

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

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



FILED
06/06/2017

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Ricki Hawkins	01-01-11 to 12-31-14
	Christian Howell	01-01-15 to 12-31-18
County Treasurer	Kelli R. Slaughterback	01-01-13 to 12-31-20
Clerk of the Circuit Court	Edna M. Brown	01-01-11 to 12-31-18
County Sheriff	Tim Wilkerson	01-01-11 to 12-31-14
	Charles McDaniel	01-01-15 to 02-03-17
	Jeff Howell	02-04-17 to 12-31-18
County Recorder	Charla Dawn Wright	01-01-11 to 12-31-14
	Jessica Bowman	01-01-15 to 12-31-18
President of the Board of County Commissioners	Randy Gilmore	01-01-14 to 12-31-14
	Jim Schultz	01-01-15 to 12-31-16
	Dan Crecilius	01-01-17 to 12-31-17
President of the County Council	Jerry Brewer	01-01-14 to 12-31-14
	Steve Bartels	01-01-15 to 12-31-17



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF CRAWFORD COUNTY, INDIANA

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from 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 to the financial statement, the County prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the County for the year ended December 31, 2014.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the County for the year ended December 31, 2014, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the County's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

Other Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated April 19, 2017, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

April 19, 2017



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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 CRAWFORD 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 Crawford County (County), which comprises the financial position and results of operations for the year ended December 31, 2014, and the related notes to the financial statement, and have issued our report thereon dated April 19, 2017, 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2014-001, 2014-002, and 2014-003 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 from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2014-001 and 2014-003.

Crawford County's Response to Findings

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

Purpose of This Report

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


Paul D. Joyce, CPA
State Examiner

April 19, 2017

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

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

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
General	\$ 821,553	\$ 2,743,933	\$ 2,864,592	\$ 700,894
Accident Report	7,617	1,365	2,181	6,801
CAGIT County Certified Shares	40,181	696,582	514,846	221,917
CEDIT County Share	481,002	288,931	89,975	679,958
City and Town Court Costs	245	2,616	2,700	161
Clerk's Records Perpetuation	62,623	3,645	3,565	62,703
Congressional School Interest	4,912	19	450	4,481
Congressional School Principal	11,247	-	-	11,247
Prisoner Reimbursement For Incarceration	2,188	-	2,060	128
Sales Disclosure - County Share	10,280	4,615	899	13,996
Drug Free Community	14,868	6,997	9,696	12,169
Emergency Medical Services	95,659	685,866	541,409	240,116
Emergency Planning/Right To Know	10,959	-	22	10,937
Enhanced Access	6,497	4,110	2,123	8,484
Firearms Training	19,555	5,100	12,000	12,655
Health	14,009	213,048	170,959	56,098
Identification Security Protection	21,158	944	-	22,102
Levy Excess	6,480	-	-	6,480
Local Health Maintenance	47,610	33,424	41,170	39,864
Local Road and Street	32,569	104,097	97,156	39,510
Crawford County Bridge 80	-	6,798	19,077	(12,279)
Misdemeanant	45,560	7,338	-	52,898
Motor Vehicle Highway	416,568	1,637,333	1,199,318	854,583
Plat Book	382	-	-	382
Rainy Day	396,110	-	53,960	342,150
Reassessment - 2015	345,413	-	345,413	-
Recorder's Records Perpetuation	9,937	20,584	2,250	28,271
Riverboat Contingency	113,653	6,567	57,010	63,210
Sex and Violent Offender Administration	1,764	968	-	2,732
Supplemental Public Defender Services	24,466	3,627	14,311	13,782
Surplus Tax	24,403	16,324	28,866	11,861
Surveyor's Corner Perpetuation	26,331	3,135	551	28,915
Commissioners Certificate Sale	-	77,268	71,728	5,540
Tax Sale Redemption	-	33,209	31,018	2,191
Tax Sale Surplus	94,710	-	31,999	62,711
GAL/CASA	3,007	52,520	40,925	14,602
Election and Registration	142,418	22,806	61,827	103,397
Auditors Ineligible Deductions	1,587	-	-	1,587
County Elected Officials Training	1,307	944	-	2,251
Park And Recreation	19,898	-	-	19,898
Statewide 911	89,643	155,968	130,057	115,554
Reassessment	-	391,307	144,498	246,809
Adult Probation Administrative	18,921	49,165	56,079	12,007
Alternative Dispute Resolution	7,508	1,160	-	8,668
County User Fee	93,593	16,181	24,968	84,806
Cumulative Capital Development	154,873	169,687	138,260	186,300
Emergency Ambulance Escrow	63,734	37,239	64,317	36,656
Sheriff Sale Administration	30,801	8,400	4,200	35,001
K-9	4	-	-	4
TIF (Redevelopment)	205,286	217,203	186,031	236,458
Capital Projects	-	564,632	101,314	463,318
Settlement	-	8,068,879	8,068,879	-
State Fines and Forfeitures	28	1,604	1,127	505
Pretrial	15,011	3,685	517	18,179
Overweight Vehicle Fines	-	10	10	-
Special Death Benefit	80	755	770	65
Sales Disclosure - State Share	135	1,650	1,670	115
Coroners Perpetuation Fund	52	438	472	18
Mortgage Recording Fees - State Share	48	910	833	125
Sex and Violent Offender Admin - State	5	108	113	-

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

CRAWFORD COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS

For the Year Ended December 31, 2014
(Continued)

