

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, 2016 to December 31, 2016



FILED
12/21/2017

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Steve Saulter (Vacant) Therese K. Chambers Catherine C. Smith	01-01-13 to 07-08-16 07-09-16 to 07-28-16 07-29-16 to 12-31-16 01-01-17 to 12-31-20
County Treasurer	Catherine C. Smith Jessica McClellan	01-01-13 to 12-31-16 01-01-17 to 12-31-20
Clerk of the Circuit Court	Linda Robbins (Vacant) Nicole Browne	01-01-15 to 03-04-16 03-05-16 to 03-20-16 03-21-16 to 12-31-18
County Sheriff	Brad Swain	01-01-15 to 12-31-18
County Recorder	Eric Schmitz	01-01-15 to 12-31-18
County Prosecuting Attorney	Chris Gaal	01-01-15 to 12-31-18
President of the Board of County Commissioners	Patrick Stoffers Julie Thomas	01-01-16 to 12-31-16 01-01-17 to 12-31-17
President of the County Council	Cheryl Munson Ryan Cobine	01-01-16 to 12-31-16 01-01-17 to 12-31-17



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, 2016, 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 (Indiana Code 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, 2016.

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, 2016, 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 December 13, 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

December 13, 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 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, 2016, and the related notes to the financial statement, and have issued our report thereon dated December 13, 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.

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 County's financial statement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2016-001 and 2016-002, that we consider 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 2016-001 and 2016-002.

Monroe County's Response to Findings

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

Purpose of This Report

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


Paul D. Joyce, CPA
State Examiner

December 13, 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.

MONROE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2016

Fund	Cash and Investments 01-01-16	Receipts	Disbursements	Cash and Investments 12-31-16
After Settlement Collections	\$ 5,042,658	\$ 3,896,684	\$ 5,042,658	\$ 3,896,684
Sheriff's Inmate Trust	10,458	766,648	759,788	17,318
Jail Commissary	148,761	160,118	201,695	107,184
Clerk's Trust	5,333,035	15,127,134	17,135,898	3,324,271
General	7,983,287	21,311,817	20,739,043	8,556,061
Accident Report	1,432	1,408	204	2,636
Animal Control	58,805	7,295	36,802	29,298
Aviation	523,142	836,451	872,126	487,467
Bid Deposits and Bonds Holding	772,470	63,500	179,391	656,579
Campaign Finance Enforcement - County	950	1,032	-	1,982
City and Town Court Costs	12,569	24,594	30,928	6,235
Clerk's Records Perpetuation	17,223	88,243	86,552	18,914
COIT - Special Legislation	643,703	2,646,405	2,337,023	953,085
COIT County Distributive Shares	2,884,687	10,493,569	12,844,731	533,525
Community Corrections	250,921	1,170,697	1,182,374	239,244
Community Transition Program	6,461	29,275	30,264	5,472
Convention Visitor and Tourism Promotion	1,278,765	1,823,037	1,806,438	1,295,364
Sales Disclosure - County Share	123,980	14,265	-	138,245
Cummulative Bridge	2,252,945	1,833,920	1,475,046	2,611,819
Cummulative Capital Development	2,692,127	2,339,645	1,948,843	3,082,929
Drug Free Community	47,307	74,492	89,492	32,307
Emergency Planning/Right to Know	18,186	9,421	5,329	22,278
Extradition and Sheriff's Assistance	934	1,325	1,278	981
Firearms Training	55,339	65,653	24,181	96,811
Health	731,480	1,094,435	1,056,709	769,206
Identification Security Protection	5,870	8,882	5,500	9,252
Local Health Maintenance	360,866	72,672	72,426	361,112
Local Road and Street	2,586,975	1,459,416	1,487,696	2,558,695
Medical Care for Inmates	14,586	-	-	14,586
Misdemeanant	179,154	80,924	120,545	139,533
Motor Vehicle Highway	1,290,925	5,313,534	4,810,792	1,793,667
Park Nonreverting Capital	56,256	46,458	45,907	56,807
Park Nonreverting Operating	113,643	244,197	191,621	166,219
Planning and Zoning Impact	43,289	167,054	172,991	37,352
Plat Book	86,451	27,651	-	114,102
Promotion Of Economic Dev & Tourism	2,267	-	-	2,267
Rainy Day	645,858	3,567,738	400,000	3,813,596
Recorder's Records Perpetuation	100,725	152,643	60,909	192,459
Storm Water Management	2,745,869	1,118,849	967,361	2,897,357
Supplemental Public Defender Services	963,499	609,849	783,020	790,328
Surplus Tax	55,685	677,892	421,203	312,374
Surveyor's Corner Perpetuation	37,483	22,040	11,223	48,300
Tax Sale Redemption	629	131,433	132,062	-
Tax Sale Surplus	1,097,482	1,100,854	1,387,362	810,974
Local Health Department Trust Account	144,798	54,262	36,688	162,372
Vehicle Inspection	7,180	1,765	-	8,945
Victim Impact Program	4,398	-	-	4,398
GAL/CASA	-	59,442	59,442	-
Auditors Ineligible Deductions	86,770	20,301	39,566	67,505
County Elected Officials Training	36,561	8,895	3,121	42,335
Statewide 911	828,940	908,133	664,363	1,072,710
Reassessment	1,088,696	534,846	586,160	1,037,382
LOIT Special Distribution	-	3,066,064	766,516	2,299,548
Alternative Dispute Resolution	81,466	11,177	5,978	86,665

