

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, 2012 to December 31, 2012



FILED
09/20/2013

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Amy Gerstman Steve Saulter	01-01-09 to 12-31-12 01-01-13 to 12-31-16
Treasurer	Catherine Smith	01-01-09 to 12-31-16
Clerk	Linda Robbins	01-01-11 to 12-31-14
Sheriff	James L. Kennedy	01-01-11 to 12-31-14
Recorder	Jim Fielder	01-01-11 to 12-31-14
President of the Board of County Commissioners	Patrick Stoffers Mark Stoops Iris F. Kiesling	01-01-12 to 03-23-12 03-24-12 to 11-16-12 11-17-12 to 12-31-13
President of the County Council	Victor Kelson Geoff McKim	01-01-12 to 03-12-12 03-13-12 to 12-31-13



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, 2012, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated August 14, 2013, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Accompanying Information

Supplementary Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

Other Information

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



Bruce Hartman
State Examiner

August 14, 2013



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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, 2012, and the related notes to the financial statement, and have issued our report thereon dated August 14, 2013, wherein we noted the County followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2012-1, 2012-2, 2012-3, and 2012-4 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 2012-1, 2012-3, and 2012-4.

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.



Bruce Hartman
State Examiner

August 14, 2013

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FINANCIAL STATEMENT

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

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

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
After Settlement Collections	\$ 4,491,303	\$ 1,437,256	\$ 4,491,303	\$ 1,437,256
Sheriff's Inmate Trust	11,515	499,417	483,149	27,783
Jail Commissary	52,556	175,555	96,403	131,708
Clerk's Trust	1,373,589	14,841,898	11,779,569	4,435,918
Clerk's ISETS Child Support	14,628	1,545,382	1,550,793	9,217
General	12,018,552	29,625,370	33,538,971	8,104,951
Accident Report	4,342	1,465	3,079	2,728
Animal Control	57,950	5,502	20,132	43,320
Aviation	442,054	689,161	734,190	397,025
Bid Deposits and Bonds Holding	179,753	219,475	47,597	351,631
Campaign Finance Enforcement - County	100	750	-	850
City and Town Court Costs	-	39,242	5,339	33,903
Clerk's Records Perpetuation	30,606	65,251	64,972	30,885
COIT - Special Legislation	251,472	1,332,997	1,194,434	390,035
COIT County Distributive Shares	-	1,500,000	-	1,500,000
Community Corrections	38,069	682,840	663,915	56,994
Community Transition Program	2,465	7,275	2,235	7,505
Convention Visitor and Tourism Promotion	756,840	1,419,216	1,444,654	731,402
Sales Disclosure - County Share	76,562	10,723	-	87,285
Cumulative Bridge	4,402,965	1,493,907	1,845,703	4,051,169
Cumulative Capital Development	4,347,392	2,108,817	4,253,811	2,202,398
Drug Free Community	55,722	76,969	87,873	44,818
Emergency Planning/Right To Know	51,130	10,614	18,869	42,875
Emergency Telephone System	430,621	115,790	546,411	-
Extradition	4,526	7,429	9,531	2,424
Firearms Training	58,041	38,587	10,501	86,127
Health	374,340	991,299	943,345	422,294
Identification Security Protection	52,990	10,899	-	63,889
Levy Excess	19,210	3,272	750	21,732
Local Health Maintenance	212,152	71,647	40,366	243,433
Local Road and Street	3,151,543	685,004	631,888	3,204,659
Medical Care for Inmates	10,852	3,734	-	14,586
Misdemeanant	116,110	83,477	54,447	145,140
Motor Vehicle Highway	393,546	4,172,821	4,159,125	407,242
Park Nonreverting Capital	42,179	15,903	17,629	40,453
Park Nonreverting Operating	105,392	213,308	150,429	168,271
Plat Book	14,874	24,340	14,577	24,637
Rainy Day	5,970,124	2,900,426	1,900,000	6,970,550
Reassessment - 2009	115,349	-	32,092	83,257
Reassessment - 2015	521,170	509,352	1,434	1,029,088
Recorder's Records Perpetuation	107,889	151,328	229,032	30,185
Supplemental Public Defender Services	706,365	616,931	551,103	772,193
Surplus Tax	252,367	28,024	144,736	135,655
Surveyor's Corner Perpetuation	16,384	19,205	26,833	8,756
Tax Sale Redemption	-	592,289	591,140	1,149
Tax Sale Surplus	1,538,796	1,448,896	2,038,112	949,580
Vehicle Inspection	7,272	2,047	-	9,319
Victim Impact Program	4,398	-	-	4,398
Wireless Emergency Telephone System	329,366	99,436	428,802	-
Guardian Ad Litem	83	45,267	45,350	-
Auditors Ineligible Deductions	94,727	88,377	42,594	140,510
County Elected Officials Training	4,131	10,899	1,685	13,345
Monroe County E-911	-	1,035,177	270,454	764,723
Alternative Dispute Resolution	59,097	10,980	5,600	64,477
Convention Center Operating	(12,884)	556,985	480,349	63,752
Drug Buy Money	40,563	-	3,623	36,940
Sheriff Sale Administration	11,022	27,500	9,130	29,392
Court Interpreters	-	6,400	3,680	2,720
Donations	28,770	5,785	988	33,567
Payroll Clearing	679,193	9,068,892	8,618,637	1,129,448
Payroll Withholding - Insurance	2,123,216	5,489,145	5,003,920	2,608,441
CVET Agency	-	573,191	573,191	-

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, 2012
(Continued)

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
Financial Institution Tax	-	531,761	531,761	-
COIT Homestead	-	1,359,822	1,349,510	10,312
HEA 1001 State Homestead Credit	21,525	3,350	-	24,875
State Fines and Forfeitures	5,002	43,091	20,185	27,908
Infraction Judgements	8,581	135,525	135,757	8,349
Overweight Vehicle Fines	959	2,984	3,943	-
Special Death Benefit	757	7,407	7,494	670
Sales Disclosure - State Share	755	10,763	10,853	665
Coroners Training & Con't Education	1,296	12,097	11,765	1,628
Interstate Compact - State Share	188	1,118	993	313
Mortgage Recording Fees - State Share	1,543	16,078	16,213	1,408
Inheritance Tax	898,562	5,625,043	5,298,208	1,225,397
Education Plate Fees Agency	-	3,431	3,431	-
Riverboat Revenue Sharing	-	817,347	817,347	-
Innkeepers Tax Collections	-	1,941,517	1,941,517	-
COIT Distribution	-	27,978,732	27,978,732	-
93.563 ARRA Prosecutor IV-D Incentive	112,358	-	-	112,358
93.563 Prosecutor IV-D Incentive-Prior To Oct '99	13,119	-	-	13,119
93.563 Prosecutor IV-D Incentive-Post Oct '99	155,879	66,775	6,637	216,017
93.563 Clerk IV-D Incentive-Post Oct '99	99,537	44,353	22,535	121,355
Economic Development/Tourism	1,767	500	-	2,267
Juvenile Probation Admin-Rainy Day	164,275	-	-	164,275
Juvenile Probation Admin-Non-Reverting	1,297,733	-	25,100	1,272,633
User Fees-Cable Franchise	829,517	527,064	718,130	638,451
User Fees-Diversion-Prosecutor	194,833	546,307	673,947	67,193
User Fees-Court Alcohol/Drug	18,455	428,373	340,261	106,567
Fees-Sheriff/Law Enforcement Ed Fund	8,957	3,430	489	11,898
User Fees-Problem Solving Court	24,735	14,817	15,784	23,768
User Fees-Adult Probation	255,018	345,043	358,018	242,043
User Fees-Juvenile Probation	16,057	15,509	24,987	6,579
User Fees-Project Income	497,780	542,677	690,868	349,589
User Fee-Jury Pay	30,486	16,621	14,933	32,174
County User Fee/Law Ed	78,315	25,245	11,740	91,820
Sewage Collection	2,181	-	2,181	-
Futures Clinic	(10,614)	72,354	61,740	-
Juvenile Title II Grant	50	-	50	-
Juvenile Title II Reentry 10-11	(7,559)	7,559	-	-
Local Ordinance-False Alarm Fee	4,328	400	-	4,728
Collection Fees-Personal Property	541	17,890	17,196	1,235
City Wireless Revenue	55,177	99,436	154,613	-
G.O. Bond 2010 Capital	4,504	-	4,504	-
Monroe County Convention Center Debt	180,051	646,711	501,807	324,955
Showers Building Lease Rental	370,694	1,711,928	924,000	1,158,622
Aviation Construction	519,520	98,420	163,185	454,755
Aviation Building	512,000	22,008	-	534,008
Employee Morale	3,422	3,938	6,011	1,349
Monroe County Search/Recovery	11,062	9,900	10,016	10,946
Paperless Initiative	261	-	-	261
County Per Diems-YSB	829,281	169,121	284,984	713,418
Monroe County Building Pres/Blgtn Foundation	131,567	50,444	103,283	78,728
Monroe County Properties	538	-	28	510
Public Health Emergency Fund	20,033	-	-	20,033
County Fair	534	1,138	1,103	569
Convention-Visitor Capital Imprv/Maint	119,927	24,000	2,500	141,427
Crime Control	929	5	-	934
Big City/County Seat Belt Grant	5,761	-	-	5,761
Weights and Measures Ordinance Violations	12,612	-	-	12,612
Solid Waste Interlocal	49,625	41,045	68,168	22,502
Showers Building Operating	227,027	332,458	408,700	150,785
Curry Building Project Ordinance	6,161	-	-	6,161
County Offender Transportation	830	1,118	-	1,948
Westside Econ Dev/Richland Twp TIF	4,768,954	1,161,240	1,480,269	4,449,925

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, 2012
(Continued)