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14
Child Restraint Violations Fines	-	200	200	-
Inheritance Tax	26,425	-	563	25,862
Education Plate Fees Agency	75	150	-	225
Innkeepers Tax Collections	3,139	64,598	66,615	1,122
93.563 Title IV-D Incentive	28,654	4,329	-	32,983
93.563 Prosecutor IV-D Incentive-Post Oct '99	35,632	6,511	647	41,496
93.563 Clerk IV-D Incentive-Post Oct '99	22,532	4,329	5,267	21,594
Probation Administrative Fees	33,662	6,101	3,656	36,107
Juvenile Administrative Fees	448	300	-	748
Jury Pay	3,237	1,390	1,838	2,789
Deferred Infraction	50,550	20,195	16,389	54,356
Law Enforcement and Continuing Education	549	-	-	549
Harrison County Riverboat	633,386	1,845,587	2,276,840	202,133
Orange County Riverboat Wagering	359,927	229,820	238,515	351,232
Orange County Riverboat Admissions	168,436	162,900	272,935	58,401
Riverboat Wagering Tax (County)	190,368	50,365	180,660	60,073
Switzerland Riverboat	81,187	277,354	205,442	153,099
Commercial Vehicle Excise Tax	-	13,431	13,431	-
Financial Institution Tax	-	55,035	55,035	-
Civil Infractions	784	9,098	9,557	325
Riverboat Wagering Tax (State)	-	63,463	63,463	-
CAGIT	-	1,089,241	1,089,241	-
CEDIT	-	364,069	364,069	-
Tobacco Settlement/LHM Rollover	13,569	25,534	1,839	37,264
Sheriff's Inmate Trust	12,887	74,158	76,264	10,781
Jail Commissary Fund	56,417	68,723	43,630	81,510
Clerk's Trust Fund	363,350	819,282	756,064	426,568
Clerk ISETS	1,458	90,667	89,509	2,616
Crawford County Treasurer	210,123	276,389	210,123	276,389
Crawford County Emergency Management	-	3,493	3,493	-
Community Services	15,555	975	-	16,530
Tobacco Education LHD Trust	64,251	13,557	5,874	71,934
Surveyors Plat Map	2,051	415	809	1,657
Juvenile Probation	10,136	1,780	741	11,175
Crawford Emergency Management	7,700	-	-	7,700
Auditors Transfer Fee	11,053	1,715	-	12,768
Child Abuse Prevention	300	-	-	300
Crawford County Tower Fund	46,493	29,250	6,940	68,803
Drug Forfeiture	154	12,198	-	12,352
Emergency Phone Messenger	1,050	-	1,050	-
Grants and Special Projects	24,355	5,500	6,384	23,471
Highway Escrow	34,583	17,695	11,243	41,035
Highway Riverboat Road Plan	991,028	926,734	932,538	985,224
Crawford County Fuel Fund	12,856	274,504	268,303	19,057
Bridge 129	24,812	179,301	218,120	(14,007)
Crawford County Sheriff Transportation Esc	53,760	141,960	105,345	90,375
Crawford County Emergency Operating	-	2,690	2,690	-
Crawford County Bridge Fund	-	214,473	-	214,473
Payroll Clearing Fund	127,057	2,549,336	2,557,936	118,457
Crawford County Emergency Radios	25,000	78,265	83,199	20,066
Prosecutor VOCA 16.575	(1,633)	39,870	50,227	(11,990)
Joint Drug Prosecutor 16.738	8,146	-	-	8,146
Criminal Justice (BPV)	-	2,449	2,449	-
Probation Drug Testing	1,456	2,560	2,283	1,733
Home Monitoring	17,984	29,631	35,491	12,124
Revolving Loan Fund	77,485	61,590	60,417	78,658
Crawford County Revolving Loan RBEG	98,744	14,217	76,500	36,461
Totals	\$ 8,009,619	\$ 26,601,071	\$ 25,711,995	\$ 8,898,695

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

CRAWFORD COUNTY
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

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

C. Cash and Investments

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

D. Receipts

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

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

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

CRAWFORD COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Charges for services. Amounts received for services including, but not limited to, the following: planning commission charges, building department charges, copies of public records, copy machines 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. Amounts received from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

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

E. Disbursements

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

Personal services. Amounts disbursed 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. Amounts disbursed for 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, but are not limited to, the following: office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges. Amounts disbursed for services including, but not limited to, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service - principal and interest. Amounts disbursed for 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. Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

CRAWFORD COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Other disbursements. Amounts disbursed for various other purposes including, but 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, make transfers 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 amounts 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 amounts 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.

CRAWFORD COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

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

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

CRAWFORD COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

B. County Police Retirement Plan

Plan Description

The County Police Retirement Plan is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. 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.

CRAWFORD COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 7. Cash Balance Deficits

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

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OTHER INFORMATION - UNAUDITED

The County's Annual Financial Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