MONROE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2016

Fund	Cash and Investments 01-01-16	Receipts	Disbursements	Cash and Investments 12-31-16
County User Fee	1,517,329	2,022,136	2,078,670	1,460,795
Convention Center Operating	67,398	422,752	470,845	19,305
Drug Buy Money	3,890	-	-	3,890
Sheriff Sale Administration	62,864	18,181	30,344	50,701
Court Interpreters	5,463	9,000	8,595	5,868
Donations	47,790	31,561	18,651	60,700
Local Ordinance Violations Fines - County	9,814	4,889	4,686	10,017
2007 Redevelopment Bond	413,940	28	347,988	65,980
Debt Service	396,815	617,616	681,552	332,879
Capital Projects	496,565	221,646	246,424	471,787
Payroll Clearing	49,563	1,754,075	1,514,925	288,713
Payroll Withholding - Insurance	1,597,262	5,265,810	5,135,702	1,727,370
IN Workforce Development	554,799	-	43,051	511,748
Settlement	-	143,491,925	143,491,925	-
Wheel Tax / Surtax Combined	5,480	2,938,084	2,939,724	3,840
CVET Agency	-	538,044	538,044	-
Financial Institution Tax	-	801,175	801,175	-
CEDIT Homestead	(11,587)	1,452,654	1,441,067	-
State Fines and Forfeitures	447	5,528	5,455	520
Infraction Judgements	5,402	78,909	79,650	4,661
Overweight Vehicle Fines	-	102	-	102
Special Death Benefit	490	5,245	5,420	315
Sales Disclosure - State Share	1,120	14,215	14,105	1,230
Coroners Training & Con't Education	1,258	14,554	14,566	1,246
Interstate Compact - State Share	63	1,313	1,250	126
Mortgage Recording Fees - State Share	770	12,208	11,928	1,050
DLGF Homestead Property Database	-	3	3	-
Education Plate Fees Agency	-	2,850	2,850	-
Riverboat Revenue Sharing	-	817,317	817,317	-
Innkeepers Tax Collections	-	2,498,490	2,498,490	-
COIT Distribution	1,630	30,468,443	30,470,073	-
LOIT 2016 Special Distribution	-	7,831,675	7,831,675	-
93.563 ARRA Prosecutor IV-D Incentive	53,180	-	19,850	33,330
F93.563 County IV-D Incentive	218,218	34,796	36,135	216,879
F93.563 Pros IV-D Incent Po 99	343,684	52,353	12,222	383,815
93.563 Clerk IV-D Incentive-Post Oct '99	14,435	34,796	47,564	1,667
2013 Westside Redevelopment	55,501	46	-	55,547
2015 Redevelopment Cap Dist Bond	3,096,903	478	-	3,097,381
2015 Redevelopment Debt Serv Reserve	285,420	47	-	285,467
Jail Cash Bond Account	-	524,368	520,318	4,050
Juv Probation Admin-Rainy Day	164,275	-	-	164,275
Juv Probation Admin-Non-Revert	1,128,765	117	-	1,128,882
Showers Building Lease Rental	965,849	1,527,122	2,973,000	(480,029)
2013 GO Bond	6,249	-	6,249	-
2014 GO Bond Debt	1,020,917	14,976	1,025,100	10,793
2015 GO Bond Debt	-	2,054,165	2,017,591	36,574
Aviation Building	609,416	32,618	-	642,034
2013 GO Bond Capital Projects	317,609	-	137,058	180,551
GO Bond 2014 Capital Bond	239,140	-	70,551	168,589
Honeywell Energy Project	8,503	23,747	-	32,250
2015 GO Bond Capital Projects	1,996,993	-	924,748	1,072,245
2016 GO Bond Capital Projects	-	2,000,000	404,095	1,595,905
2016 GO Bond B Capital	-	2,000,000	25,000	1,975,000
Employee Morale	21	4,728	255	4,494
MC Search/Recovery	17,284	-	8,392	8,892