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
46 Corridor Econ Dev/Blgtn Twp	159,935	65,612	223,202	2,345
Fullerton Pike Econ Dev/TIF	1,183,444	196,839	1,700	1,378,583
Courthouse Rental	-	4,825	-	4,825
DLGF Hstd Pty Database Fund	925	92	1,014	3
Settlement	406,477	123,573,729	123,980,206	-
Wheel Tax/Surtax Combined	12,880	2,585,023	2,580,383	17,520
Ellettsville Pass Through	831	3,994	3,838	987
City Pass Through (Building)	16,302	87,716	70,723	33,295
F10.553 Y.S. Fed School Program	6,331	6,080	1,325	11,086
F93.069 Bio Terrorism	7,106	10,177	10,177	7,106
F20.609 Operation Pullover	(5,524)	15,204	12,596	(2,916)
F15.916 DNR Land and Water Cons.	(87,652)	200,000	112,348	-
F93.623 Runaway and Homeless Youth	(10,741)	79,336	68,595	-
F20.509 Rural Transit	-	1,164,327	1,164,327	-
F16.585 BJA Drug Court Enhancement	(19,550)	59,750	59,869	(19,669)
F93.041 Adult Protection 11-12	(20,352)	81,951	61,599	-
F16.588 Stop Grant	(16,057)	16,057	-	-
F16.540 Title II Juv. Re-entry	(1,226)	2,210	3,973	(2,989)
F93.617 Hava Polling Place Grant	8,458	-	7,511	947
IGIC Addressing Grant	3,000	-	-	3,000
F93.563 County IV-D Incentive	139,335	44,353	5,382	178,306
Multi State Learning Collabor.	3,647	-	-	3,647
Project Safe Place 11-12	1,250	7,053	8,303	-
In Jud. Supreme Court Grant	5,066	9,000	5,695	8,371
Court Interpreter Grant 11-12	4,678	-	4,678	-
IHBS Hand Up Grant	(1,564)	12,568	11,004	-
1503 YSB Grant	29,849	-	29,849	-
Juv. Accountability Block 11-12	(9,653)	9,653	-	-
Health Tobacco Cessation	115,917	54,262	54,777	115,402
MRC NACCHO Grant	4,708	5,000	1,305	8,403
Pilot Family Court Grant	-	5,000	5,000	-
Probation-Cares Grant 12-13	-	6,470	6,470	-
YSB Cares Grant 12-13	-	1,903	-	1,903
F93.041 Adult Protection 12-13	-	28,113	49,301	(21,188)
Hava-Franklin Booths	-	25,000	25,000	-
Juvenile Account Block	-	6,962	8,355	(1,393)
Futures Clinic	-	276,474	261,123	15,351
Solar Panel Grant	-	359,105	359,105	-
JAG Drug Court	-	30,003	50,008	(20,005)
2011 EMPG Competitive Grant	-	3,623	3,623	-
Runaway and Homeless 12-15	-	16,337	25,009	(8,672)
Voca Grant 12-13	-	-	9,373	(9,373)
IV-D Parenting Time	-	-	2,232	(2,232)
SWtop Grant 12-13	-	-	10,799	(10,799)
DUI Task Enforcement	-	-	593	(593)
Project Safeplace 12-13	-	6,753	5,347	1,406
MLK Grant	-	500	500	-
1503 YSB Grant 12-13	-	48,450	13,778	34,672
Storm Water Management	-	1,562,127	252,173	1,309,954
Richland TIF Debt Funds	1,231,599	881,981	848,225	1,265,355
Totals	\$ 61,970,144	\$ 264,604,629	\$ 265,554,344	\$ 61,020,429

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

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

MONROE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

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

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

E. Disbursements

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

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

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

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

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

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

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

MONROE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

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. Restatement of County Offices

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

MONROE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of reimbursable grants where reimbursements were not received before December 31, 2012.

Note 9. Holding Corporation

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 2012 totaled \$924,000.

Note 10. Subsequent Events

On June 19, 2013, the Monroe County Redevelopment Commission authorized the early payoff of the Economic Development Lease Rental Refunding Bonds of 2004. The total amount of the payoff was \$1,439,580.

Note 11. Combined Funds

Funds related to donations were reported individually in the prior financial statement but were combined into one fund for the current financial statement.

SUPPLEMENTARY INFORMATION – UNAUDITED

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

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

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

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

	After Settlement Collections	Sheriff's Inmate Trust	Jail Commissary	Clerk's Trust	Clerk's ISETS Child Support	General	Accident Report
Cash and investments - beginning	\$ 4,491,303	\$ 11,515	\$ 52,556	\$ 1,373,589	\$ 14,628	\$ 12,018,552	\$ 4,342
Receipts:							
Taxes	1,437,256	-	-	-	-	25,145,625	-
Licenses and permits	-	-	-	-	-	662,022	-
Intergovernmental	-	-	-	-	-	1,798,749	-
Charges for services	-	499,417	175,555	-	-	446,812	1,465
Fines and forfeits	-	-	-	14,841,898	-	504,889	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	1,545,382	1,067,273	-
Total receipts	<u>1,437,256</u>	<u>499,417</u>	<u>175,555</u>	<u>14,841,898</u>	<u>1,545,382</u>	<u>29,625,370</u>	<u>1,465</u>
Disbursements:							
Personal services	-	-	-	-	-	20,988,531	-
Supplies	-	-	-	-	-	692,853	-
Other services and charges	-	-	-	-	-	7,122,143	1,442
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	1,278,615	1,637
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	4,491,303	483,149	96,403	11,779,569	1,550,793	3,456,829	-
Total disbursements	<u>4,491,303</u>	<u>483,149</u>	<u>96,403</u>	<u>11,779,569</u>	<u>1,550,793</u>	<u>33,538,971</u>	<u>3,079</u>
Excess (deficiency) of receipts over disbursements	<u>(3,054,047)</u>	<u>16,268</u>	<u>79,152</u>	<u>3,062,329</u>	<u>(5,411)</u>	<u>(3,913,601)</u>	<u>(1,614)</u>
Cash and investments - ending	<u>\$ 1,437,256</u>	<u>\$ 27,783</u>	<u>\$ 131,708</u>	<u>\$ 4,435,918</u>	<u>\$ 9,217</u>	<u>\$ 8,104,951</u>	<u>\$ 2,728</u>

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

	Animal Control	Aviation	Bid Deposits and Bonds Holding	Campaign Finance Enforcement - County	City and Town Court Costs	Clerk's Records Perpetuation	COIT - Special Legislation
Cash and investments - beginning	\$ 57,950	\$ 442,054	\$ 179,753	\$ 100	\$ -	\$ 30,606	\$ 251,472
Receipts:							
Taxes	-	414,990	-	-	-	-	1,332,306
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	14,590	-	-	-	-	-
Charges for services	3,025	259,288	-	-	-	-	-
Fines and forfeits	2,477	-	-	750	39,242	65,251	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	293	219,475	-	-	-	691
Total receipts	<u>5,502</u>	<u>689,161</u>	<u>219,475</u>	<u>750</u>	<u>39,242</u>	<u>65,251</u>	<u>1,332,997</u>
Disbursements:							
Personal services	-	417,022	-	-	-	64,707	1,076,794
Supplies	1,587	28,406	-	-	-	-	35,609
Other services and charges	18,545	252,871	-	-	-	265	82,031
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	35,891	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	47,597	-	5,339	-	-
Total disbursements	<u>20,132</u>	<u>734,190</u>	<u>47,597</u>	<u>-</u>	<u>5,339</u>	<u>64,972</u>	<u>1,194,434</u>
Excess (deficiency) of receipts over disbursements	<u>(14,630)</u>	<u>(45,029)</u>	<u>171,878</u>	<u>750</u>	<u>33,903</u>	<u>279</u>	<u>138,563</u>
Cash and investments - ending	<u>\$ 43,320</u>	<u>\$ 397,025</u>	<u>\$ 351,631</u>	<u>\$ 850</u>	<u>\$ 33,903</u>	<u>\$ 30,885</u>	<u>\$ 390,035</u>

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

	COIT County Distributive Shares	Community Corrections	Community Transition Program	Convention Visitor and Tourism Promotion	Sales Disclosure - County Share	Cumulative Bridge	Cumulative Capital Development
Cash and investments - beginning	\$ -	\$ 38,069	\$ 2,465	\$ 756,840	\$ 76,562	\$ 4,402,965	\$ 4,347,392
Receipts:							
Taxes	-	-	-	1,419,216	-	1,338,987	1,987,270
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	682,840	7,275	-	-	51,911	72,593
Charges for services	-	-	-	-	10,723	96,457	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	1,500,000	-	-	-	-	6,552	48,954
Total receipts	1,500,000	682,840	7,275	1,419,216	10,723	1,493,907	2,108,817
Disbursements:							
Personal services	-	580,756	-	-	-	278,329	363,828
Supplies	-	4,110	-	-	-	-	-
Other services and charges	-	79,049	2,235	1,444,654	-	1,051,813	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	3,889,983
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	515,561	-
Total disbursements	-	663,915	2,235	1,444,654	-	1,845,703	4,253,811
Excess (deficiency) of receipts over disbursements	1,500,000	18,925	5,040	(25,438)	10,723	(351,796)	(2,144,994)
Cash and investments - ending	\$ 1,500,000	\$ 56,994	\$ 7,505	\$ 731,402	\$ 87,285	\$ 4,051,169	\$ 2,202,398

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

	Drug Free Community	Emergency Planning/Right To Know	Emergency Telephone System	Extradition	Firearms Training	Health	Identification Security Protection
Cash and investments - beginning	\$ 55,722	\$ 51,130	\$ 430,621	\$ 4,526	\$ 58,041	\$ 374,340	\$ 52,990
Receipts:							
Taxes	-	-	-	-	-	515,572	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	18,259	-
Charges for services	-	10,614	115,790	-	38,077	455,677	10,899
Fines and forfeits	76,969	-	-	7,429	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	510	1,791	-
Total receipts	<u>76,969</u>	<u>10,614</u>	<u>115,790</u>	<u>7,429</u>	<u>38,587</u>	<u>991,299</u>	<u>10,899</u>
Disbursements:							
Personal services	-	-	-	-	-	750,001	-
Supplies	-	-	-	-	10,501	13,206	-
Other services and charges	87,873	18,869	162,641	9,531	-	180,138	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	4,396	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	379,374	-	-	-	-
Total disbursements	<u>87,873</u>	<u>18,869</u>	<u>546,411</u>	<u>9,531</u>	<u>10,501</u>	<u>943,345</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(10,904)</u>	<u>(8,255)</u>	<u>(430,621)</u>	<u>(2,102)</u>	<u>28,086</u>	<u>47,954</u>	<u>10,899</u>
Cash and investments - ending	<u>\$ 44,818</u>	<u>\$ 42,875</u>	<u>\$ -</u>	<u>\$ 2,424</u>	<u>\$ 86,127</u>	<u>\$ 422,294</u>	<u>\$ 63,889</u>

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

	Levy Excess	Local Health Maintenance	Local Road and Street	Medical Care for Inmates	Misdemeanant	Motor Vehicle Highway	Park Nonreverting Capital
Cash and investments - beginning	\$ 19,210	\$ 212,152	\$ 3,151,543	\$ 10,852	\$ 116,110	\$ 393,546	\$ 42,179
Receipts:							
Taxes	-	-	-	-	-	1,330,807	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	649,882	-	-	2,553,384	-
Charges for services	-	71,647	28,430	3,734	83,427	265,025	15,903
Fines and forfeits	3,272	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	6,692	-	50	23,605	-
Total receipts	<u>3,272</u>	<u>71,647</u>	<u>685,004</u>	<u>3,734</u>	<u>83,477</u>	<u>4,172,821</u>	<u>15,903</u>
Disbursements:							
Personal services	-	14,747	-	-	19,301	2,173,398	-
Supplies	-	4,145	-	-	-	1,678,275	-
Other services and charges	-	21,474	631,888	-	35,146	249,387	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	58,065	17,296
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	750	-	-	-	-	-	333
Total disbursements	<u>750</u>	<u>40,366</u>	<u>631,888</u>	<u>-</u>	<u>54,447</u>	<u>4,159,125</u>	<u>17,629</u>
Excess (deficiency) of receipts over disbursements	<u>2,522</u>	<u>31,281</u>	<u>53,116</u>	<u>3,734</u>	<u>29,030</u>	<u>13,696</u>	<u>(1,726)</u>
Cash and investments - ending	<u>\$ 21,732</u>	<u>\$ 243,433</u>	<u>\$ 3,204,659</u>	<u>\$ 14,586</u>	<u>\$ 145,140</u>	<u>\$ 407,242</u>	<u>\$ 40,453</u>