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

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

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

	General	Accident Report	CAGIT County Certified Shares	CEDIT County Share	City and Town Court Costs	Clerk's Records Perpetuation	Congressional School Interest
Cash and investments - beginning	\$ 821,553	\$ 7,617	\$ 40,181	\$ 481,002	\$ 245	\$ 62,623	\$ 4,912
Receipts:							
Taxes	2,174,562	-	696,582	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	283,475	-	-	-	-	-	-
Charges for services	210,802	-	-	-	-	-	-
Fines and forfeits	29,543	-	-	-	198	3,645	-
Other receipts	45,551	1,365	-	288,931	2,418	-	19
Total receipts	<u>2,743,933</u>	<u>1,365</u>	<u>696,582</u>	<u>288,931</u>	<u>2,616</u>	<u>3,645</u>	<u>19</u>
Disbursements:							
Personal services	2,543,765	-	116,568	-	-	-	-
Supplies	50,668	1,461	11,795	-	-	-	-
Other services and charges	210,055	-	386,483	89,975	-	3,565	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	13,463	720	-	-	-	-	-
Other disbursements	46,641	-	-	-	2,700	-	450
Total disbursements	<u>2,864,592</u>	<u>2,181</u>	<u>514,846</u>	<u>89,975</u>	<u>2,700</u>	<u>3,565</u>	<u>450</u>
Excess (deficiency) of receipts over disbursements	<u>(120,659)</u>	<u>(816)</u>	<u>181,736</u>	<u>198,956</u>	<u>(84)</u>	<u>80</u>	<u>(431)</u>
Cash and investments - ending	<u>\$ 700,894</u>	<u>\$ 6,801</u>	<u>\$ 221,917</u>	<u>\$ 679,958</u>	<u>\$ 161</u>	<u>\$ 62,703</u>	<u>\$ 4,481</u>

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

	Congressional School Principal	Prisoner Reimbursement For Incarceration	Sales Disclosure - County Share	Drug Free Community	Emergency Medical Services	Emergency Planning/Right To Know	Enhanced Access
Cash and investments - beginning	\$ 11,247	\$ 2,188	\$ 10,280	\$ 14,868	\$ 95,659	\$ 10,959	\$ 6,497
Receipts:							
Taxes	-	-	-	-	297,761	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	24,900	-	-
Charges for services	-	-	4,615	-	363,205	-	4,110
Fines and forfeits	-	-	-	6,997	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	-	4,615	6,997	685,866	-	4,110
Disbursements:							
Personal services	-	-	-	-	458,892	-	-
Supplies	-	-	899	-	1,512	-	-
Other services and charges	-	2,060	-	9,696	81,005	22	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	2,123
Total disbursements	-	2,060	899	9,696	541,409	22	2,123
Excess (deficiency) of receipts over disbursements	-	(2,060)	3,716	(2,699)	144,457	(22)	1,987
Cash and investments - ending	\$ 11,247	\$ 128	\$ 13,996	\$ 12,169	\$ 240,116	\$ 10,937	\$ 8,484

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

	Firearms Training	Health	Identification Security Protection	Levy Excess	Local Health Maintenance	Local Road and Street	Crawford County Bridge 80
Cash and investments - beginning	\$ 19,555	\$ 14,009	\$ 21,158	\$ 6,480	\$ 47,610	\$ 32,569	\$ -
Receipts:							
Taxes	-	187,335	-	-	-	-	-
Licenses and permits	5,100	-	-	-	-	-	-
Intergovernmental receipts	-	15,665	-	-	-	104,097	-
Charges for services	-	10,048	944	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	-	-	33,424	-	6,798
Total receipts	<u>5,100</u>	<u>213,048</u>	<u>944</u>	<u>-</u>	<u>33,424</u>	<u>104,097</u>	<u>6,798</u>
Disbursements:							
Personal services	-	164,646	-	-	-	-	-
Supplies	12,000	2,244	-	-	4,621	97,156	-
Other services and charges	-	4,069	-	-	4,962	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	6,053	-	19,077
Other disbursements	-	-	-	-	25,534	-	-
Total disbursements	<u>12,000</u>	<u>170,959</u>	<u>-</u>	<u>-</u>	<u>41,170</u>	<u>97,156</u>	<u>19,077</u>
Excess (deficiency) of receipts over disbursements	<u>(6,900)</u>	<u>42,089</u>	<u>944</u>	<u>-</u>	<u>(7,746)</u>	<u>6,941</u>	<u>(12,279)</u>
Cash and investments - ending	<u>\$ 12,655</u>	<u>\$ 56,098</u>	<u>\$ 22,102</u>	<u>\$ 6,480</u>	<u>\$ 39,864</u>	<u>\$ 39,510</u>	<u>\$ (12,279)</u>

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

	Misdemeanant	Motor Vehicle Highway	Plat Book	Rainy Day	Reassessment - 2015	Recorder's Records Perpetuation	Riverboat Contingency
Cash and investments - beginning	\$ 45,560	\$ 416,568	\$ 382	\$ 396,110	\$ 345,413	\$ 9,937	\$ 113,653
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	1,590,186	-	-	-	-	-
Charges for services	-	-	-	-	-	20,584	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	7,338	47,147	-	-	-	-	6,567
Total receipts	7,338	1,637,333	-	-	-	20,584	6,567
Disbursements:							
Personal services	-	1,112,212	-	-	-	-	-
Supplies	-	-	-	53,960	-	-	35,993
Other services and charges	-	87,106	-	-	-	2,250	7,917
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	1,100
Other disbursements	-	-	-	-	345,413	-	12,000
Total disbursements	-	1,199,318	-	53,960	345,413	2,250	57,010
Excess (deficiency) of receipts over disbursements	7,338	438,015	-	(53,960)	(345,413)	18,334	(50,443)
Cash and investments - ending	\$ 52,898	\$ 854,583	\$ 382	\$ 342,150	\$ -	\$ 28,271	\$ 63,210