MONROE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2016

Fund	Cash and Investments 01-01-16	Receipts	Disbursements	Cash and Investments 12-31-16
Paperless Initiative	261	-	-	261
County Per Diems-YSB	611,344	420,359	4,299	1,027,404
MC Bldg Pres/Blgtn Foundation	27,790	13,872	-	41,662
Monroe County Properties	392	-	8	384
Public Health Emergency Fund	20,033	-	-	20,033
County Fair	-	92,388	92,388	-
Convention Visitor Cap Imp/Maint.	121,467	75,000	74,719	121,748
Crime Control	928	11,492	10	12,410
Big City/Co Seat Belt	5,696	-	-	5,696
Weights & Measures Ord Violati	13,012	-	-	13,012
Showers Building Operating	43,151	267,592	266,164	44,579
Curry Bldg. Proj. Ord 03-68	6,161	-	-	6,161
County Offender Transportation	5,794	1,313	-	7,107
Energy Conservation Non-Revert	50,202	11,042	-	61,244
Westside Econ Dev/Rich Twp Tif	6,405,531	1,914,271	594,762	7,725,040
46 Corridor Econ Dev/Blgtn Twp	108,453	310,046	270,922	147,577
Fullerton Pike Econ Dev/TIF	2,286,180	216,891	1,467	2,501,604
Westside TIF Debt Res 2013 Bon	190,700	-	-	190,700
PROBATION CARES GRANT	5,290	6,625	8,490	3,425
Courthouse Rental	9,205	8,175	7,550	9,830
Sheriff Cares Grant	60	-	-	60
Walmart Health	3,562	-	547	3,015
Election Fund	986,000	610,695	870,807	725,888
F10.553 YS Federal School Program	8,936	-	9,564	(628)
F93.074 Bio Terrorism	6,941	22,251	22,448	6,744
F20.600 Operation Pullover	(1,888)	7,256	11,189	(5,821)
F20.509 Rural Transit	-	962,995	962,995	-
F16.585 BJA Drug Court Enhancement	30	-	-	30
F16.523 Juv Account Block	(41,722)	128,766	87,044	-
F93.617 HAVA Poling Place Grant	947	-	947	-
F16.738 JAG Drug Court	(27,395)	61,584	34,189	-
F93.623 Runaway & Homeless	(7,359)	141,546	147,619	(13,432)
F16.575 VOCA Grant	(6,476)	46,977	44,017	(3,516)
F93.601 IV-D Parenting Time	(6,123)	43,685	44,095	(6,533)
F16.588 STOP Grant	(8,843)	29,680	54,089	(33,252)
F20.601 DUI Task Enforcement	159	1,448	1,435	172
f93.217 Futures Clinic	(5,831)	205,601	208,669	(8,899)
F93.074 Medical Res. Corp BHPP	(15)	5,129	5,129	(15)
F93.008 MRC NACCHO Grant	6,995	15,000	10,164	11,831
F93.667 Adult Protection	(18,092)	150,163	166,842	(34,771)
F93.617 HAVA 2014 Grant	7,510	461	2,127	5,844
F93.268 Immunization	(26,140)	64,176	52,051	(14,015)
F97.073 2014 District 8 Training	(12,493)	49,972	37,479	-
Federal Grant	5,189	-	-	5,189
Supplemental E (Ebola)	13,465	13,465	675	26,255
F97.042 Emerg. Mgmt Performanc	-	5,111	5,111	-
Violence Against Women Grant	(1,783)	-	59,471	(61,254)
F97.067 2015 Homeland Security	-	15,130	15,130	-
F97.067 2015 IDHS District 8	-	-	16,233	(16,233)
F93.994 Futures-Title V	-	26,608	17,695	8,913
F93.558 Futures - TANF	-	20,567	17,566	3,001
F93.074 Radon	-	-	750	(750)
IGIC Addressing Grant	3,000	-	-	3,000
Multi State Learning Collabor.	3,179	-	1,536	1,643
Project Safe Place	1,758	12,160	3,568	10,350
IN Jud Supreme Court Grant	3,962	10,000	10,674	3,288
IJC Community Supervision Grant	16,872	-	3,978	12,894

MONROE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2016

Fund	Cash and Investments 01-01-16	Receipts	Disbursements	Cash and Investments 12-31-16
1503 YSB Grant	8,537	28,732	25,807	11,462
Pilot Family Court Grant	6,669	11,910	15,302	3,277
Local Grants to Futures	2,880	-	345	2,535
Bloomington Bicycle Grant	144	-	-	144
MLK Jr Grant - Clerk	80	1,000	415	665
Mo. Co. Active Transportation	830	-	-	830
JDAI Coordination	35,000	46,723	55,634	26,089
Juv Detention Altern Init. JDAI	35,159	30,967	71,576	(5,450)
Court Reform Grant	(5,609)	10,318	7,717	(3,008)
VASIA Guardianship Grants	38,500	-	35,412	3,088
Limestone Heritage Project	-	-	192	(192)
GYSD (Global Youth Services)	-	1,000	500	500
Syringe Services	-	15,000	15,000	-
IN Coal. Domestic Violence	-	1,000	1,000	-
2016 Veterans Court Grant	-	64,440	19,947	44,493
Prosecutor IPAC Drug Grant	-	6,000	6,000	-
Veteran's Affairs Software Gra	-	649	649	-
Pretrail Pilot Project	-	83,000	-	83,000
Totals	<u>\$ 70,267,058</u>	<u>\$ 299,293,050</u>	<u>\$ 295,395,631</u>	<u>\$ 74,164,477</u>

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

MONROE COUNTY
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

Taxes. 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.

MONROE 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.

Capital outlay. Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

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.

MONROE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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 lien date (March 1 in a year ending before January 1, 2016 and January 1 in a year beginning after December 31, 2015) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

Note 4. Deposits and Investments

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

MONROE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

MONROE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

B. County Police Retirement Plan

Plan Description

The County Police Retirement Plan is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides retirement, death, and disability benefits to plan members and beneficiaries. Funds designated for payments related to this plan are accounted for in a pension trust fund. The activity of this trust fund has not been reflected in the financial statement. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy

The contribution requirements of plan members for the County Police Retirement Plan are established by state statute.

C. County Police Benefit Plan

Plan Description

The County Police Benefit Plan is a single-employer defined benefit pension plan. With the approval of the County's fiscal body, the plan is administered by the sheriff's department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides dependent pensions, life insurance, and disability benefits to plan members and beneficiaries. Funds designated for payments related to this plan are accounted for in a pension trust fund. The activity of this trust fund has not been reflected in the financial statement. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy

The contribution requirements of plan members for the County Police Benefit Plan are established by state statute.

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. The Showers Building Lease Rental fund was used to pay a January 20, 2017, lease payment early in December 2016, causing the fund to have a negative cash balance. The remaining funds were the result of reimbursable grants. The reimbursements for expenditures made by the County were not received by December 31, 2016.

MONROE COUNTY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. *Holding Corporations*

The County has entered into a capital lease with Monroe County Jail, Law Enforcement, and Governmental Space Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the County. The lessor has been determined to be a related-party of the County. Lease payments during the year 2016 totaled \$2,865,000. The lease payments paid in 2016 are the last scheduled payments under the lease.

Note 9. *Combined Funds*

Funds related to debt service and capital projects were combined in the prior financial statement, but were reported individually for the current financial statement.

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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.