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

	Park Nonreverting Operating	Plat Book	Rainy Day	Reassessment - 2009	Reassessment - 2015	Recorder's Records Perpetuation	Supplemental Public Defender Services
Cash and investments - beginning	\$ 105,392	\$ 14,874	\$ 5,970,124	\$ 115,349	\$ 521,170	\$ 107,889	\$ 706,365
Receipts:							
Taxes	-	-	426	-	490,427	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	17,463	-	-
Charges for services	213,308	24,340	-	-	-	151,289	616,931
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	2,900,000	-	1,462	39	-
Total receipts	<u>213,308</u>	<u>24,340</u>	<u>2,900,426</u>	<u>-</u>	<u>509,352</u>	<u>151,328</u>	<u>616,931</u>
Disbursements:							
Personal services	67,628	12,633	-	11,705	-	174,015	551,103
Supplies	35,785	-	-	3,703	-	-	-
Other services and charges	47,016	1,944	-	-	-	55,017	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	400,000	16,684	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	1,500,000	-	1,434	-	-
Total disbursements	<u>150,429</u>	<u>14,577</u>	<u>1,900,000</u>	<u>32,092</u>	<u>1,434</u>	<u>229,032</u>	<u>551,103</u>
Excess (deficiency) of receipts over disbursements	<u>62,879</u>	<u>9,763</u>	<u>1,000,426</u>	<u>(32,092)</u>	<u>507,918</u>	<u>(77,704)</u>	<u>65,828</u>
Cash and investments - ending	<u>\$ 168,271</u>	<u>\$ 24,637</u>	<u>\$ 6,970,550</u>	<u>\$ 83,257</u>	<u>\$ 1,029,088</u>	<u>\$ 30,185</u>	<u>\$ 772,193</u>

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

	Surplus Tax	Surveyor's Corner Perpetuation	Tax Sale Redemption	Tax Sale Surplus	Vehicle Inspection	Victim Impact Program	Wireless Emergency Telephone System
Cash and investments - beginning	\$ 252,367	\$ 16,384	\$ -	\$ 1,538,796	\$ 7,272	\$ 4,398	\$ 329,366
Receipts:							
Taxes	27,877	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	19,205	-	-	2,047	-	99,436
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	147	-	592,289	1,448,896	-	-	-
Total receipts	<u>28,024</u>	<u>19,205</u>	<u>592,289</u>	<u>1,448,896</u>	<u>2,047</u>	<u>-</u>	<u>99,436</u>
Disbursements:							
Personal services	-	22,879	-	-	-	-	124,153
Supplies	-	2,004	-	-	-	-	95
Other services and charges	-	1,950	-	-	-	-	261
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	144,736	-	591,140	2,038,112	-	-	304,293
Total disbursements	<u>144,736</u>	<u>26,833</u>	<u>591,140</u>	<u>2,038,112</u>	<u>-</u>	<u>-</u>	<u>428,802</u>
Excess (deficiency) of receipts over disbursements	<u>(116,712)</u>	<u>(7,628)</u>	<u>1,149</u>	<u>(589,216)</u>	<u>2,047</u>	<u>-</u>	<u>(329,366)</u>
Cash and investments - ending	<u>\$ 135,655</u>	<u>\$ 8,756</u>	<u>\$ 1,149</u>	<u>\$ 949,580</u>	<u>\$ 9,319</u>	<u>\$ 4,398</u>	<u>\$ -</u>

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

	Guardian Ad Litem	Auditors Ineligible Deductions	County Elected Officials Training	Monroe County E-911	Alternative Dispute Resolution	Convention Center Operating	Drug Buy Money
Cash and investments - beginning	\$ 83	\$ 94,727	\$ 4,131	\$ -	\$ 59,097	\$ (12,884)	\$ 40,563
Receipts:							
Taxes	-	88,377	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	45,267	-	10,899	351,510	-	556,985	-
Fines and forfeits	-	-	-	-	10,980	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	683,667	-	-	-
Total receipts	<u>45,267</u>	<u>88,377</u>	<u>10,899</u>	<u>1,035,177</u>	<u>10,980</u>	<u>556,985</u>	<u>-</u>
Disbursements:							
Personal services	-	15,237	-	116,471	-	-	-
Supplies	-	7,211	-	724	-	4,895	-
Other services and charges	45,267	20,146	1,685	146,970	5,600	475,454	3,623
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	6,289	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	83	-	-	-	-	-	-
Total disbursements	<u>45,350</u>	<u>42,594</u>	<u>1,685</u>	<u>270,454</u>	<u>5,600</u>	<u>480,349</u>	<u>3,623</u>
Excess (deficiency) of receipts over disbursements	<u>(83)</u>	<u>45,783</u>	<u>9,214</u>	<u>764,723</u>	<u>5,380</u>	<u>76,636</u>	<u>(3,623)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 140,510</u>	<u>\$ 13,345</u>	<u>\$ 764,723</u>	<u>\$ 64,477</u>	<u>\$ 63,752</u>	<u>\$ 36,940</u>

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

	Sheriff Sale Administration	Court Interpreters	Donations	Payroll Clearing	Payroll Withholding - Insurance	CVET Agency	Financial Institution Tax
Cash and investments - beginning	\$ 11,022	\$ -	\$ 28,770	\$ 679,193	\$ 2,123,216	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	573,191	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	531,761
Charges for services	27,500	6,400	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	5,785	9,068,892	5,489,145	-	-
Total receipts	<u>27,500</u>	<u>6,400</u>	<u>5,785</u>	<u>9,068,892</u>	<u>5,489,145</u>	<u>573,191</u>	<u>531,761</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	3,316	-	409	-	-	-	-
Other services and charges	-	3,680	579	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	5,814	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	8,618,637	5,003,920	573,191	531,761
Total disbursements	<u>9,130</u>	<u>3,680</u>	<u>988</u>	<u>8,618,637</u>	<u>5,003,920</u>	<u>573,191</u>	<u>531,761</u>
Excess (deficiency) of receipts over disbursements	<u>18,370</u>	<u>2,720</u>	<u>4,797</u>	<u>450,255</u>	<u>485,225</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 29,392</u>	<u>\$ 2,720</u>	<u>\$ 33,567</u>	<u>\$ 1,129,448</u>	<u>\$ 2,608,441</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, 2012
 (Continued)

	COIT Homestead	HEA 1001 State Homestead Credit	State Fines and Forfeitures	Infraction Judgements	Overweight Vehicle Fines	Special Death Benefit	Sales Disclosure - State Share
Cash and investments - beginning	\$ -	\$ 21,525	\$ 5,002	\$ 8,581	\$ 959	\$ 757	\$ 755
Receipts:							
Taxes	1,359,822	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	10,763
Fines and forfeits	-	-	43,091	135,525	2,984	7,407	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	3,350	-	-	-	-	-
Total receipts	<u>1,359,822</u>	<u>3,350</u>	<u>43,091</u>	<u>135,525</u>	<u>2,984</u>	<u>7,407</u>	<u>10,763</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	1,349,510	-	20,185	135,757	3,943	7,494	10,853
Total disbursements	<u>1,349,510</u>	<u>-</u>	<u>20,185</u>	<u>135,757</u>	<u>3,943</u>	<u>7,494</u>	<u>10,853</u>
Excess (deficiency) of receipts over disbursements	<u>10,312</u>	<u>3,350</u>	<u>22,906</u>	<u>(232)</u>	<u>(959)</u>	<u>(87)</u>	<u>(90)</u>
Cash and investments - ending	<u>\$ 10,312</u>	<u>\$ 24,875</u>	<u>\$ 27,908</u>	<u>\$ 8,349</u>	<u>\$ -</u>	<u>\$ 670</u>	<u>\$ 665</u>

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

	Coroners Training & Con't Education	Interstate Compact - State Share	Mortgage Recording Fees - State Share	Inheritance Tax	Education Plate Fees Agency	Riverboat Revenue Sharing	Innkeepers Tax Collections
Cash and investments - beginning	\$ 1,296	\$ 188	\$ 1,543	\$ 898,562	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	5,625,043	-	-	1,941,517
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	817,347	-
Charges for services	12,097	-	16,078	-	-	-	-
Fines and forfeits	-	1,118	-	-	3,431	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	12,097	1,118	16,078	5,625,043	3,431	817,347	1,941,517
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	11,765	993	16,213	5,298,208	3,431	817,347	1,941,517
Total disbursements	11,765	993	16,213	5,298,208	3,431	817,347	1,941,517
Excess (deficiency) of receipts over disbursements	332	125	(135)	326,835	-	-	-
Cash and investments - ending	\$ 1,628	\$ 313	\$ 1,408	\$ 1,225,397	\$ -	\$ -	\$ -

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

	COIT Distribution	93.563 ARRA Prosecutor IV-D Incentive	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
Cash and investments - beginning	\$ -	\$ 112,358	\$ 13,119	\$ 155,879	\$ 99,537	\$ 1,767	\$ 164,275
Receipts:							
Taxes	27,978,732	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	66,730	44,353	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	45	-	500	-
Total receipts	<u>27,978,732</u>	<u>-</u>	<u>-</u>	<u>66,775</u>	<u>44,353</u>	<u>500</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	3,313	21,771	-	-
Supplies	-	-	-	249	-	-	-
Other services and charges	-	-	-	3,075	764	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>27,978,732</u>	<u>-</u>	<u>-</u>	<u>6,637</u>	<u>22,535</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,138</u>	<u>21,818</u>	<u>500</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 112,358</u>	<u>\$ 13,119</u>	<u>\$ 216,017</u>	<u>\$ 121,355</u>	<u>\$ 2,267</u>	<u>\$ 164,275</u>

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

	Juvenile Probation Admin-Non-Reverting	User Fees-Cable Franchise	User Fees-Diversion- Prosecutor	User Fees-Court Alcohol/Drug	Fees-Sheriff/Law Enforcement Ed Fund	User Fees-Problem Solving Court	User Fees-Adult Probation
Cash and investments - beginning	\$ 1,297,733	\$ 829,517	\$ 194,833	\$ 18,455	\$ 8,957	\$ 24,735	\$ 255,018
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	527,064	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	3,430	-	-
Fines and forfeits	-	-	544,119	353,623	-	14,817	345,043
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	2,188	74,750	-	-	-
Total receipts	-	527,064	546,307	428,373	3,430	14,817	345,043
Disbursements:							
Personal services	-	-	554,419	327,811	-	6,790	290,704
Supplies	-	-	483	3,300	-	-	9,689
Other services and charges	25,100	593,731	114,751	9,150	489	8,994	57,625
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	124,399	1,998	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	2,296	-	-	-	-
Total disbursements	25,100	718,130	673,947	340,261	489	15,784	358,018
Excess (deficiency) of receipts over disbursements	(25,100)	(191,066)	(127,640)	88,112	2,941	(967)	(12,975)
Cash and investments - ending	\$ 1,272,633	\$ 638,451	\$ 67,193	\$ 106,567	\$ 11,898	\$ 23,768	\$ 242,043