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

	Sex and Violent Offender Administration	Supplemental Public Defender Services	Surplus Tax	Surveyor's Corner Perpetuation	Commissioners Certificate Sale	Tax Sale Redemption	Tax Sale Surplus
Cash and investments - beginning	\$ 1,764	\$ 24,466	\$ 24,403	\$ 26,331	\$ -	\$ -	\$ 94,710
Receipts:							
Taxes	-	-	16,324	-	-	33,209	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	968	-	-	3,135	-	-	-
Fines and forfeits	-	3,627	-	-	-	-	-
Other receipts	-	-	-	-	77,268	-	-
Total receipts	<u>968</u>	<u>3,627</u>	<u>16,324</u>	<u>3,135</u>	<u>77,268</u>	<u>33,209</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	14,311	28,866	551	-	31,018	31,999
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	71,728	-	-
Total disbursements	<u>-</u>	<u>14,311</u>	<u>28,866</u>	<u>551</u>	<u>71,728</u>	<u>31,018</u>	<u>31,999</u>
Excess (deficiency) of receipts over disbursements	<u>968</u>	<u>(10,684)</u>	<u>(12,542)</u>	<u>2,584</u>	<u>5,540</u>	<u>2,191</u>	<u>(31,999)</u>
Cash and investments - ending	<u>\$ 2,732</u>	<u>\$ 13,782</u>	<u>\$ 11,861</u>	<u>\$ 28,915</u>	<u>\$ 5,540</u>	<u>\$ 2,191</u>	<u>\$ 62,711</u>

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

	<u>GAL/CASA</u>	<u>Election and Registration</u>	<u>Auditors Ineligible Deductions</u>	<u>County Elected Officials Training</u>	<u>Park And Recreation</u>	<u>Statewide 911</u>	<u>Reassessment</u>
Cash and investments - beginning	\$ 3,007	\$ 142,418	\$ 1,587	\$ 1,307	\$ 19,898	\$ 89,643	\$ -
Receipts:							
Taxes	-	21,046	-	-	-	-	387,765
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	1,760	-	-	-	-	3,542
Charges for services	-	-	-	944	-	155,968	-
Fines and forfeits	52,520	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	<u>52,520</u>	<u>22,806</u>	<u>-</u>	<u>944</u>	<u>-</u>	<u>155,968</u>	<u>391,307</u>
Disbursements:							
Personal services	32,300	22,308	-	-	-	85,747	40,917
Supplies	559	5,339	-	-	-	-	591
Other services and charges	8,066	34,180	-	-	-	44,310	18,440
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	84,550
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>40,925</u>	<u>61,827</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>130,057</u>	<u>144,498</u>
Excess (deficiency) of receipts over disbursements	<u>11,595</u>	<u>(39,021)</u>	<u>-</u>	<u>944</u>	<u>-</u>	<u>25,911</u>	<u>246,809</u>
Cash and investments - ending	<u>\$ 14,602</u>	<u>\$ 103,397</u>	<u>\$ 1,587</u>	<u>\$ 2,251</u>	<u>\$ 19,898</u>	<u>\$ 115,554</u>	<u>\$ 246,809</u>

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

	Adult Probation Administrative	Alternative Dispute Resolution	County User Fee	Cumulative Capital Development	Emergency Ambulance Escrow	Sheriff Sale Administration	K-9
Cash and investments - beginning	\$ 18,921	\$ 7,508	\$ 93,593	\$ 154,873	\$ 63,734	\$ 30,801	\$ 4
Receipts:							
Taxes	-	-	-	53,264	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	4,454	37,239	-	-
Charges for services	-	-	-	-	-	8,400	-
Fines and forfeits	48,379	1,160	16,181	-	-	-	-
Other receipts	786	-	-	111,969	-	-	-
Total receipts	<u>49,165</u>	<u>1,160</u>	<u>16,181</u>	<u>169,687</u>	<u>37,239</u>	<u>8,400</u>	<u>-</u>
Disbursements:							
Personal services	51,676	-	-	-	-	-	-
Supplies	711	-	-	-	36,766	-	-
Other services and charges	1,521	-	1,088	138,260	27,551	4,200	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	2,171	-	-	-	-	-	-
Other disbursements	-	-	23,880	-	-	-	-
Total disbursements	<u>56,079</u>	<u>-</u>	<u>24,968</u>	<u>138,260</u>	<u>64,317</u>	<u>4,200</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(6,914)</u>	<u>1,160</u>	<u>(8,787)</u>	<u>31,427</u>	<u>(27,078)</u>	<u>4,200</u>	<u>-</u>
Cash and investments - ending	<u>\$ 12,007</u>	<u>\$ 8,668</u>	<u>\$ 84,806</u>	<u>\$ 186,300</u>	<u>\$ 36,656</u>	<u>\$ 35,001</u>	<u>\$ 4</u>

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

	TIF (Redevelopment)	Capital Projects	Settlement	State Fines and Forfeitures	Pretrial	Overweight Vehicle Fines	Special Death Benefit
Cash and investments - beginning	\$ 205,286	\$ -	\$ -	\$ 28	\$ 15,011	\$ -	\$ 80
Receipts:							
Taxes	217,203	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	1,604	-	-	-
Other receipts	-	564,632	8,068,879	-	3,685	10	755
Total receipts	<u>217,203</u>	<u>564,632</u>	<u>8,068,879</u>	<u>1,604</u>	<u>3,685</u>	<u>10</u>	<u>755</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	36,314	-	-	-	-	-
Other services and charges	101,746	-	-	1,127	96	10	770
Debt service - principal and interest	84,285	-	-	-	-	-	-
Capital outlay	-	65,000	-	-	406	-	-
Other disbursements	-	-	8,068,879	-	15	-	-
Total disbursements	<u>186,031</u>	<u>101,314</u>	<u>8,068,879</u>	<u>1,127</u>	<u>517</u>	<u>10</u>	<u>770</u>
Excess (deficiency) of receipts over disbursements	<u>31,172</u>	<u>463,318</u>	<u>-</u>	<u>477</u>	<u>3,168</u>	<u>-</u>	<u>(15)</u>
Cash and investments - ending	<u>\$ 236,458</u>	<u>\$ 463,318</u>	<u>\$ -</u>	<u>\$ 505</u>	<u>\$ 18,179</u>	<u>\$ -</u>	<u>\$ 65</u>