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	After Settlement Collections	Sheriff's Inmate Trust	Jail Commissary	Clerk's Trust	General	Accident Report
Cash and investments - beginning	\$ 5,042,658	\$ 10,458	\$ 148,761	\$ 5,333,035	\$ 7,983,287	\$ 1,432
Receipts:						
Taxes	3,896,684	-	-	-	16,306,266	-
Licenses and permits	-	-	-	-	693,119	-
Intergovernmental	-	-	-	-	2,394,637	-
Charges for services	-	-	-	-	501,593	1,270
Fines and forfeits	-	-	-	-	298,587	-
Other receipts	-	766,648	160,118	15,127,134	1,117,615	138
Total receipts	<u>3,896,684</u>	<u>766,648</u>	<u>160,118</u>	<u>15,127,134</u>	<u>21,311,817</u>	<u>1,408</u>
Disbursements:						
Personal services	-	-	-	-	13,776,210	-
Supplies	-	-	-	-	437,075	-
Other services and charges	-	-	-	-	6,525,758	-
Capital outlay	-	-	-	-	-	204
Other disbursements	5,042,658	759,788	201,695	17,135,898	-	-
Total disbursements	<u>5,042,658</u>	<u>759,788</u>	<u>201,695</u>	<u>17,135,898</u>	<u>20,739,043</u>	<u>204</u>
Excess (deficiency) of receipts over disbursements	<u>(1,145,974)</u>	<u>6,860</u>	<u>(41,577)</u>	<u>(2,008,764)</u>	<u>572,774</u>	<u>1,204</u>
Cash and investments - ending	<u>\$ 3,896,684</u>	<u>\$ 17,318</u>	<u>\$ 107,184</u>	<u>\$ 3,324,271</u>	<u>\$ 8,556,061</u>	<u>\$ 2,636</u>

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Animal Control	Aviation	Bid Deposits and Bonds Holding	Campaign Finance Enforcement - County	City and Town Court Costs	Clerk's Records Perpetuation
Cash and investments - beginning	\$ 58,805	\$ 523,142	\$ 772,470	\$ 950	\$ 12,569	\$ 17,223
Receipts:						
Taxes	-	427,341	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	34,419	-	-	-	-
Charges for services	7,295	373,952	-	-	-	49,906
Fines and forfeits	-	-	-	1,032	-	9,679
Other receipts	-	739	63,500	-	24,594	28,658
Total receipts	7,295	836,451	63,500	1,032	24,594	88,243
Disbursements:						
Personal services	-	495,775	-	-	-	71,960
Supplies	2,649	47,643	-	-	-	1,575
Other services and charges	1,075	295,747	179,391	-	30,928	13,017
Capital outlay	33,078	32,961	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	36,802	872,126	179,391	-	30,928	86,552
Excess (deficiency) of receipts over disbursements	(29,507)	(35,675)	(115,891)	1,032	(6,334)	1,691
Cash and investments - ending	\$ 29,298	\$ 487,467	\$ 656,579	\$ 1,982	\$ 6,235	\$ 18,914

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	COIT - Special Legislation	COIT County Distributive Shares	Community Corrections	Community Transition Program	Convention Visitor and Tourism Promotion	Sales Disclosure - County Share
Cash and investments - beginning	\$ 643,703	\$ 2,884,687	\$ 250,921	\$ 6,461	\$ 1,278,765	\$ 123,980
Receipts:						
Taxes	2,643,381	10,327,901	-	-	1,823,037	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	160,255	1,170,697	29,275	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	14,265
Other receipts	3,024	5,413	-	-	-	-
Total receipts	2,646,405	10,493,569	1,170,697	29,275	1,823,037	14,265
Disbursements:						
Personal services	1,911,900	9,309,276	999,768	-	-	-
Supplies	34,337	169,050	252	2,924	-	-
Other services and charges	338,833	3,358,622	118,754	26,409	1,806,438	-
Capital outlay	51,953	7,783	63,600	931	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	2,337,023	12,844,731	1,182,374	30,264	1,806,438	-
Excess (deficiency) of receipts over disbursements	309,382	(2,351,162)	(11,677)	(989)	16,599	14,265
Cash and investments - ending	\$ 953,085	\$ 533,525	\$ 239,244	\$ 5,472	\$ 1,295,364	\$ 138,245

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	<u>Cummulative Bridge</u>	<u>Cummulative Capital Development</u>	<u>Drug Free Community</u>	<u>Emergency Planning/Right to Know</u>	<u>Extradition and Sheriff's Assistance</u>	<u>Firearms Training</u>
Cash and investments - beginning	\$ 2,252,945	\$ 2,692,127	\$ 47,307	\$ 18,186	\$ 934	\$ 55,339
Receipts:						
Taxes	1,400,591	2,161,325	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	112,790	174,215	-	9,421	-	-
Charges for services	-	-	-	-	-	50,545
Fines and forfeits	-	-	73,578	-	500	-
Other receipts	320,539	4,105	914	-	825	15,108
Total receipts	<u>1,833,920</u>	<u>2,339,645</u>	<u>74,492</u>	<u>9,421</u>	<u>1,325</u>	<u>65,653</u>
Disbursements:						
Personal services	311,654	480,382	-	-	227	-
Supplies	-	-	-	-	-	26
Other services and charges	1,163,392	288,810	89,492	5,329	1,051	24,155
Capital outlay	-	1,179,651	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>1,475,046</u>	<u>1,948,843</u>	<u>89,492</u>	<u>5,329</u>	<u>1,278</u>	<u>24,181</u>
Excess (deficiency) of receipts over disbursements	<u>358,874</u>	<u>390,802</u>	<u>(15,000)</u>	<u>4,092</u>	<u>47</u>	<u>41,472</u>
Cash and investments - ending	<u>\$ 2,611,819</u>	<u>\$ 3,082,929</u>	<u>\$ 32,307</u>	<u>\$ 22,278</u>	<u>\$ 981</u>	<u>\$ 96,811</u>