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

	User Fees-Juvenile Probation	User Fees-Project Income	User Fee-Jury Pay	County User Fee/Law Ed	Sewage Collection	Futures Clinic	Juvenile Title II Grant
Cash and investments - beginning	\$ 16,057	\$ 497,780	\$ 30,486	\$ 78,315	\$ 2,181	\$ (10,614)	\$ 50
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	72,354	-
Fines and forfeits	15,509	542,677	16,178	25,245	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	443	-	-	-	-
Total receipts	<u>15,509</u>	<u>542,677</u>	<u>16,621</u>	<u>25,245</u>	<u>-</u>	<u>72,354</u>	<u>-</u>
Disbursements:							
Personal services	21,185	352,301	10,974	-	-	15,021	-
Supplies	1,935	4,592	-	-	-	3,411	-
Other services and charges	1,867	259,225	3,959	-	-	5,826	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	2,978	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	74,750	-	11,740	2,181	34,504	50
Total disbursements	<u>24,987</u>	<u>690,868</u>	<u>14,933</u>	<u>11,740</u>	<u>2,181</u>	<u>61,740</u>	<u>50</u>
Excess (deficiency) of receipts over disbursements	<u>(9,478)</u>	<u>(148,191)</u>	<u>1,688</u>	<u>13,505</u>	<u>(2,181)</u>	<u>10,614</u>	<u>(50)</u>
Cash and investments - ending	<u>\$ 6,579</u>	<u>\$ 349,589</u>	<u>\$ 32,174</u>	<u>\$ 91,820</u>	<u>\$ -</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, 2012
 (Continued)

	Juvenile Title II Reentry 10-11	Local Ordinance-False Alarm Fee	Collection Fees-Personal Property	City Wireless Revenue	G.O. Bond 2010 Capital	Monroe County Convention Center Debt	Showers Building Lease Rental
Cash and investments - beginning	\$ (7,559)	\$ 4,328	\$ 541	\$ 55,177	\$ 4,504	\$ 180,051	\$ 370,694
Receipts:							
Taxes	-	-	-	-	-	498,300	1,653,570
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	58,358
Charges for services	7,559	400	17,890	99,436	-	148,411	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>7,559</u>	<u>400</u>	<u>17,890</u>	<u>99,436</u>	<u>-</u>	<u>646,711</u>	<u>1,711,928</u>
Disbursements:							
Personal services	-	-	17,196	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	501,807	924,000
Capital outlay	-	-	-	-	4,504	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	154,613	-	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>17,196</u>	<u>154,613</u>	<u>4,504</u>	<u>501,807</u>	<u>924,000</u>
Excess (deficiency) of receipts over disbursements	<u>7,559</u>	<u>400</u>	<u>694</u>	<u>(55,177)</u>	<u>(4,504)</u>	<u>144,904</u>	<u>787,928</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 4,728</u>	<u>\$ 1,235</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 324,955</u>	<u>\$ 1,158,622</u>

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

	Aviation Construction	Aviation Building	Employee Morale	Monroe County Search/Recovery	Paperless Initiative	County Per Diems-YSB	Monroe County Building Pres/Blgtn Foundation
Cash and investments - beginning	\$ 519,520	\$ 512,000	\$ 3,422	\$ 11,062	\$ 261	\$ 829,281	\$ 131,567
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	97,774	20,963	-	-	-	169,121	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	646	1,045	3,938	9,900	-	-	50,444
Total receipts	<u>98,420</u>	<u>22,008</u>	<u>3,938</u>	<u>9,900</u>	<u>-</u>	<u>169,121</u>	<u>50,444</u>
Disbursements:							
Personal services	-	-	-	-	-	284,984	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	163,185	-	-	10,016	-	-	103,283
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	6,011	-	-	-	-
Total disbursements	<u>163,185</u>	<u>-</u>	<u>6,011</u>	<u>10,016</u>	<u>-</u>	<u>284,984</u>	<u>103,283</u>
Excess (deficiency) of receipts over disbursements	<u>(64,765)</u>	<u>22,008</u>	<u>(2,073)</u>	<u>(116)</u>	<u>-</u>	<u>(115,863)</u>	<u>(52,839)</u>
Cash and investments - ending	<u>\$ 454,755</u>	<u>\$ 534,008</u>	<u>\$ 1,349</u>	<u>\$ 10,946</u>	<u>\$ 261</u>	<u>\$ 713,418</u>	<u>\$ 78,728</u>

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

	Monroe County Properties	Public Health Emergency Fund	County Fair	Convention-Visitor Capital Imprv/Maint	Crime Control	Big City/County Seat Belt Grant	Weights and Measures Ordinance Violations
Cash and investments - beginning	\$ 538	\$ 20,033	\$ 534	\$ 119,927	\$ 929	\$ 5,761	\$ 12,612
Receipts:							
Taxes	-	-	652	24,000	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	486	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	5	-	-
Total receipts	-	-	1,138	24,000	5	-	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	28	-	-	-	-	-	-
Other services and charges	-	-	-	2,500	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	1,103	-	-	-	-
Total disbursements	28	-	1,103	2,500	-	-	-
Excess (deficiency) of receipts over disbursements	(28)	-	35	21,500	5	-	-
Cash and investments - ending	\$ 510	\$ 20,033	\$ 569	\$ 141,427	\$ 934	\$ 5,761	\$ 12,612

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

	Solid Waste Interlocal	Showers Building Operating	Curry Building Project Ordinance	County Offender Transportation	Westside Econ Dev/Richland Twp TIF	46 Corridor Econ Dev/Blgtn Twp	Fullerton Pike Econ Dev/TIF
Cash and investments - beginning	\$ 49,625	\$ 227,027	\$ 6,161	\$ 830	\$ 4,768,954	\$ 159,935	\$ 1,183,444
Receipts:							
Taxes	-	-	-	-	1,161,237	65,612	196,839
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	41,045	332,458	-	-	-	-	-
Fines and forfeits	-	-	-	1,118	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	3	-	-
Total receipts	<u>41,045</u>	<u>332,458</u>	<u>-</u>	<u>1,118</u>	<u>1,161,240</u>	<u>65,612</u>	<u>196,839</u>
Disbursements:							
Personal services	56,076	43,720	-	-	-	-	-
Supplies	-	19,722	-	-	-	-	-
Other services and charges	-	118,231	-	-	6,705	2,655	1,700
Debt service - principal and interest	-	-	-	-	638,988	220,547	-
Capital outlay	-	60,000	-	-	834,576	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	12,092	167,027	-	-	-	-	-
Total disbursements	<u>68,168</u>	<u>408,700</u>	<u>-</u>	<u>-</u>	<u>1,480,269</u>	<u>223,202</u>	<u>1,700</u>
Excess (deficiency) of receipts over disbursements	<u>(27,123)</u>	<u>(76,242)</u>	<u>-</u>	<u>1,118</u>	<u>(319,029)</u>	<u>(157,590)</u>	<u>195,139</u>
Cash and investments - ending	<u>\$ 22,502</u>	<u>\$ 150,785</u>	<u>\$ 6,161</u>	<u>\$ 1,948</u>	<u>\$ 4,449,925</u>	<u>\$ 2,345</u>	<u>\$ 1,378,583</u>

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

	Courthouse Rental	DLGF Hstd Pty Database Fund	Settlement	Wheel Tax/Surtax Combined	Ellettsville Pass Through	City Pass Through (Building)	F10.553 Y.S. Fed School Program
Cash and investments - beginning	\$ -	\$ 925	\$ 406,477	\$ 12,880	\$ 831	\$ 16,302	\$ 6,331
Receipts:							
Taxes	-	-	123,573,729	2,585,023	-	-	-
Licenses and permits	-	-	-	-	3,994	87,716	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	190	92	-	-	-	-	6,080
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	4,635	-	-	-	-	-	-
Total receipts	<u>4,825</u>	<u>92</u>	<u>123,573,729</u>	<u>2,585,023</u>	<u>3,994</u>	<u>87,716</u>	<u>6,080</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	1,325
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	1,014	123,980,206	2,580,383	3,838	70,723	-
Total disbursements	<u>-</u>	<u>1,014</u>	<u>123,980,206</u>	<u>2,580,383</u>	<u>3,838</u>	<u>70,723</u>	<u>1,325</u>
Excess (deficiency) of receipts over disbursements	<u>4,825</u>	<u>(922)</u>	<u>(406,477)</u>	<u>4,640</u>	<u>156</u>	<u>16,993</u>	<u>4,755</u>
Cash and investments - ending	<u>\$ 4,825</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 17,520</u>	<u>\$ 987</u>	<u>\$ 33,295</u>	<u>\$ 11,086</u>

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

	F93.069 Bio Terrorism	F20.609 Operation Pullover	F15.916 DNR Land and Water Cons.	F93.623 Runaway and Homeless Youth	F20.509 Rural Transit	F16.585 BJA Drug Court Enhancement	F93.041 Adult Protection 11-12
Cash and investments - beginning	\$ 7,106	\$ (5,524)	\$ (87,652)	\$ (10,741)	\$ -	\$ (19,550)	\$ (20,352)
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	10,177	15,204	200,000	78,163	1,164,327	59,750	81,705
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	1,173	-	-	246
Total receipts	<u>10,177</u>	<u>15,204</u>	<u>200,000</u>	<u>79,336</u>	<u>1,164,327</u>	<u>59,750</u>	<u>81,951</u>
Disbursements:							
Personal services	7,777	12,596	-	64,741	-	59,009	57,285
Supplies	1,874	-	25,432	-	-	-	218
Other services and charges	526	-	86,916	3,854	1,164,327	860	4,096
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>10,177</u>	<u>12,596</u>	<u>112,348</u>	<u>68,595</u>	<u>1,164,327</u>	<u>59,869</u>	<u>61,599</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>2,608</u>	<u>87,652</u>	<u>10,741</u>	<u>-</u>	<u>(119)</u>	<u>20,352</u>
Cash and investments - ending	<u>\$ 7,106</u>	<u>\$ (2,916)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (19,669)</u>	<u>\$ -</u>

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

	F16.588 Stop Grant	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.	Project Safe Place 11-12
Cash and investments - beginning	\$ (16,057)	\$ (1,226)	\$ 8,458	\$ 3,000	\$ 139,335	\$ 3,647	\$ 1,250
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	13,761	2,210	-	-	44,353	-	7,053
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	2,296	-	-	-	-	-	-
Total receipts	16,057	2,210	-	-	44,353	-	7,053
Disbursements:							
Personal services	-	-	-	-	800	-	-
Supplies	-	-	-	-	204	-	2,715
Other services and charges	-	3,973	7,511	-	175	-	3,966
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	4,203	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	1,622
Total disbursements	-	3,973	7,511	-	5,382	-	8,303
Excess (deficiency) of receipts over disbursements	16,057	(1,763)	(7,511)	-	38,971	-	(1,250)
Cash and investments - ending	\$ -	\$ (2,989)	\$ 947	\$ 3,000	\$ 178,306	\$ 3,647	\$ -

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

	In Jud. Supreme Court Grant	Court Interpreter Grant 11-12	IHBS Hand Up Grant	1503 YSB Grant	Juv. Accountability Block 11-12	Health Tobacco Cessation	MRC NACCHO Grant
Cash and investments - beginning	\$ 5,066	\$ 4,678	\$ (1,564)	\$ 29,849	\$ (9,653)	\$ 115,917	\$ 4,708
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	9,000	-	12,568	-	9,653	54,262	5,000
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>9,000</u>	<u>-</u>	<u>12,568</u>	<u>-</u>	<u>9,653</u>	<u>54,262</u>	<u>5,000</u>
Disbursements:							
Personal services	-	-	-	16,349	-	47,578	-
Supplies	-	-	11,004	-	-	3,286	1,228
Other services and charges	5,695	4,678	-	-	-	3,913	77
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	13,500	-	-	-
Total disbursements	<u>5,695</u>	<u>4,678</u>	<u>11,004</u>	<u>29,849</u>	<u>-</u>	<u>54,777</u>	<u>1,305</u>
Excess (deficiency) of receipts over disbursements	<u>3,305</u>	<u>(4,678)</u>	<u>1,564</u>	<u>(29,849)</u>	<u>9,653</u>	<u>(515)</u>	<u>3,695</u>
Cash and investments - ending	<u>\$ 8,371</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 115,402</u>	<u>\$ 8,403</u>

