
Contact Person Title: Executive Director, Monroe County Prosecutor's Office
Contact Phone Number: (812)349-2064

Corrective Action: Shortly after being made aware of this issue originally in 2014, the Office Administrator was advised by the Executive Director that the State Form 445272/DFC Form 918 was to be reinstated. This corrective action was maintained for several months on and off during 2014 but regular use was not reliably put into place. With this Finding 2014-008 being made, it becomes apparent that the established corrective action was insufficient. After some discussion between the Child Support Supervising Deputy Prosecutor, the Office Administrator and the Executive Director it is determined that a new corrective action is needed. Processes are underway to determine exactly what action will be most effective. It is expected that some combination of an edit to the county's employee signed timesheets to include language specifying the percentage of time spent on Child Support activities and/or the use of the Child Support Semi-Annual Certification of Time will be instituted. It is expected that this corrective action will be made no later than September 1, 2016.

Additionally, a finding was made that indicated personnel activity reports were dated subsequent to the date the reports were requested for audit. From this point forward it is understood, and will be the practice, that all signatures must be obtained at the same time, or within a reasonable timeframe, as records are drafted.

Chris Gaal
Monroe County Prosecuting Attorney

8-22-16

Date

Nicole Lynn Browne
Clerk of Monroe Circuit Courts
301 N. College Avenue, Room 201
P.O. Box 547
Bloomington, IN 47402
CORRECTIVE ACTION PLAN

FINDING 2014-008

Nicole Browne
812-349-5004

The previous Clerk of the Circuit Court hired an outside company, Malcon to manage Federal Grant 1304IN4005 through the Department of Health and Human Services.

The Clerk of the Monroe Circuit Court will work with Malcon to implement internal controls to monitor and provide oversight to ensure that we are in compliance with the grant agreement.

The recording of time actually worked on IV-D cases by employees in a personnel activity report shall be required and maintained by Beck Waldrip, supervisor of Child Support in the Clerk's office. No employee will be paid solely from the Federal Grant, but compensated for actual hours worked on IV-D cases. The personnel activity reports will then be reviewed and signed for by the Monroe County Clerk, Nicole Browne to ensure they are accurate and in compliance with the grant agreement.

This process will begin immediately.

Nicole Lynn Browne
(Signature)

Monroe County Clerk
(Title)

8-23-16
(Date)

FINDING 2014-008:

Contact Person Responsible for Corrective Action: Therese Chambers
Contact Phone Number: 812-349-2510

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

Allowable Costs/Cost Principles findings:

Creation of the Central Services Cost Allocation Plan (CAP) is contracted out. Once the contracted company submits the CAP to the Auditor, it will be reviewed with the representative from the contracted company, along with supporting documentation to ensure that the County is in agreement with the data provided. The CAP will be reviewed by the Auditor, Clerk and Prosecutor, and each elected official will create a spreadsheet and/or detailed written findings regarding the CAP.

Anticipated completion date: 2017.



Therese K. Chambers, Auditor

Date: August 25, 2016



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Patrick Stoffers, President

Julie Thomas, Vice President

Iris Kiesling, Member

FINDING 2014-009

Contact Person Responsible for Corrective Action: Patrick Stoffers
Contact Phone Number: 812-349-2550

Views of Responsible Official: The Monroe County Board of Commissioners concur with the SBOA finding.

Description of Corrective Action Plan:

Monroe County Government **will establish in 2016** the proper policies and procedures to ensure procurement, and suspension and debarment review.

Specifically, the Commissioners will:

Suspension and Debarment: Corrected in 2016. MCG has confirmed that Area 10 / Rural Transit is not on the Suspension and Debarment list. MCG will confirm prior to submission of the grant application and again at 6 months into the grant

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/>.