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Health	Identification Security Protection	Local Health Maintenance	Local Road and Street	Medical Care for Inmates	Misdemeanant
Cash and investments - beginning	\$ 731,480	\$ 5,870	\$ 360,866	\$ 2,586,975	\$ 14,586	\$ 179,154
Receipts:						
Taxes	532,576	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	42,892	-	72,672	663,841	-	80,924
Charges for services	518,930	8,882	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	37	-	-	795,575	-	-
Total receipts	1,094,435	8,882	72,672	1,459,416	-	80,924
Disbursements:						
Personal services	854,611	-	22,569	-	-	80,764
Supplies	13,690	-	1,973	-	-	-
Other services and charges	182,533	5,500	12,884	1,487,696	-	39,781
Capital outlay	5,875	-	35,000	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	1,056,709	5,500	72,426	1,487,696	-	120,545
Excess (deficiency) of receipts over disbursements	37,726	3,382	246	(28,280)	-	(39,621)
Cash and investments - ending	\$ 769,206	\$ 9,252	\$ 361,112	\$ 2,558,695	\$ 14,586	\$ 139,533

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Motor Vehicle Highway	Park Nonreverting Capital	Park Nonreverting Operating	Planning and Zoning Impact	Plat Book	Promotion Of Economic Dev & Tourism
Cash and investments - beginning	\$ 1,290,925	\$ 56,256	\$ 113,643	\$ 43,289	\$ 86,451	\$ 2,267
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	167,054	-	-
Intergovernmental	5,016,501	-	-	-	-	-
Charges for services	18,510	-	-	-	-	-
Fines and forfeits	-	46,458	244,194	-	27,651	-
Other receipts	278,523	-	3	-	-	-
Total receipts	5,313,534	46,458	244,197	167,054	27,651	-
Disbursements:						
Personal services	2,515,017	-	74,440	-	-	-
Supplies	1,398,574	-	41,194	-	-	-
Other services and charges	536,947	314	51,046	172,991	-	-
Capital outlay	360,254	45,593	24,941	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	4,810,792	45,907	191,621	172,991	-	-
Excess (deficiency) of receipts over disbursements	502,742	551	52,576	(5,937)	27,651	-
Cash and investments - ending	\$ 1,793,667	\$ 56,807	\$ 166,219	\$ 37,352	\$ 114,102	\$ 2,267

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Rainy Day	Recorder's Records Perpetuation	Storm Water Management	Supplemental Public Defender Services	Surplus Tax	Surveyor's Corner Perpetuation
Cash and investments - beginning	\$ 645,858	\$ 100,725	\$ 2,745,869	\$ 963,499	\$ 55,685	\$ 37,483
Receipts:						
Taxes	-	-	-	-	518,896	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	42,893	-	-
Charges for services	-	152,643	-	566,956	-	22,040
Fines and forfeits	-	-	1,118,826	-	-	-
Other receipts	3,567,738	-	23	-	158,996	-
Total receipts	3,567,738	152,643	1,118,849	609,849	677,892	22,040
Disbursements:						
Personal services	-	12,411	302,579	783,020	-	6,281
Supplies	-	11,998	35,905	-	-	3,117
Other services and charges	400,000	36,500	265,786	-	421,203	1,825
Capital outlay	-	-	363,091	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	400,000	60,909	967,361	783,020	421,203	11,223
Excess (deficiency) of receipts over disbursements	3,167,738	91,734	151,488	(173,171)	256,689	10,817
Cash and investments - ending	\$ 3,813,596	\$ 192,459	\$ 2,897,357	\$ 790,328	\$ 312,374	\$ 48,300

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Tax Sale Redemption	Tax Sale Surplus	Local Health Department Trust Account	Vehicle Inspection	Victim Impact Program	GAL/CASA
Cash and investments - beginning	\$ 629	\$ 1,097,482	\$ 144,798	\$ 7,180	\$ 4,398	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	40,674
Charges for services	-	-	-	1,765	-	18,768
Fines and forfeits	-	-	-	-	-	-
Other receipts	131,433	1,100,854	54,262	-	-	-
Total receipts	131,433	1,100,854	54,262	1,765	-	59,442
Disbursements:						
Personal services	-	-	36,001	-	-	-
Supplies	-	-	17	-	-	-
Other services and charges	132,062	1,387,362	670	-	-	59,442
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	132,062	1,387,362	36,688	-	-	59,442
Excess (deficiency) of receipts over disbursements	(629)	(286,508)	17,574	1,765	-	-
Cash and investments - ending	\$ -	\$ 810,974	\$ 162,372	\$ 8,945	\$ 4,398	\$ -

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Auditors Ineligible Deductions	County Elected Officials Training	Statewide 911	Reassessment	LOIT Special Distribution	Alternative Dispute Resolution
Cash and investments - beginning	\$ 86,770	\$ 36,561	\$ 828,940	\$ 1,088,696	\$ -	\$ 81,466
Receipts:						
Taxes	20,066	-	-	493,113	3,066,064	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	849,293	39,715	-	-
Charges for services	-	703	-	-	-	-
Fines and forfeits	-	8,178	-	-	-	11,177
Other receipts	235	14	58,840	2,018	-	-
Total receipts	20,301	8,895	908,133	534,846	3,066,064	11,177
Disbursements:						
Personal services	-	-	262,039	12,366	-	-
Supplies	11,647	-	-	-	-	-
Other services and charges	27,919	3,121	401,934	563,794	766,516	5,978
Capital outlay	-	-	390	10,000	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	39,566	3,121	664,363	586,160	766,516	5,978
Excess (deficiency) of receipts over disbursements	(19,265)	5,774	243,770	(51,314)	2,299,548	5,199
Cash and investments - ending	\$ 67,505	\$ 42,335	\$ 1,072,710	\$ 1,037,382	\$ 2,299,548	\$ 86,665