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

	Pilot Family Court Grant	Probation-Cares Grant 12-13	YSB Cares Grant 12-13	F93.041 Adult Protection 12-13	Hava-Franklin Booths	Juvenile Account Block	Futures Clinic
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	5,000	-	-	28,113	25,000	6,962	241,887
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	6,470	1,903	-	-	-	34,587
Total receipts	<u>5,000</u>	<u>6,470</u>	<u>1,903</u>	<u>28,113</u>	<u>25,000</u>	<u>6,962</u>	<u>276,474</u>
Disbursements:							
Personal services	-	-	-	48,737	-	-	138,685
Supplies	-	-	-	-	-	3,555	72,551
Other services and charges	5,000	6,470	-	564	25,000	4,800	49,887
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>5,000</u>	<u>6,470</u>	<u>-</u>	<u>49,301</u>	<u>25,000</u>	<u>8,355</u>	<u>261,123</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>1,903</u>	<u>(21,188)</u>	<u>-</u>	<u>(1,393)</u>	<u>15,351</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,903</u>	<u>\$ (21,188)</u>	<u>\$ -</u>	<u>\$ (1,393)</u>	<u>\$ 15,351</u>

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

	Solar Panel Grant	JAG Drug Court	2011 EMPG Competive Grant	Runaway and Homeless 12-15	Voca Grant 12-13	IV-D Parenting Time	SWtop Grant 12-13
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	359,105	30,003	3,623	16,337	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>359,105</u>	<u>30,003</u>	<u>3,623</u>	<u>16,337</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:							
Personal services	-	50,008	-	24,206	9,373	-	10,799
Supplies	4,220	-	-	-	-	-	-
Other services and charges	12,863	-	3,623	803	-	2,232	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	342,022	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>359,105</u>	<u>50,008</u>	<u>3,623</u>	<u>25,009</u>	<u>9,373</u>	<u>2,232</u>	<u>10,799</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(20,005)</u>	<u>-</u>	<u>(8,672)</u>	<u>(9,373)</u>	<u>(2,232)</u>	<u>(10,799)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (20,005)</u>	<u>\$ -</u>	<u>\$ (8,672)</u>	<u>\$ (9,373)</u>	<u>\$ (2,232)</u>	<u>\$ (10,799)</u>

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

	DUI Task Enforcement	Project Safeplace 12-13	MLK Grant	1503 YSB Grant 12-13	Storm Water Management	Richland TIF Debt Funds	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,231,599	\$ 61,970,144
Receipts:							
Taxes	-	-	-	-	-	-	202,766,403
Licenses and permits	-	-	-	-	-	-	1,280,796
Intergovernmental	-	-	-	-	-	-	7,274,898
Charges for services	-	4,631	500	34,950	-	-	8,407,603
Fines and forfeits	-	-	-	-	-	-	17,605,042
Utility fees	-	-	-	-	1,046,566	-	1,046,566
Other receipts	-	2,122	-	13,500	515,561	881,981	26,223,321
Total receipts	-	6,753	500	48,450	1,562,127	881,981	264,604,629
Disbursements:							
Personal services	593	-	-	13,778	-	-	30,391,817
Supplies	-	1,322	-	-	-	-	2,699,177
Other services and charges	-	4,025	500	-	-	2,750	14,886,618
Debt service - principal and interest	-	-	-	-	-	577,472	2,862,814
Capital outlay	-	-	-	-	120,831	-	7,486,665
Utility operating expenses	-	-	-	-	131,342	-	131,342
Other disbursements	-	-	-	-	-	268,003	207,095,911
Total disbursements	593	5,347	500	13,778	252,173	848,225	265,554,344
Excess (deficiency) of receipts over disbursements	(593)	1,406	-	34,672	1,309,954	33,756	(949,715)
Cash and investments - ending	\$ (593)	\$ 1,406	\$ -	\$ 34,672	\$ 1,309,954	\$ 1,265,355	\$ 61,020,429

MONROE COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2012

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Monroe County Jail, Law Enforcement, and Governmental Space Building Corporation	Purchase of Showers Building/ Courthouse Renovation	\$ 924,000	02-01-12	02-01-17
A T and T	E-911 Equipment	257,268	10-01-06	09-01-16
Capital One	Vehicles (Highway)	37,349	08-30-12	08-30-14
Caterpillar	Backhoe Equipment (Highway)	14,023	02-12-12	02-10-17
John Deere	Tractor (Parks and Rec)	14,275	04-30-12	04-30-15
PNC	Vactor Equipment (Stormwater)	41,883	08-24-12	08-24-16
TFC	Street Sweeper (Stormwater)	<u>37,889</u>	10-26-12	10-26-16
Total governmental activities		<u>1,326,687</u>		
Total of annual lease payments		<u>\$ 1,326,687</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 2004	\$ 1,405,000	\$ 231,276	
General obligation bonds	Westside Economic Development Area Bonds of 2007	4,280,000	337,188	
Revenue bonds	Convention Center Land Purchases	<u>6,403,855</u>	<u>501,611</u>	
Total governmental activities		<u>12,088,855</u>	<u>1,070,075</u>	
Totals		<u>\$ 12,088,855</u>	<u>\$ 1,070,075</u>	

MONROE COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2012

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

	Ending Balance
Governmental activities:	
Land	\$ 6,626,559
Infrastructure	497,629,839
Buildings	70,356,758
Machinery, equipment, and vehicles	11,442,322
Books and other	170,000
Total governmental activities	586,225,478
Total capital assets	\$ 586,225,478

MONROE COUNTY
OTHER REPORTS

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

County Auditor
Clerk of the Circuit Court
County Treasurer

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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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, 2012. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Basis for Qualified Opinion on Formula Grants For Other Than Urbanized Areas

As described in items 2012-5 and 2012-6 in the accompanying Schedule of Findings and Questioned Costs, the County did not comply with requirements regarding subrecipient monitoring and equipment and real property management that are applicable to its Formula Grants For Other Than Urbanized 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)

Basis for Qualified Opinion on State Energy Program

As described in item 2012-6 in the accompanying Schedule of Findings and Questioned Costs, the County did not comply with requirements regarding equipment and real property management that are applicable to its State Energy Program. Compliance with such requirements is necessary, in our opinion, for the County to comply with requirements applicable to that program.

Qualified Opinion on Formula Grants For Other Than Urbanized Areas

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Formula Grants For Other Than Urbanized 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 the Formula Grants For Other Than Urbanized Areas for the year ended December 31, 2012.

Qualified Opinion on State Energy Program

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on State Energy Program* 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 the State Energy Program for the year ended December 31, 2012.

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 its other major federal program identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questions Costs for the year ended December 31, 2012.

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 2012-7, 2012-8, and 2012-9. 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 types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the type of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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 2012-5, 2012-6, 2012-7, and 2012-8 to be material weaknesses.

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

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



Bruce Hartman
State Examiner

August 14, 2013

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The Schedule of Expenditures of Federal Awards and accompanying notes presented were prepared 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, 2012

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>Department of Agriculture</u>				
Child Nutrition Cluster				
School Breakfast Program YSB	Indiana Department of Education	10.553	Fed School Breakfast	\$ 2,601
National School Lunch Program YSB	Indiana Department of Education	10.555	Fed School Lunch #17	3,125
Total - Child Nutrition Cluster				<u>5,726</u>
Child and Adult Care Food Program YSB	Indiana Department of Education	10.558	Calendar Year 2012	354
Total - Department of Agriculture				<u>6,080</u>
<u>Department of the Interior</u>				
Outdoor Recreation - Acquisition, Development and Planning 2010 Land and Water Conservation Grant	Indiana Department of Natural Resources	15.916	E10-2-1800572	200,000
Total - Department of the Interior				<u>200,000</u>
<u>Department of Justice</u>				
JAG Program Cluster				
Edward Byrne Memorial Justice Assistance Grant Program Pretrial Diversion Drug Treatment Court	Indiana Criminal Justice Institute	16.738	10-DJ-073 11-DJ-027	2,059 30,003
Total - JAG Program Cluster				<u>32,062</u>
Juvenile Accountability Block Grants Juvenile Accountability Block Grant	Indiana Criminal Justice Institute	16.523	10-JB-015 Calendar Year 2012	6,962 9,643
Total - Juvenile Accountability Block Grants				<u>16,605</u>
Juvenile Justice and Delinquency Prevention - Allocation to States Juvenile Reentry	Indiana Criminal Justice Institute	16.540	11-JF-013 Calendar Year 2012	2,210 7,559
Total - Juvenile Justice and Delinquency Prevention - Allocation to States				<u>9,769</u>
Crime Victim Assistance Victims of Crime Act	Indiana Criminal Justice Institute	16.575	11VAPR158	44,311
GAL/CASA	Indiana Supreme Court		Calendar Year 2012	45,267
Total - Crime Victim Assistance				<u>89,578</u>
Drug Court Discretionary Grant Program Drug Court	Indiana Criminal Justice Institute	16.585	10-DC-03	59,750
ARRA - Violence Against Women Formula Grants Stop Grant	Indiana Criminal Justice Institute	16.588	09-STR-11	13,760
Total - Department of Justice				<u>221,524</u>
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster Highway Planning and Construction	Indiana Department of Transportation	20.205	DES 0500009 DES 0301007 DES 9683080 DES 0901932	18,237 31,755 28,430 46,466
Total - Highway Planning and Construction Cluster				<u>124,888</u>

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, 2012
(Continued)

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>Department of Transportation (continued)</u>				
Highway Safety Cluster Safety Belt Performance Grants Operation Pullover	Indiana Criminal Justice Institute	20.609	OP-12-04-02-57	<u>15,204</u>
Total - Highway Safety Cluster				<u>15,204</u>
Formula Grant For Other Than Urbanized Areas Commissioners	Indiana Department of Transportation	20.509	180028; 180029	<u>784,734</u>
Interagency Hazardous Materials Public Sector Training and Planning Grants Emergency Management	Indiana Department of Homeland Security	20.703	C44P-2-171A	<u>4,800</u>
Airport Improvement Program	Direct Grant	20.106	3-18-0006-28	<u>92,461</u>
Total - Department of Transportation				<u>1,022,087</u>
<u>Department of Energy</u>				
State Energy Program Community Energy Conservation Challenge	Indiana Office of Energy Development	81.041	A302-12-CCC-004	<u>359,105</u>
Total - Department of Energy				<u>359,105</u>
<u>Department of Health and Human Services</u>				
Medical Reserve Corps Small Grant Program	Indiana State Department of Health	93.008	5MRCSG101005-02	<u>5,000</u>
Total - Medical Reserve Corps Small Grant Program				<u>5,000</u>
Temporary Assistance for Needy Families Futures Family Planning Clinic	Indiana Family and Social Services Administration	93.558	Calendar Year 2012	<u>41,260</u>
Special Programs for the Aging - Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation Adult Protective Services	Indiana Family and Social Services Administration	93.041	53-11-PV-2740 53-11-PV-2740-03	<u>81,705</u> <u>28,113</u>
Total - Special Programs for Aging				<u>109,818</u>
Public Health Emergency Preparedness Emergency Preparedness	Indiana State Department of Health	93.069	A70-2-0531852	<u>10,177</u>
Family Planning Services Family Planning Services	Indiana State Department of Health	93.217	SPHP-A-0505-35	<u>70,028</u>
Futures Family Planning Clinic	Indiana Family Health Council		SPHP-A-050511-35	<u>165,534</u>
Total - Family Planning Services				<u>235,562</u>
Child Support Enforcement Prosecutor Clerk Courts Prosecutor Incentive Clerk's Incentive Court's Incentive Indirect Costs	Indiana Department of Child Services	93.563	Calendar Year 2012 Calendar Year 2012 Calendar Year 2012 Calendar Year 2012 Calendar Year 2012 Calendar Year 2012 Calendar Year 2012 Calendar Year 2012	<u>625,501</u> <u>36,716</u> <u>161,692</u> <u>6,637</u> <u>22,535</u> <u>5,382</u> <u>151,662</u>
Total - Child Support Enforcement				<u>1,010,125</u>
Voting Access for Individuals with Disabilities - Grants to States	Indiana State Department of Health	93.617	Polling Place Booth	<u>25,000</u>
Basic Center Grant Runaway & Homeless Youth	Indiana Department of Child Services	93.623	90CY2361/03 90CY645801	<u>78,163</u> <u>16,337</u>
Total - Basic Center Grant				<u>94,500</u>