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

	Sales Disclosure - State Share	Coroners Perpetuation Fund	Mortgage Recording Fees - State Share	Sex and Violent Offender Admin - State	Child Restraint Violations Fines	Inheritance Tax	Education Plate Fees Agency
Cash and investments - beginning	\$ 135	\$ 52	\$ 48	\$ 5	\$ -	\$ 26,425	\$ 75
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	1,650	438	910	-	-	-	150
Fines and forfeits	-	-	-	-	200	-	-
Other receipts	-	-	-	108	-	-	-
Total receipts	1,650	438	910	108	200	-	150
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	1,670	472	833	113	200	563	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	1,670	472	833	113	200	563	-
Excess (deficiency) of receipts over disbursements	(20)	(34)	77	(5)	-	(563)	150
Cash and investments - ending	<u>\$ 115</u>	<u>\$ 18</u>	<u>\$ 125</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,862</u>	<u>\$ 225</u>

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

	Innkeepers Tax Collections	93.563 Title IV-D Incentive	93.563 Prosecutor IV-D Incentive-Post Oct '99	93.563 Clerk IV-D Incentive-Post Oct '99	Probation Administrative Fees	Juvenile Administrative Fees	Jury Pay
Cash and investments - beginning	\$ 3,139	\$ 28,654	\$ 35,632	\$ 22,532	\$ 33,662	\$ 448	\$ 3,237
Receipts:							
Taxes	64,598	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	4,329	6,511	4,329	-	-	-
Fines and forfeits	-	-	-	-	6,101	-	-
Other receipts	-	-	-	-	-	300	1,390
Total receipts	64,598	4,329	6,511	4,329	6,101	300	1,390
Disbursements:							
Personal services	-	-	-	1,292	-	-	-
Supplies	-	-	-	3,975	-	-	-
Other services and charges	66,615	-	-	-	61	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	647	-	2,526	-	-
Other disbursements	-	-	-	-	1,069	-	1,838
Total disbursements	66,615	-	647	5,267	3,656	-	1,838
Excess (deficiency) of receipts over disbursements	(2,017)	4,329	5,864	(938)	2,445	300	(448)
Cash and investments - ending	\$ 1,122	\$ 32,983	\$ 41,496	\$ 21,594	\$ 36,107	\$ 748	\$ 2,789

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

	Deferred Infraction	Law Enforcement and Continuing Education	Harrison County Riverboat	Orange County Riverboat Wagering	Orange County Riverboat Admissions	Riverboat Wagering Tax (County)	Switzerland Riverboat
Cash and investments - beginning	\$ 50,550	\$ 549	\$ 633,386	\$ 359,927	\$ 168,436	\$ 190,368	\$ 81,187
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	1,845,587	229,820	162,900	50,365	277,354
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	20,195	-	-	-	-	-	-
Total receipts	20,195	-	1,845,587	229,820	162,900	50,365	277,354
Disbursements:							
Personal services	2,154	-	-	-	-	159,131	-
Supplies	104	-	-	-	-	1,027	-
Other services and charges	6,160	-	-	83,020	201,975	20,502	-
Debt service - principal and interest	-	-	-	-	-	-	205,442
Capital outlay	5,959	-	1,716,923	99,935	-	-	-
Other disbursements	2,012	-	559,917	55,560	70,960	-	-
Total disbursements	16,389	-	2,276,840	238,515	272,935	180,660	205,442
Excess (deficiency) of receipts over disbursements	3,806	-	(431,253)	(8,695)	(110,035)	(130,295)	71,912
Cash and investments - ending	<u>\$ 54,356</u>	<u>\$ 549</u>	<u>\$ 202,133</u>	<u>\$ 351,232</u>	<u>\$ 58,401</u>	<u>\$ 60,073</u>	<u>\$ 153,099</u>

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

	Commercial Vehicle Excise Tax	Financial Institution Tax	Civil Infractions	Riverboat Wagering Tax (State)	CAGIT	CEDIT	Tobacco Settlement/LHM Rollover
Cash and investments - beginning	\$ -	\$ -	\$ 784	\$ -	\$ -	\$ -	\$ 13,569
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	9,098	-	-	-	-
Other receipts	13,431	55,035	-	63,463	1,089,241	364,069	25,534
Total receipts	13,431	55,035	9,098	63,463	1,089,241	364,069	25,534
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	779	3,113	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	2,092	314	-	-	-	-	-
Other disbursements	10,560	51,608	9,557	63,463	1,089,241	364,069	1,839
Total disbursements	13,431	55,035	9,557	63,463	1,089,241	364,069	1,839
Excess (deficiency) of receipts over disbursements	-	-	(459)	-	-	-	23,695
Cash and investments - ending	\$ -	\$ -	\$ 325	\$ -	\$ -	\$ -	\$ 37,264