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	County User Fee	Convention Center Operating	Drug Buy Money	Sheriff Sale Administration	Court Interpreters	Donations
Cash and investments - beginning	\$ 1,517,329	\$ 67,398	\$ 3,890	\$ 62,864	\$ 5,463	\$ 47,790
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	277,829	-	-	-	9,000	-
Charges for services	986,052	-	-	18,181	-	-
Fines and forfeits	289,747	-	-	-	-	-
Other receipts	468,508	422,752	-	-	-	31,561
Total receipts	2,022,136	422,752	-	18,181	9,000	31,561
Disbursements:						
Personal services	1,107,451	-	-	-	-	-
Supplies	31,329	-	-	942	-	17,562
Other services and charges	901,006	470,845	-	-	8,595	1,089
Capital outlay	38,884	-	-	29,402	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	2,078,670	470,845	-	30,344	8,595	18,651
Excess (deficiency) of receipts over disbursements	(56,534)	(48,093)	-	(12,163)	405	12,910
Cash and investments - ending	\$ 1,460,795	\$ 19,305	\$ 3,890	\$ 50,701	\$ 5,868	\$ 60,700

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Local Ordinance Violations Fines - County	2007 Redevelopment Bond	Debt Service	Capital Projects	Payroll Clearing	Payroll Withholding - Insurance
Cash and investments - beginning	\$ 9,814	\$ 413,940	\$ 396,815	\$ 496,565	\$ 49,563	\$ 1,597,262
Receipts:						
Taxes	-	-	498,300	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	174,572	-	-
Charges for services	600	-	117,809	-	-	-
Fines and forfeits	4,289	-	-	-	-	-
Other receipts	-	28	1,507	47,074	1,754,075	5,265,810
Total receipts	4,889	28	617,616	221,646	1,754,075	5,265,810
Disbursements:						
Personal services	217	-	-	-	1,513,566	5,134,234
Supplies	-	-	-	-	-	-
Other services and charges	4,469	-	681,552	-	1,359	1,468
Capital outlay	-	-	-	246,424	-	-
Other disbursements	-	347,988	-	-	-	-
Total disbursements	4,686	347,988	681,552	246,424	1,514,925	5,135,702
Excess (deficiency) of receipts over disbursements	203	(347,960)	(63,936)	(24,778)	239,150	130,108
Cash and investments - ending	\$ 10,017	\$ 65,980	\$ 332,879	\$ 471,787	\$ 288,713	\$ 1,727,370

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	IN Workforce Development	Settlement	Wheel Tax / Surtax Combined	CVET Agency	Financial Institution Tax	CEDIT Homestead
Cash and investments - beginning	\$ 554,799	\$ -	\$ 5,480	\$ -	\$ -	\$ (11,587)
Receipts:						
Taxes	-	79,459,893	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	2,938,084	538,044	801,175	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	64,032,032	-	-	-	1,452,654
Total receipts	-	143,491,925	2,938,084	538,044	801,175	1,452,654
Disbursements:						
Personal services	43,051	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	143,491,925	2,939,724	538,044	801,175	1,441,067
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	43,051	143,491,925	2,939,724	538,044	801,175	1,441,067
Excess (deficiency) of receipts over disbursements	(43,051)	-	(1,640)	-	-	11,587
Cash and investments - ending	\$ 511,748	\$ -	\$ 3,840	\$ -	\$ -	\$ -

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	State Fines and Forfeitures	Infraction Judgements	Overweight Vehicle Fines	Special Death Benefit	Sales Disclosure - State Share	Coroners Training & Con't Education
Cash and investments - beginning	\$ 447	\$ 5,402	\$ -	\$ 490	\$ 1,120	\$ 1,258
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	5,528	78,909	102	5,245	14,215	14,554
Other receipts	-	-	-	-	-	-
Total receipts	<u>5,528</u>	<u>78,909</u>	<u>102</u>	<u>5,245</u>	<u>14,215</u>	<u>14,554</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	5,455	79,650	-	5,420	14,105	14,566
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>5,455</u>	<u>79,650</u>	<u>-</u>	<u>5,420</u>	<u>14,105</u>	<u>14,566</u>
Excess (deficiency) of receipts over disbursements	<u>73</u>	<u>(741)</u>	<u>102</u>	<u>(175)</u>	<u>110</u>	<u>(12)</u>
Cash and investments - ending	<u>\$ 520</u>	<u>\$ 4,661</u>	<u>\$ 102</u>	<u>\$ 315</u>	<u>\$ 1,230</u>	<u>\$ 1,246</u>

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Interstate Compact - State Share	Mortgage Recording Fees - State Share	DLGF Homestead Property Database	Education Plate Fees Agency	Riverboat Revenue Sharing	Innkeepers Tax Collections
Cash and investments - beginning	\$ 63	\$ 770	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	3	-	-	2,498,490
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	2,850	-	-
Charges for services	-	11,188	-	-	-	-
Fines and forfeits	-	1,020	-	-	-	-
Other receipts	1,313	-	-	-	817,317	-
Total receipts	1,313	12,208	3	2,850	817,317	2,498,490
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	1,250	11,928	3	2,850	817,317	2,498,490
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	1,250	11,928	3	2,850	817,317	2,498,490
Excess (deficiency) of receipts over disbursements	63	280	-	-	-	-
Cash and investments - ending	\$ 126	\$ 1,050	\$ -	\$ -	\$ -	\$ -