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, 2012
(Continued)

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>Department of Health and Human Services (continued)</u>				
Preventive Health Services - Sexually Transmitted Disease Controls Grants Comprehensive Sexually Transmitted Disease Prevention Systems	Indiana State Department of Health	93.977	A70-0-112149	50,689
Total - Department of Health and Human Services				<u>1,582,131</u>
<u>Department of Homeland Security</u>				
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042	C44P-2-111A C44P-2-359A	3,623 <u>37,369</u>
Total - Department of Homeland Security				<u>40,992</u>
Total federal awards expended				<u>\$ 3,431,919</u>

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

Note 2. Subrecipients

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

Program Title	Federal CFDA Number	2012
Formula Grants For Other Than Urbanized Areas	20.509	<u>\$ 784,734</u>

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 Child Support Enforcement; Qualified for Formula Grant For Other Urbanized Areas and State Energy Program

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	yes
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Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
20.509	Formula Grant For Other Than Urbanized Areas
81.041	State Energy Program
93.563	Child Support Enforcement

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

Auditee qualified as low-risk auditee?	no
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Section II – Financial Statement Findings

FINDING 2012-1 - INTERNAL CONTROLS – FINANCIAL TRANSACTIONS AND REPORTING - COUNTY AUDITOR

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

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

We noted numerous posting errors in the financial ledger related to the settlement funds, commercial vehicle excise tax, financial institution tax, and other County funds. Corrections were necessary for errors made by a part-time employee who processed accounts payable vouchers during the first six months of the year. Correcting entries were made without proper review and approval by someone other than the person involved in posting them. All corrections should be reviewed and approved by someone who is not involved in posting the financial ledger.

Several employees in the Auditor's office issued checks for various purposes, including refunds, property tax settlement, and other miscellaneous expenditures; however, not all of these expenditures and the related documentation had been subjected to the same control procedures as the regular accounts payable vouchers. These expenditures were included on the claim docket. For example, in most instances the Certificate of Tax Distribution Form 22 for the tax increment funds did not have clear documentation as to which Form 22s were paid on one check or the name of the governmental unit the amounts were paid to.

In some instances, the transactions related the County Option Income Tax and Settlement were posted to incorrect accounts within the respective funds.

As a result, the receipt and disbursement transactions reported on the County's financial statement for these funds were understated. Audit adjustments were proposed, approved by the current County Auditor, and made to the County's financial statement.

Accounts payable checks were distributed by the County Auditor's staff to the department that initiated the disbursement for mailing to the vendors. No controls were in place to ensure misappropriation did not occur as a result of this process.

Internal Controls and Segregation of Duties - Payroll

The County Auditor's payroll employee processed the County payroll. This employee was also responsible for calculating and making all employee and employer benefit payments. Supporting documentation for these payments were retained in the payroll files; however, no review of the documentation was completed by another employee, nor were the checks and/or electronic payments compared to the supporting documentation by any other County employee. No review or approval was conducted on changes made to the payroll amounts or on the payroll employee's own pay, deductions, or W-2. There were no independent verification for ensuring that the payroll system reports agreed to the amounts that were processed for direct deposits.

Also, there was no review and/or analysis of the Payroll Clearing Fund for 2012 to ensure that the various subaccounts that make up this fund were posted properly and that the balances, if any, were correct and owed for unpaid and/or outstanding obligations.

All financial transactions pertaining to the governmental unit should be recorded in the records of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 16)

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.

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

***FINDING 2012-2 - INTERNAL CONTROLS OVER FINANCIAL
TRANSACTIONS AND REPORTING - COUNTY TREASURER***

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

The County Treasurer did not have sufficient internal controls, including segregation of duties, over the processing of property tax payments. One person verified the cashier's collections paperwork, compared those collections to the bank deposits as prepared by the cashiers, posted the deposits to a summary sheet, and then posted to the Treasurer's Cash Book. That same person also reconciled the bank accounts.

As a result of inadequate internal controls; we noted the following issues:

The summary sheet, as referenced above, was kept daily to compare the amount deposited to the amount posted to the property tax software. If the amount deposited did not agree to the amount posted, the difference was noted. We noted on the summary sheet there was a difference on many days. A separate spreadsheet was kept to track the differences. The spreadsheet included a description column to identify the difference and when it was resolved. In most instances, when we traced the difference through to when it should have been resolved, it was not resolved and a difference remained.

Additionally, we noted a deposit that didn't agree to the amounts reported on the summary sheet; a deposit correction that was made that didn't have adequate documentation; an excise tax amount for settlement was split among the taxing districts on the Cash Book, but had already been transferred to the Auditor's ledger in preparation for settlement; nonsufficient fund checks did not always have a good audit trail to follow; the year-end advance collections Cash Book balance did not agree to the property tax software balance, nor was there supporting documentation as to why there was a difference.

Also, the amounts posted to the Treasurer's Cash Book did not always agree to the collections for that day's business. Generally there was no notation as to why the difference existed and whether the difference included corrections or adjustments. Upon inquiry, supporting documentation was available to show the differences were due to corrections; however, these corrections were not reviewed and approved by someone other than the person making the correction.

The Treasurer indicated that she did review the monthly bank reconciliements and other documents; however, there was no documentation of this review.

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.

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

***FINDING 2012-3 - INTERNAL CONTROLS OVER 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). The County should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected. There was also a lack of segregation of duties for the preparation of the grant spreadsheet for the SEFA.

County officials did not have sufficient controls in place including the comparison of the various County funds to the grant spreadsheet that was compiled from the various grant files, to ensure that all grants and grant transactions were accounted for and properly reported. During the audit of the SEFA, we noted material errors. Audit adjustments were proposed, accepted by the County, and made to the SEFA presented in the report. These adjustments resulted in a presentation of the SEFA that is materially correct in relation 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 Counties of Indiana, Chapter 1)

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

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

"(b) 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

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.

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

***FINDING 2012-4 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS
AND REPORTING – CLERK OF THE CIRCUIT COURT***

We noted several deficiencies in the internal control system of the Clerk of the Circuit Court related to financial transactions and reporting:

The Clerk's office received funds from the Auditor of State for the I-69 highway project in 2012. The funds were receipted into the Clerk's Trust on the Cash Book properly; however, the staff then moved the funds to an interest bearing bank account by writing checks and posting those as disbursements to Trust on the Cash Book. As a result, these funds were no longer accounted for in the Trust on the Clerk's Cash Book. In addition, they also had another interest bearing bank account with other Trust funds which was not accounted for in the Trust on the Clerk's Cash Book as of December 31, 2012. These funds were also not included in the Clerk's Monthly Report. As a result, the Clerk's cash and investment balances as of December 31, 2012, were understated by \$2,642,204. Audit adjustments were proposed, approved by County officials, and the appropriate adjustments were made to the County's financial statement. During the audit, the Clerk's staff did work with their software provider to determine how to properly account for Trust funds which were being held in interest bearing accounts.

Receipts for child support were not always correctly classified for the type of funds received (cash, credit card, or check). During the audit, we noted that receipts were being classified as cash when they should have been classified as a credit card payment. As a result, testing the receipts to the actual deposits reflected that the deposit was short, when, in fact, the difference was due to the misidentification of receipts that were made by credit card payments. In addition, the totals created by the child support software for the cash collections for each batch included the credit card payments. As a result, in order to verify that the collections were made intact, manual calculations were made to verify that the cash collections were actually deposited as cash and that the credit card transactions agreed to what was actually processed as credit card transactions.

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Deposits for child support collections were held and used to make change as needed.

In addition, officials should review their procedures for transferring money between cashiers and the bookkeeping staff as well as for handling money by the bookkeeping staff to ensure that accountability for the daily collections is sufficient. Currently, they are relying on their financial software to ensure that there are no issues. Daily paperwork that relates to the Clerk's receipts process had not been retained. If there were any differences noted at a later date, it would be difficult to determine who may have been responsible for those differences.

Review and approval of the Clerk's bank reconciliements, including child support, and other financial reports had not been documented.

The clerk is required to prepare in quadruplicate a monthly financial report. The report is prepared after the books are closed as of the last day of each month and in accordance with the requirements of IC 33-32-3-6. Form No. 46CR is to be used. The report is made from both the Clerk's Cash Book and Daily Balance Record, Form No. 46, and bank statements furnished by the designated depositories showing balances as of the last day of each month. (Accounting and Uniform Compliance Guidelines Manual for Clerks of the Circuit Courts of Indiana, Chapter 4)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Clerks of the Circuit Courts of Indiana, Chapter 13)

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

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

Section III – Federal Award Findings and Questioned Costs

FINDING 2012-5 - INTERNAL CONTROLS

Federal Agency: Department of Transportation
Federal Program: Formula Grants For Other Than Urbanized Areas
CFDA Number: 20.509
Federal Award Number and Year (or Other Identifying Number): 180028; 180029
Pass-Through Entity: Indiana Department of Transportation

Management of Monroe County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the following compliance requirements: Allowable Costs/Cost Principles; Cash Management; Procurement, Suspension, and Debarment; Reporting; and Subrecipient Monitoring. The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the grant.

In addition, to the lack of internal control noted above, we identified material noncompliance related to subrecipient monitoring. We found that County officials had not planned for the subrecipient monitoring responsibilities. We also noted that County officials did not have written plans that described how and by whom all its pass-through responsibilities would be met. As a result, proper subrecipient monitoring was not conducted by the County. We also found that County officials did not provide the CFDA title and number and the Federal Award name and number to its subrecipient.

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

OMB Circular A-133, Subpart C, section .300 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:

"(d) 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 that 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 internal controls could enable material noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds to the County.

We recommended that the County's management establish controls, including segregation of duties, related to the grant agreement and Allowable Costs/Cost Principles; Cash Management; Procurement, Suspension, and Debarment; Reporting; and Subrecipient Monitoring compliance requirements. We also recommended that the County comply with requirements to monitor subrecipients.