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

	Sheriff's Inmate Trust	Jail Commissary Fund	Clerk's Trust Fund	Clerk ISETS	Crawford County Treasurer	Crawford County Emergency Management	Community Services
Cash and investments - beginning	\$ 12,887	\$ 56,417	\$ 363,350	\$ 1,458	\$ 210,123	\$ -	\$ 15,555
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	74,158	68,723	-	-	275,389	-	-
Fines and forfeits	-	-	-	-	-	-	975
Other receipts	-	-	819,282	90,667	1,000	3,493	-
Total receipts	<u>74,158</u>	<u>68,723</u>	<u>819,282</u>	<u>90,667</u>	<u>276,389</u>	<u>3,493</u>	<u>975</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	76,264	43,630	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	3,493	-
Other disbursements	-	-	756,064	89,509	210,123	-	-
Total disbursements	<u>76,264</u>	<u>43,630</u>	<u>756,064</u>	<u>89,509</u>	<u>210,123</u>	<u>3,493</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(2,106)</u>	<u>25,093</u>	<u>63,218</u>	<u>1,158</u>	<u>66,266</u>	<u>-</u>	<u>975</u>
Cash and investments - ending	<u>\$ 10,781</u>	<u>\$ 81,510</u>	<u>\$ 426,568</u>	<u>\$ 2,616</u>	<u>\$ 276,389</u>	<u>\$ -</u>	<u>\$ 16,530</u>

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

	Tobacco Education LHD Trust	Surveyors Plat Map	Juvenile Probation	Crawford Emergency Management	Auditors Transfer Fee	Child Abuse Prevention	Crawford County Tower Fund
Cash and investments - beginning	\$ 64,251	\$ 2,051	\$ 10,136	\$ 7,700	\$ 11,053	\$ 300	\$ 46,493
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	13,557	415	-	-	1,715	-	29,250
Fines and forfeits	-	-	1,780	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	13,557	415	1,780	-	1,715	-	29,250
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	5,874	809	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	6,940
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	741	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	5,874	809	741	-	-	-	6,940
Excess (deficiency) of receipts over disbursements	7,683	(394)	1,039	-	1,715	-	22,310
Cash and investments - ending	\$ 71,934	\$ 1,657	\$ 11,175	\$ 7,700	\$ 12,768	\$ 300	\$ 68,803

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

	Drug Forfeiture	Emergency Phone Messenger	Grants and Special Projects	Highway Escrow	Highway Riverboat Road Plan	Crawford County Fuel Fund	Bridge 129
Cash and investments - beginning	\$ 154	\$ 1,050	\$ 24,355	\$ 34,583	\$ 991,028	\$ 12,856	\$ 24,812
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	5,500	17,695	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	12,198	-	-	-	926,734	274,504	179,301
Total receipts	<u>12,198</u>	<u>-</u>	<u>5,500</u>	<u>17,695</u>	<u>926,734</u>	<u>274,504</u>	<u>179,301</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	2,053	782,516	268,303	-
Other services and charges	-	1,050	6,384	-	149,335	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	9,190	687	-	44,915
Other disbursements	-	-	-	-	-	-	173,205
Total disbursements	<u>-</u>	<u>1,050</u>	<u>6,384</u>	<u>11,243</u>	<u>932,538</u>	<u>268,303</u>	<u>218,120</u>
Excess (deficiency) of receipts over disbursements	<u>12,198</u>	<u>(1,050)</u>	<u>(884)</u>	<u>6,452</u>	<u>(5,804)</u>	<u>6,201</u>	<u>(38,819)</u>
Cash and investments - ending	<u>\$ 12,352</u>	<u>\$ -</u>	<u>\$ 23,471</u>	<u>\$ 41,035</u>	<u>\$ 985,224</u>	<u>\$ 19,057</u>	<u>\$ (14,007)</u>

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

	Crawford County Sheriff Transporation Esc	Crawford County Emergency Operating	Crawford County Bridge Fund	Payroll Clearing Fund	Crawford County Emergency Radios	Prosecutor VOCA 16.575	Joint Drug Prosecutor 16.738
Cash and investments - beginning	\$ 53,760	\$ -	\$ -	\$ 127,057	\$ 25,000	\$ (1,633)	\$ 8,146
Receipts:							
Taxes	-	-	-	-	-	39,870	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	141,960	2,690	214,473	2,549,336	78,265	-	-
Total receipts	141,960	2,690	214,473	2,549,336	78,265	39,870	-
Disbursements:							
Personal services	-	-	-	-	-	26,949	-
Supplies	16,060	-	-	-	-	-	-
Other services and charges	57,319	-	-	-	-	19,315	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	31,966	-	-	-	83,199	3,963	-
Other disbursements	-	2,690	-	2,557,936	-	-	-
Total disbursements	105,345	2,690	-	2,557,936	83,199	50,227	-
Excess (deficiency) of receipts over disbursements	36,615	-	214,473	(8,600)	(4,934)	(10,357)	-
Cash and investments - ending	\$ 90,375	\$ -	\$ 214,473	\$ 118,457	\$ 20,066	\$ (11,990)	\$ 8,146

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

	Criminal Justice (BPV)	Probation Drug Testing	Home Monitoring	Revolving Loan Fund	Crawford County Revolving Loan RBEG	Totals
Cash and investments - beginning	\$ -	\$ 1,456	\$ 17,984	\$ 77,485	\$ 98,744	\$ 8,009,619
Receipts:						
Taxes	-	-	-	-	-	4,189,519
Licenses and permits	-	-	-	-	-	5,100
Intergovernmental receipts	2,449	-	-	-	-	4,656,988
Charges for services	-	-	-	-	-	1,265,247
Fines and forfeits	-	2,560	29,220	-	-	213,788
Other receipts	-	-	411	61,590	14,217	16,270,429
Total receipts	<u>2,449</u>	<u>2,560</u>	<u>29,631</u>	<u>61,590</u>	<u>14,217</u>	<u>26,601,071</u>
Disbursements:						
Personal services	-	-	17,582	-	-	4,836,139
Supplies	-	-	-	-	-	1,553,204
Other services and charges	2,449	1,872	17,909	-	-	2,025,924
Debt service - principal and interest	-	-	-	-	-	289,727
Capital outlay	-	-	-	-	-	2,199,090
Other disbursements	-	411	-	60,417	76,500	14,807,911
Total disbursements	<u>2,449</u>	<u>2,283</u>	<u>35,491</u>	<u>60,417</u>	<u>76,500</u>	<u>25,711,995</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>277</u>	<u>(5,860)</u>	<u>1,173</u>	<u>(62,283)</u>	<u>889,076</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 1,733</u>	<u>\$ 12,124</u>	<u>\$ 78,658</u>	<u>\$ 36,461</u>	<u>\$ 8,898,695</u>