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	COIT Distribution	LOIT 2016 Special Distribution	93.563 ARRA Prosecutor IV-D Incentive	F93.563 County IV-D Incentive	F93.563 Pros IV-D Incent Po 99	93.563 Clerk IV-D Incentive-Post Oct '99
Cash and investments - beginning	\$ 1,630	\$ -	\$ 53,180	\$ 218,218	\$ 343,684	\$ 14,435
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	30,468,443	-	-	34,796	52,353	34,796
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	7,831,675	-	-	-	-
Total receipts	30,468,443	7,831,675	-	34,796	52,353	34,796
Disbursements:						
Personal services	-	-	-	31,454	-	32,444
Supplies	-	-	161	-	-	2,026
Other services and charges	30,470,073	7,831,675	13,979	-	12,222	13,094
Capital outlay	-	-	5,710	4,681	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	30,470,073	7,831,675	19,850	36,135	12,222	47,564
Excess (deficiency) of receipts over disbursements	(1,630)	-	(19,850)	(1,339)	40,131	(12,768)
Cash and investments - ending	\$ -	\$ -	\$ 33,330	\$ 216,879	\$ 383,815	\$ 1,667

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	2013 Westside Redevelopment	2015 Redevelopment Cap Dist Bond	2015 Redevelopment Debt Serv Reserve	Jail Cash Bond Account	Juv Probation Admin-Rainy Day	Juv Probation Admin-Non-Revert
Cash and investments - beginning	\$ 55,501	\$ 3,096,903	\$ 285,420	\$ -	\$ 164,275	\$ 1,128,765
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	117
Fines and forfeits	-	-	-	-	-	-
Other receipts	46	478	47	524,368	-	-
Total receipts	46	478	47	524,368	-	117
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	520,318	-	-
Total disbursements	-	-	-	520,318	-	-
Excess (deficiency) of receipts over disbursements	46	478	47	4,050	-	117
Cash and investments - ending	\$ 55,547	\$ 3,097,381	\$ 285,467	\$ 4,050	\$ 164,275	\$ 1,128,882

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Shows Building Lease Rental	2013 GO Bond	2014 GO Bond Debt	2015 GO Bond Debt	Aviation Building	2013 GO Bond Capital Projects
Cash and investments - beginning	\$ 965,849	\$ 6,249	\$ 1,020,917	\$ -	\$ 609,416	\$ 317,609
Receipts:						
Taxes	1,413,803	-	-	1,909,858	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	113,319	-	10,795	142,239	-	-
Charges for services	-	-	-	-	30,660	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	4,181	2,068	1,958	-
Total receipts	1,527,122	-	14,976	2,054,165	32,618	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	2,973,000	6,249	1,025,100	2,017,591	-	-
Capital outlay	-	-	-	-	-	137,058
Other disbursements	-	-	-	-	-	-
Total disbursements	2,973,000	6,249	1,025,100	2,017,591	-	137,058
Excess (deficiency) of receipts over disbursements	(1,445,878)	(6,249)	(1,010,124)	36,574	32,618	(137,058)
Cash and investments - ending	\$ (480,029)	\$ -	\$ 10,793	\$ 36,574	\$ 642,034	\$ 180,551

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	GO Bond 2014 Capital Bond	Honeywell Energy Project	2015 GO Bond Capital Projects	2016 GO Bond Capital Projects	2016 GO Bond B Capital	Employee Morale
Cash and investments - beginning	\$ 239,140	\$ 8,503	\$ 1,996,993	\$ -	\$ -	\$ 21
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	23,747	-	2,000,000	2,000,000	4,728
Total receipts	-	23,747	-	2,000,000	2,000,000	4,728
Disbursements:						
Personal services	-	-	25,000	-	-	-
Supplies	-	-	-	75,000	25,000	-
Other services and charges	-	-	-	-	-	255
Capital outlay	70,551	-	899,748	329,095	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	70,551	-	924,748	404,095	25,000	255
Excess (deficiency) of receipts over disbursements	(70,551)	23,747	(924,748)	1,595,905	1,975,000	4,473
Cash and investments - ending	\$ 168,589	\$ 32,250	\$ 1,072,245	\$ 1,595,905	\$ 1,975,000	\$ 4,494

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	MC Search/Recovery	Paperless Initiative	County Per Diems-YSB	MC Bldg Pres/Blgtn Foundation	Monroe County Properties	Public Health Emergency Fund
Cash and investments - beginning	\$ 17,284	\$ 261	\$ 611,344	\$ 27,790	\$ 392	\$ 20,033
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	420,359	13,872	-	-
Total receipts	-	-	420,359	13,872	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	1,680	-	-	-	8	-
Other services and charges	6,712	-	266	-	-	-
Capital outlay	-	-	4,033	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	8,392	-	4,299	-	8	-
Excess (deficiency) of receipts over disbursements	(8,392)	-	416,060	13,872	(8)	-
Cash and investments - ending	\$ 8,892	\$ 261	\$ 1,027,404	\$ 41,662	\$ 384	\$ 20,033

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	County Fair	Convention Visitor Cap Imp/Maint.	Crime Control	Big City/Co Seat Belt	Weights & Measures Ord Violati	Showers Building Operating
Cash and investments - beginning	\$ -	\$ 121,467	\$ 928	\$ 5,696	\$ 13,012	\$ 43,151
Receipts:						
Taxes	85,504	75,000	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	6,884	-	-	-	-	-
Charges for services	-	-	-	-	-	233,752
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	11,492	-	-	33,840
Total receipts	92,388	75,000	11,492	-	-	267,592
Disbursements:						
Personal services	-	-	-	-	-	109,681
Supplies	-	-	10	-	-	-
Other services and charges	92,388	74,719	-	-	-	156,483
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	92,388	74,719	10	-	-	266,164
Excess (deficiency) of receipts over disbursements	-	281	11,482	-	-	1,428
Cash and investments - ending	\$ -	\$ 121,748	\$ 12,410	\$ 5,696	\$ 13,012	\$ 44,579