***FINDING 2012-6 - INTERNAL CONTROLS AND COMPLIANCE
OVER EQUIPMENT AND REAL PROPERTY***

Federal Agency: Department of Transportation; Department of Energy
Federal Program (CFDA Title): Formula Grant For Other Than Urbanized Areas; State Energy Program
CFDA Number: 20.509; 81.041
Pass-through Entity: Indiana Department of Transportation; Indiana Office of Energy Development
Award Number and Year: 180028; 180029; A302-12-CCC-004

County officials did not establish an effective internal control system, which would include segregation of duties, related to the grant agreements and the compliance requirement for Equipment and Real Property Management. The failure to establish an effective internal control system places the County at risk of non-compliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the mis-use and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the grant.

County officials did not have controls in place to ensure that capital assets purchased with federal funds were properly accounted for. County capital asset records had not been updated since prior to 2012. Also, there were no controls in place to ensure that any federally funded equipment was actually identified as such in those records. Buses and any other equipment which were used in the Formula Grant For Other Than Urbanized Areas, should have been, but were not recorded in prior years. No buses were purchased in 2012; however, County officials should have been maintaining capital asset records, including all of the buses purchased with the above described grant.

In 2012, County officials also completed a federally funded solar project on a County building. This project was not added to the capital asset records in 2012. The total grant expenditures for the project were estimated to be around \$359,000.

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

10 CFR 600.232 and 49 CFR 18.32 both state in part:

"(d) 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."

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."

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

We recommended that the County's management establish controls, including segregation of duties, related to the grant agreement and equipment and real property management compliance requirement to ensure compliance with the related requirements.

***FINDING 2012-7 - INTERNAL CONTROLS AND COMPLIANCE OVER REPORTING
AND INTERNAL CONTROL OVER ALLOWABLE COSTS/COST PRINCIPLES***

Federal Agency: Department of Energy
Federal Program: State Energy Program
CFDA Number: 81.041
Federal Award Number and Year (or Other Identifying Number): A302-12-CCC-004
Pass-Through Entity: Indiana Office of Energy Development

Management of the County has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the allowable costs and reporting compliance requirements. The failure to establish an effective internal control system places the County at risk of

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the grant.

There were several expenditures which were paid out of the grant fund which were either not allowable costs or were not intended to be charged to the grant. One of these expenditures was for the County's annual costs of \$12,000 for their grant software. The accounts payable voucher was approved for payment out of the grant fund and the payment was made by the County. Corrections were made to the grant fund approximately one month after the original postings. These expenditures were not included in the total of the expenditures submitted for reimbursement. The grant administrator, who is the person responsible for the grant, was unaware that these expenditures had been posted to, and then subsequently corrected out of, the grant fund. The error was discovered by chance and not as a result of an effective system on internal control.

The accounts payable vouchers are usually not approved for allowable costs by the person responsible for the grant. In general, the only signature on the voucher is the department head or elected official certifying that the goods or services had been received; however, that does not ensure the cost is allowable.

The quarterly reports included a section for the budget line items field. No information was entered into this section for the quarterly reports filed in 2012. The grant administrator indicated that this section was not required; however, she was unable to provide documentation on that guidance from the Indiana Office of Energy Development.

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

OMB Circular A-133, Subpart C, section .300 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."

Per the CCC Grantee Handbook, page 9, FAQ Sheet Project Costs section, "This should reflect your actual costs for your entire project and you will further reflect the money that was spent (both leveraged and grant funding) for each project area."

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

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

MONROE COUNTY
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 (Continued)

FINDING 2012-8 - INTERNAL CONTROLS AND COMPLIANCE OVER CHILD SUPPORT ENFORCEMENT

Federal Agency: Department of Health and Human Services
 Federal Program: Child Support Enforcement
 CFDA Number: 93.563
 Federal Award Number and Year (or other Identifying Number): Calendar Year 2012
 Pass-Through Agency: Indiana Department of Child Services

Management of the County has not established an effective internal control system over the compliance requirements relating to allowable costs/cost principles, cash management, and reporting, including the Clerk's Incentive fund quarterly reporting. The failure to establish an effective internal control system places the County at risk of noncompliance with the grant agreement and the compliance requirements.

The IV-D court claimed 1/12 of their annual budgeted expenditures for supplies of \$277.83 monthly and other services and charges of \$926.25 monthly during 2012, rather than actual expenditures paid. For the months that were actually reimbursed in 2012, this represents a total of \$12,040.80, which was reimbursed at 66 percent or \$7,946.93. There was no documentation available at the time of audit to determine what was actually spent on supplies and other services and charges specific to the IV-D program, therefore we considered the entire \$7,946.93 to be questioned costs.

The Clerk's office started paying an employee's entire gross pay and benefits out of the Clerk's IV-D Incentive Fund in June 2012. The Clerk's IV-D Incentive Fund can only be used for IV-D purposes. Only a portion of the employee's actual hours were properly reportable as IV-D time worked. This employee's IV-D hours and employer provided benefits were also included on the regular IV-D child support monthly reimbursement claims.

We summarized the total expenditures for this employee, which were charged to the Clerk's Incentive Fund, for the months of June through October 2012. We then calculated the amounts that had been reimbursed at the 66 percent FFP as documented IV-D hours and related employer provided benefits. The difference was the amount that was charged to the Clerk's IV-D Incentive Fund for non IV-D activities. These amounts were considered questioned costs: p59-

Clerk's Incentive Fund - Gross pay and benefits related to this employee June to October 2012	\$ 13,656.97
Amounts reimbursed through the 66% FFP, documented IV-D hours and related employer provided benefits June to October 2012	<u>(2,337.98)</u>
Difference – amount that was charged to the Clerk's IV-D Incentive Fund for non IV-D activities	<u><u>\$ 11,318.99</u></u>

The Clerk's staff will need to work with the Department of Child Services to determine what adjustments need to be made.

The County was required to report expenditures paid monthly for the Clerk and Prosecutor's offices. The Clerk's office used an incorrect percentage for FICA and retirement employer contributions in addition to other expenditure amounts.

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The actual monthly reimbursement claim is set up so that the actual amounts are entered into each major category (personal services, supplies, other services, and charges). These categories were subtotaled, then the federal financial participation rate (for 2012, this was 66 percent) was applied, to determine the total amount to be reimbursed by the Indiana Department of Child Services. As a result, the Clerk's reimbursements had been underreported.

Also, an error was noted on the April 2012 calculations for the Clerk's monthly reimbursement report. The total personal services amount included \$299.35 in error, which was the total of the part-time hours worked for all of the employees.

Title IV-D program requirements, the Indiana Department of Child Services issued an update, "Cash vs. Accrual Basis Clarification for Reporting of Monthly Expenditure Reimbursement Claims and Quarterly Incentive Expenditure Reports" (the Update) on March 3, 2012. Excerpts from the Update describing cash basis reporting: "According to 31 CFR 201.12(5), Reimbursable funding means that a Federal Program Agency transfers funds to a State after the State has already paid out the funds for Federal assistance program purposes. These same guidelines apply to sub-recipients of federal funding. In order to accomplish this task, we must ensure there is an understanding of the correct reporting method: Cash Basis – Expenses are reported based on when they are actually paid, i.e., when the county remits the payment to the vendor (not the month that the invoice was received or submitted for payment)."

45 CFR 305.35 states in part:

"(a) A State must expend the full amount of incentive payments received under this part to supplement, and not supplant, other funds used by the State to carry out IV-D program activities or funds for other activities approved by the Secretary which may contribute to improving the effectiveness or efficiency of the State's IV-D program, including cost-effective contracts with local agencies, whether or not the expenditures for the activity are eligible for reimbursement under this part.

(b) In those States in which incentive payments are passed through to political subdivisions or localities, such payments must be used in accordance with this section."

OMB Circular A-87, Appendix B, item 8(d)(5) states in part:

"The cost of fringe benefits in the form of employer contributions or expenses for social security; employee life, health, unemployment, and workers compensation insurance (except as indicated in section 22, Insurance and indemnification); pension plan costs. . . . are allowable, provided such benefits are granted under established written policies."

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."

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

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

We recommended that the County's management establish controls, including segregation of duties, related to the grant agreement and the compliance requirements noted above to ensure compliance with applicable requirements.

FINDING 2012-9 - ALLOWABLE COSTS/COST PRINCIPLES

Federal Agency: Department of Health and Human Services

Federal Program: Child Support Enforcement

CFDA Number: 93.563

Federal Award Number and Year (or Other Identifying Number): Calendar Year 2012

Pass-Through Entity: Indiana Department of Child Services

The County was required to maintain time and effort reports on all full and part-time employees paid from the grant. The Department of Child Services has a report titled "Record of Monthly Time, State Form 45272 (3-92)/DFC Form 918." This form provides a space for employees to enter hours worked each day during the month and then place for them to sign that the time reported represents only Title IV-D work and is true and correct. The IV-D Court office presented this report for the months tested; however, they had employee signatures printed on the reports. The Clerk's office presented this report for the months tested. The Prosecutor's office did not complete this report.

OMB Circular A-87, Attachment B, item 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. 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."

Noncompliance with the grant agreement or the allowable cost/cost principles requirements that have a direct and material effect to the program could result in the loss of federal funds to the County.

We recommended that the County maintain proper time and effort reporting.



STEVE SAULTER
Monroe County Auditor

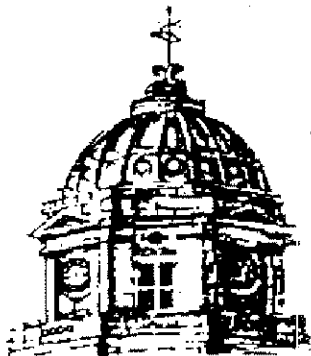
Monroe County Courthouse
100 W. Kirkwood, Rm. 209
Bloomington, IN 47404
Office (812) 349-2510
Fax (812) 349-2280

August 14, 2013

***FINDING 2012-1 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING –
COUNTY AUDITOR***

Monroe County Government will develop a policy whereas proper checks and balances will be implemented to address the issues brought to our attention by the State Board of Accounts.

Signed: Steve Saulter
Steve Saulter, Monroe County Auditor



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 22, 2013

MEMORANDUM FOR RECORD

Treasurer's Office Response to SBOA 2012 Audit

My response to the 2012 Audit in general is as follows:

It is my intention to develop and implement a plan for corrective action which properly addresses these issues.

In order to establish, implement and sustain sufficient internal control over financial transactions by creating a plan of corrective action to address these issues, I will do the following:

1. Continue to address the issue of segregation of financial duties with the County Council (who remain in charge of the creation of job duties, staffing levels and job descriptions) to make structural changes in the Treasurer's Department to separate the mechanics of banking functions from the management of our county's cashbook and tax collections. This will result in two different individuals handling each function.
2. Have these two different individuals together review entries and totals, ensuring proper balancing of our county's cash and properly documenting any corrections which are deemed necessary.
3. Create a financial review signoff sheet to prove that proper oversight of these areas was applied, such as the monthly reconciliation of bank accounts.

Catherine Smith

Catherine Smith



STEVE SAULTER
Monroe County Auditor

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

August 14, 2013

FINDING 2012-3 - INTERNAL CONTROLS OVER THE SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS

Monroe County Government will develop a policy whereas proper checks and balances will be implemented to address the issues brought to our attention by the State Board of Accounts.