CRAWFORD COUNTY
 SCHEDULE OF LEASES AND DEBT
 December 31, 2014

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
General obligation bonds	1997 TIF Bonds	\$ 550,000	\$ 85,740
General obligation bonds	Jail/Courthouse	<u>1,000,000</u>	<u>104,800</u>
Totals		<u>\$ 1,550,000</u>	<u>\$ 190,540</u>

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
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Web Site: www.in.gov/sboa

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

TO: THE OFFICIALS OF CRAWFORD COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Crawford County's (County) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014.

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


Report on Internal Control over Compliance

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

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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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


Paul D. Joyce, CPA
State Examiner

April 19, 2017

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>Department of Commerce</u>				
Economic Development Cluster Economic Adjustment Assistance Crawford County RLF	Direct Grant	11.307	06-79-02990	\$ 209,756 (A)
Total - Economic Development Cluster				<u>209,756</u>
Total - Department of Commerce				<u>209,756</u>
<u>Department of Justice</u>				
Crime Victim Assistance Prosecutor VOCA 16.575	Indiana Criminal Justice Institute	16.575	13VA2151	<u>39,870</u>
Total - Department of Justice				<u>39,870</u>
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster Highway Planning and Construction Bridge Inspections Bridge 80 Bridge 129	Indiana Department of Transportation	20.205	Des No. 1173328 Des No. 0800729 Des No. 0901105	66,880 101,882 <u>6,096</u>
Total - Highway Planning and Construction				<u>174,858</u>
Total - Highway Planning and Construction Cluster				<u>174,858</u>
Total - Department of Transportation				<u>174,858</u>
<u>Department of Health and Human Services</u>				
Child Support Enforcement Prosecutor's IV-D Incentive Clerk's IV-D Incentive Circuit Court Clerk Expenditures County Prosecutor Expenditures County Court Expenditures Indirect Costs	Indiana Department of Child Services	93.563	FY 2014 FY 2014 FY 2014 FY 2014 FY 2014 FY 2014	647 5,267 18,709 38,760 5,837 <u>42,089</u>
Total - Child Support Enforcement				<u>111,309</u>
Total - Department of Health and Human Services				<u>111,309</u>
<u>Department of Homeland Security</u>				
Port Security Grant Program	Direct Grant	97.056	EMW-2013-PI-00274-S01	<u>70,000</u>
Homeland Security Grant Program	Indiana Department of Homeland Security	97.067	C44P-4-081B	<u>3,493</u>
Emergency Management Performance Grants	Indiana Department of Homeland Security	97.042	C44P-5-014B C44P-4-460B	14,644 <u>2,690</u>
Total - Emergency Management Performance Grants				<u>17,334</u>
Total - Department of Homeland Security				<u>90,827</u>
Total federal awards expended				<u>\$ 626,620</u>

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

(A) Calculation of Economic Adjustment Assistance Federal Expenditures:	
Balance of Outstanding Revolving Loan Funds (RLF) at 12/31/14	\$ 216,577
Revolving Loan Fund (RLF) Cash and Investment Balance at 12/31/14	78,658
Administrative expenses paid out of RLF income during year	<u>4,417</u>
Total Calculation Basis	299,652
Multiplied by Original Federal Share of Revolving Loan Funds (RLF)	70%
	<u>-</u>
Amount Reported in Schedule of Expenditures of Federal Awards	<u>\$ 209,756</u>

CRAWFORD COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

Note 3. Loans Outstanding

The County had the following loan balance, with continuing federal compliance requirements, outstanding at December 31, 2014. This loan balance outstanding is also included in the federal expenditures presented in the SEFA.

Program Title	Federal CFDA Number	2014
Economic Adjustment Assistance	11.307	\$ 216,577

CRAWFORD COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of OMB Circular A-133?	no

Identification of Major Programs:

_____ Name of Federal Program or Cluster _____

Economic Development Cluster
Highway Planning and Construction Cluster

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

Auditee qualified as low-risk auditee? no

Section II - Financial Statement Findings

FINDING 2014-001 - FINANCIAL TRANSACTIONS AND REPORTING

Condition

There was a deficiency in the internal control system of the County Auditor related to financial transactions and reporting. The following deficiency constituted a material weakness:

Preparing Financial Statement: Internal controls were not in place to detect that the financial statement for the County, as presented for audit, was materially incorrect. Errors noted included the following:

CRAWFORD COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

1. Two County funds were not included on the financial statement.
2. Four funds' receipts, disbursements, and/or cash and investment balance were reported incorrectly.

The errors noted above resulted in an understatement of receipts in the amount of \$75,807, an overstatement of disbursements in the amount of \$3,008,278, and an overstatement of the beginning and ending cash and investment balances in the amounts of \$3,298,128 and \$365,657, respectively.

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

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

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

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

Cause

Management of the County had not established a proper system of internal control.

Effect

The failure to establish controls enabled material misstatements or irregularities to remain undetected.

Views of Responsible Officials

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

CRAWFORD COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

***FINDING 2014-002 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS
AND REPORTING - CLERK OF THE CIRCUIT COURT***

Condition

There were deficiencies in the internal control system of the Clerk of the Circuit Court related to financial transactions and reporting.

One employee was responsible for issuing receipts and warrants and posting the financial transactions to the Daily Cash Balance Report. No evidence was presented that would have indicated there was an oversight, review, or approval process, or other compensating controls in place to verify the accuracy of the information and amounts.

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

Cause

The Clerk of the Circuit Court had not established a proper system of internal control to ensure that all financial transactions were properly recorded and accounted for.

Effect

The failure to establish controls could have enabled material misstatements or irregularities to remain undetected and increase the risk of incorrect financial reporting.

Views of Responsible Officials

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

CRAWFORD COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2014-003 - PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Condition

The County did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The County Auditor entered the grant information into the Indiana Gateway for Government Units financial reporting system (Gateway), which is the source of the SEFA, and no evidence was presented that would have indicated there was an oversight, review, or approval process, or other compensating controls in place to verify the accuracy of the information and amounts.

The SEFA presented for audit contained the following errors:

1. Ten federal grants with \$367,588 in federal expenditures were not reported.
2. A state award with disbursements of \$1,839 was reported as a federal grant.
3. The pass-through agency, federal program titles, and pass-through entity identifying numbers were incorrect for several federal programs.

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

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

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. . . ."

CRAWFORD COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

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

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

Cause

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

Effect

Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA remained undetected.

Views of Responsible Officials

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

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

AUDITEE-PREPARED DOCUMENT

The subsequent document was provided by management of the County. The document is presented as intended by the County.

**CRAWFORD COUNTY AUDITOR
715 JUDICIAL PLAZA DRIVE ENGLISH, IN 47118
P.O. BOX 316
(812)338-2601
FAX (812)338-3506**

CORRECTIVE ACTION PLAN

FINDING 2014-001

Contact Person Responsible for Corrective Action: Christian Howell
Contact Phone Number: 812-338-2601

Views of Responsible Official: We concur with the findings and are implementing a corrective action plan.

Description of Corrective Action Plan:

1. UPON FINDINGS AND CORRECTIONS FROM STATE BOARD OF ACCOUNTS, I WILL BEGIN TO GIVE AN EMPLOYEE IN MY OFFICE A COPY OF THE RECORDS TO DOUBLE CHECK MY ENTRIES IN GATEWAY. ALL INFORMATION WILL BE CONFIRMED BEFORE THE FINAL SUBMISSION IN GATEWAY.

IF YOU HAVE ANY FUTHER QUESTIONS REGARDING THIS ISSUE, PLEASE FEEL FREE TO CONTACT ME AT (812)-338-2601.

Anticipated Completion Date: January 1, 2018

Christian Howell
(Signature)

Auditor
(Title)

04/18/17
(Date)

**CRAWFORD COUNTY CLERK
P O BOX 375
715 JUDICIAL PLAZA DRIVE
ENGLISH IN 47118**

April 11, 2017

FINDING 2014-002

CONTACT PERSON RESPONSIBLE FOR CORRECTIVE ACTION: Edna M. Brown
CONTACT PHONE NUMBER: 812-338-2565/clerk@crawfordcountyin.com

VIEWS OF RESPONSIBLE PERSON: I totally agree with this request. There should be a dual control just to keep everyone on the up & up. Thank you so much for bringing this to our attention.

DESCRIPTION OF CORRECTIVE ACTION PLAN: I will check, review, and initial the daily balancing.

ANTICIPATED COMPLETION DATE: Will begin this on April 13, 2017

Edna M. Brown
Clerk
4-11-17

**CRAWFORD COUNTY AUDITOR
715 JUDICIAL PLAZA DRIVE ENGLISH, IN 47118
P.O. BOX 316
(812)338-2601
FAX (812)338-3506**

CORRECTIVE ACTION PLAN

FINDING 2014-003

Contact Person Responsible for Corrective Action: Christian Howell
Contact Phone Number: 812-338-2601

Views of Responsible Official: We concur with the findings and are implementing a corrective action plan.

Description of Corrective Action Plan

1. UPON FINDINGS AND CORRECTIONS FROM STATE BOARD OF ACCOUNTS, OUR OFFICE HAS BEGUN KEEPING FOLDERS FOR ALL GRANTS. THESE FOLDERS INCLUDE COPIES OF CLAIMS PAID, RECEIPTS, AND OTHER GRANT INFORMATION AVAILABLE SUCH AS DES #, TITLES, ETC.
2. OUR OFFICE ALSO RECEIVED INFORMATION AND REFERENCES FROM STATE BOARD OF ACCOUNTS TO MAKE THE GRANT FUNDING IDENTIFICATION EASIER.
3. BEGINNING NEXT YEAR, AFTER THE SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS ARE PREPARED IN THE GATEWAY SYSTEM, PRIOR TO SUBMISSION, I WILL GIVE A COPY TO THE VARIOUS DEPARTMENT HEADS WHO ROUTINELY RECEIVE GRANTS FOR THEM TO REVIEW TO MAKE SURE ALL GRANTS ARE INCLUDED AND THAT THE INFORMATION IS CORRECT.

IF YOU HAVE ANY FUTHER QUESTIONS REGARDING THIS ISSUE, PLEASE FEEL FREE TO CONTACT ME AT (812)-338-2601.

Anticipated Completion Date: January 1, 2018

Christian Howell
(Signature)

Auditor
(Title)

01/18/17
(Date)

OTHER REPORTS

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