Signed: Steve Sauter
Steve Sauter, Monroe County Auditor

Linda K. Robbins
Monroe County Clerk of Courts
301 N. College Avenue, Suite 201
Bloomington, IN 47404

CORRECTIVE ACTION PLAN:

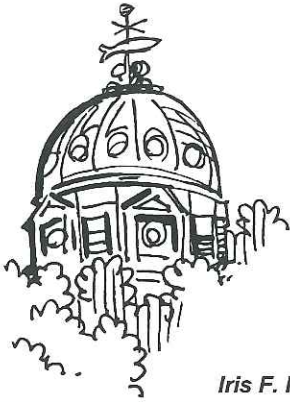
***FINDING 2012-4 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING –
CLERK OF THE CIRCUIT COURT***

Effective immediately the Monroe County Clerk's office will establish controls to be in compliance with SBOA suggestions for Internal Fiscal Controls.

1. All interest bearing accounts court ordered to be opened for individuals are being entered into an investments category in Odyssey and totals now manually included in reporting.
2. Request an increase in cash on hand from \$500.00 to \$1500.00 to make change for payment takers. This will eliminate the need to make change from deposits allowing the deposits to be made earlier in the day.
3. Financial Director will initial bank reconciliations indicating that it was reviewed for accuracy.
4. Create a spreadsheet to document tender differences between electronic and cash payments in ISETS, and save in shared files.



8/20/2013



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

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

Iris F. Kiesling, President

Julie L. Thomas, Vice President

Patrick Stoffers, Member

August 22, 2013

Corrective Action Plan For:

FINDING 2012—5 INTERNAL CONTROLS

Federal Agency: Department of Transportation

Federal Program: Formula Grant For Other Than Urbanized Areas

CFDA Number: 20.509

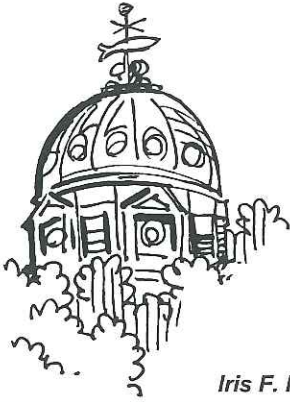
Federal Award Number and Year: 180028, 180029

Pass-Through Entity: Indiana Department of Transportation

Corrective Action: Effective Immediately, the Auditor and Commissioners office will establish Internal Controls to be in compliance with the Federal Laws. The County will develop written plans that describe the responsibilities of the recipient. Plans will include, segregation of duties and internal controls that provide reasonable assurance that the County is managing federal awards in compliance with laws, regulations and the provisions of contract or grant agreement that could have a material effect on each of its Federal programs.

[Signature] Date 8/23/13
 (Commissioners Administrator)

[Signature] Date 8-23-13
 (Monroe County Auditor)



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Iris F. Kiesling, President

Julie L. Thomas, Vice President

Patrick Stoffers, Member

August 22, 2013

Corrective Action Plan for:

FINDING 2012—6 INTERNAL CONTROLS OVER EQUIPMENT AND REAL PROPERTY

Federal Agency: Department of Transportation, Department of Energy

Federal Program: Formula Grant For Other Than Urbanized Areas, State Energy Program


CFDA Number: 20.509, 81.041

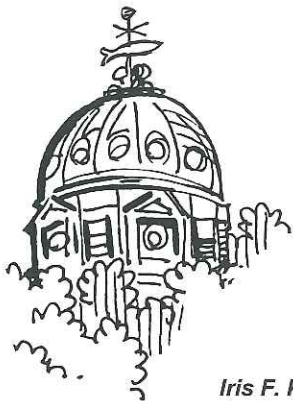
Federal Award Number and Year: 180028, 80029, A302-12-CCC-004

Pass-Through Entity: Indiana Department of Transportation; Indiana Department of Energy

Corrective Action: Effective Immediately, the Auditor and Commissioners office will establish Internal Controls to be in compliance with the Federal Laws. The Auditor's office will update its capital assets records on an annual basis. The Commissioners will add a section on reporting standards in the County's grants policy and procedure manual.

 Date 8/23/13
 (Commissioners Administrator)

 Date 8-23-13
 (Monroe County Auditor)



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Julie L. Thomas, Vice President

Patrick Stoffers, Member

August 22, 2013

Corrective Action Plan for:

FINDING 2012—7 INTERNAL CONTROLS AND COMPLIANCE OVER ALLOWABLE COST/COST PRINCIPLELS AND REPORTING

Federal Agency: Department of Energy

Federal Program: State Energy Program

CFDA Number: 81.041

Federal Award Number and Year (or other Identifying Number): A302-12-CCC-004

Pass-Through Entity: Indiana Department of energy

Corrective Action: Effective Immediately, the Auditor and Commissioners office will establish Internal Controls to be in compliance with the Federal Laws. The Auditor's office will make changes to the County's claim forms: add a 'grant' identifier section and a program manager signature approval line. The Commissioners office will implement a grant policies and procedure manual. In addition the Auditor and Commissioners office will plan to follow the OMB Circular A-133. If advised differently from grantor, the preparer of the report will request the changes in writing and include with reporting.

Date

8/23/13

(Commissioners Administrator)

Date

8-23-13

(Monroe County Auditor)

Linda K. Robbins
Monroe County Clerk of Courts
301 N. College Avenue, Suite 201
Bloomington, IN 47404

Finding 2012- 8 Internal Controls and Compliance over Child Support Enforcement

Federal Agency: Department of Health and Human Services

Federal Program: Child Support Enforcement

CFDA Number: 93.563

Federal Award Number and Year: Calendar Year 2012

Pass Through Agency: Indiana Department of Child Services

Corrective Action: Effective immediately, the Clerk will establish internal controls to be in compliance with the Federal Laws. The Financial Manager will review all quarterly claims submitted by the Preparer of the Report. The Auditor's monthly Budget Status Report will be used to verify correct expenditures are claimed on the report for the Indiana Department of Child Services using the Cash Basis reporting method as described in the March 3, 2012 update, "Cash vs. Accrual Basis Clarification for the reporting of Monthly Expenditure Reimbursement Claims and Quarterly Incentive Expenditure Reports.

The Clerk will work with the Indiana Department of Child Services to determine what adjustments will need to be made in the monthly reimbursement reports for the IV-D fund.



8/23/2013



Chris Gaal
Prosecuting Attorney

Charlotte T. Zietlow Justice Center
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www.monroeprosecutor.us

August 23, 2013

Federal Agency: Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA Number: 93.563
Federal Award Number and Year: Calendar Year 2012
Pass Through Agency: Indiana Department of Child Services

2012-8 INTERNAL CONTROLS AND COMPLIANCE OVER CHILD SUPPORT ENFORCEMENT

Corrective Action: Effective immediately, the Monroe County Prosecutor's Office will work with the Department of Child Services to determine the appropriateness of reimbursing health insurance fringe based upon the percentage. The Monroe County Prosecutor's Office will also work in conjunction with the Monroe County Auditor to make this determination.

Beth Hamlin, Executive Director (Preparer of the Report)

8/23/13
Date

Chris Gaal, Monroe County Prosecuting Attorney

8/23/13
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
Court Administrator

Lisa Abraham
Deputy Court Administrator

Michelle Pritchard
Public Service Coordinator

Bernice Luck
Financial Coordinator

Lorie Robinson
Case Management Coordinator

Michelle Pritchard
Court Program Coordinator

August 15, 2013

Corrective Action Plan for:

FINDING 2012-8 INTERNAL CONTROLS AND COMPLIANCE OVER CHILD SUPPORT ENFORCEMENT

Federal Agency: Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA Number: 93.563
Federal Award Number and Year (or other Identifying Number): Calendar Year 2012
Pass-Through Agency: Indiana Department of Child Services

Corrective Action: Effective immediately, the IV-D Court and the Court Administration office will establish Internal Controls to be in compliance with the Federal Laws. The Court Administrator or Deputy Court Administrator will review all quarterly claims submitted by the Preparer of the Report. The Auditor's Monthly Budget Status Report will be used to verify correct expenditures are claimed on the report for the Indiana Department of Child Services using the Cash Basis reporting method as described in the March 3, 2012 update, "Cash vs. Accrual Basis Clarification for Reporting of Monthly Expenditure Reimbursement Claims and Quarterly Incentive Expenditure Reports".

Lorie Robinson Date 8-16-2013
(Preparer of Report for IDCS)

Bonnie Austin Date 8-16-2013
(Court Administrator or Deputy Court Administrator)



Chris Gaal
Prosecuting Attorney

Charlotte T. Zietlow Justice Center
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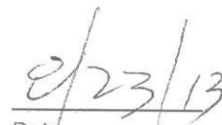
August 23, 2013

Federal Agency: Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA Number: 93.563
Federal Award Number and Year: Calendar Year 2012
Pass Through Agency: Indiana Department of Child Services

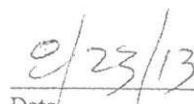
2012-9 INTERNAL CONTROLS AND COMPLIANCE OVER CHILD SUPPORT ENFORCEMENT

Corrective Action: Effective immediately, the IV-D Prosecuting Attorney will reinstate the use of Department of Child Services State Form 45272 (3-92)/DFC Form 918 "Record of Monthly Time".


Beth Hamlin, Executive Director (Preparer of the Report)


Date


Chris Gaal, Monroe County Prosecutor


Date

Monroe Circuit Court

Office of Court Services

The Justice Building
301 North College Avenue
Bloomington, Indiana 47404-3865
(812)349-2615
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Bonnie Austin
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Lisa Abraham
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Michelle Pritchard
Public Service Coordinator

Bernice Luck
Financial Coordinator

Lorie Robinson
Case Management Coordinator

Michelle Pritchard
Court Program Coordinator

August 15, 2013

Corrective Action Plan for:

FINDING 2012-9 ALLOWABLE COSTS/COST PRINCIPLES

Federal Agency: Department of Health and Human Services
Federal Program: Child Support Enforcement
CFDA Number: 93.563
Federal Award Number and Year (or Other Identifying Number): Calendar Year 2012
Pass-Through Entity: Indiana Department of Child Services

Corrective Action: Effective immediately, the IV-D Court and the Court Administration office will establish Internal Controls to be in compliance with the Federal Laws. The county is required to maintain time and effort reports on all full and part-time employees whose salaries are reimbursed by the grant. The IV-D Court uses the Department of Child Services recommended report titled "Record of Monthly Time, State Form 45272 (3-92)/DFC Form 918" from the IV-D Expense Reporting and Reimbursement Guide. This form provides a space for employees to enter allowable hours worked each day during the month and a place to sign at the bottom to certify the reported hours represent only Title IV-D work and are true and correct. The Preparer of the Report will verify each employee's signature on the monthly report and retain the original document or a scanned copy.

Lorie Robinson Date 8-16-2013
(Preparer of Report for IDCS)

Bonnie Austin Date 8-16-2013
(Court Administrator or Deputy Court Administrator)

MONROE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 14, 2013, with Steve Saulter, Auditor; Iris F. Kiesling, President of the Board of County Commissioners; Geoff McKim, President of the County Council; Marty Hawk, County Council; Angela Chalfant, Commissioners' Administrator; David B. Schilling, County Attorney; and R. Michael Flory, Council Attorney.

The contents of this report were also discussed on August 14, 2013, with Julie Thomas, County Commissioner;

The contents of this report were also discussed on August 14, 2013, with Patrick Stoffers, County Commissioner; E. Jeff Cockerill, County Attorney; and Kevin W. Dogan, County Attorney;