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Curry Bldg. Proj. Ord 03-68	County Offender Transportation	Energy Conservation Non-Revert	Westside Econ Dev/Rich Twp Tif	46 Corridor Econ Dev/Blgtn Twp	Fullerton Pike Econ Dev/TIF
Cash and investments - beginning	\$ 6,161	\$ 5,794	\$ 50,202	\$ 6,405,531	\$ 108,453	\$ 2,286,180
Receipts:						
Taxes	-	-	-	1,847,137	310,046	216,891
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	1,313	11,042	67,134	-	-
Total receipts	-	1,313	11,042	1,914,271	310,046	216,891
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	594,762	270,922	1,467
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	-	594,762	270,922	1,467
Excess (deficiency) of receipts over disbursements	-	1,313	11,042	1,319,509	39,124	215,424
Cash and investments - ending	\$ 6,161	\$ 7,107	\$ 61,244	\$ 7,725,040	\$ 147,577	\$ 2,501,604

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Westside TIF Debt Res 2013 Bon	PROBATION CARES GRANT	Courthouse Rental	Sheriff Cares Grant	Walmart Health	Election Fund
Cash and investments - beginning	\$ 190,700	\$ 5,290	\$ 9,205	\$ 60	\$ 3,562	\$ 986,000
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	8,175	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	6,625	-	-	-	610,695
Total receipts	-	6,625	8,175	-	-	610,695
Disbursements:						
Personal services	-	-	-	-	-	516,929
Supplies	-	-	-	-	547	90,153
Other services and charges	-	8,490	7,550	-	-	263,725
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	8,490	7,550	-	547	870,807
Excess (deficiency) of receipts over disbursements	-	(1,865)	625	-	(547)	(260,112)
Cash and investments - ending	\$ 190,700	\$ 3,425	\$ 9,830	\$ 60	\$ 3,015	\$ 725,888

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	F10.553 YS Federal School Program	F93.074 Bio Terrorism	F20.600 Operation Pullover	F20.509 Rural Transit	F16.585 BJA Drug Court Enhancement	F16.523 Juv Account Block
Cash and investments - beginning	\$ 8,936	\$ 6,941	\$ (1,888)	\$ -	\$ 30	\$ (41,722)
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	19,680	-	962,985	-	-
Charges for services	-	-	-	-	-	128,766
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	2,571	7,256	10	-	-
Total receipts	-	22,251	7,256	962,995	-	128,766
Disbursements:						
Personal services	-	6,012	11,189	-	-	-
Supplies	9,564	9,186	-	-	-	-
Other services and charges	-	423	-	962,995	-	87,044
Capital outlay	-	6,827	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	9,564	22,448	11,189	962,995	-	87,044
Excess (deficiency) of receipts over disbursements	(9,564)	(197)	(3,933)	-	-	41,722
Cash and investments - ending	\$ (628)	\$ 6,744	\$ (5,821)	\$ -	\$ 30	\$ -

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	F93.617 HAVA Poling Place Grant	F16.738 JAG Drug Court	F93.623 Runaway & Homeless	F16.575 VOCA Grant	F93.601 IV-D Parenting Time	F16.588 STOP Grant
Cash and investments - beginning	\$ 947	\$ (27,395)	\$ (7,359)	\$ (6,476)	\$ (6,123)	\$ (8,843)
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	61,584	-	-	-	-
Charges for services	-	-	141,546	46,977	43,529	19,816
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	156	9,864
Total receipts	<u>-</u>	<u>61,584</u>	<u>141,546</u>	<u>46,977</u>	<u>43,685</u>	<u>29,680</u>
Disbursements:						
Personal services	-	34,189	95,383	42,606	13,172	54,089
Supplies	-	-	6,536	-	-	-
Other services and charges	947	-	45,700	1,411	30,923	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>947</u>	<u>34,189</u>	<u>147,619</u>	<u>44,017</u>	<u>44,095</u>	<u>54,089</u>
Excess (deficiency) of receipts over disbursements	<u>(947)</u>	<u>27,395</u>	<u>(6,073)</u>	<u>2,960</u>	<u>(410)</u>	<u>(24,409)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (13,432)</u>	<u>\$ (3,516)</u>	<u>\$ (6,533)</u>	<u>\$ (33,252)</u>

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	F20.601 DUI Task Enforcement	f93.217 Futures Clinic	F93.074 Medical Res. Corp BHPP	F93.008 MRC NACCHO Grant	F93.667 Adult Protection	F93.617 HAVA 2014 Grant
Cash and investments - beginning	\$ 159	\$ (5,831)	\$ (15)	\$ 6,995	\$ (18,092)	\$ 7,510
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	128,999	-	-	66,865	-
Charges for services	-	-	5,129	15,000	82,798	461
Fines and forfeits	-	56,941	-	-	-	-
Other receipts	1,448	19,661	-	-	500	-
Total receipts	1,448	205,601	5,129	15,000	150,163	461
Disbursements:						
Personal services	1,435	159,751	-	5,985	152,146	-
Supplies	-	21,586	3,282	3,719	1,135	1,666
Other services and charges	-	20,992	1,847	460	13,561	461
Capital outlay	-	6,340	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	1,435	208,669	5,129	10,164	166,842	2,127
Excess (deficiency) of receipts over disbursements	13	(3,068)	-	4,836	(16,679)	(1,666)
Cash and investments - ending	\$ 172	\$ (8,899)	\$ (15)	\$ 11,831	\$ (34,771)	\$ 5,844

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	F93.268 Immunization	F97.073 2014 District 8 Training	Federal Grant	Supplemental E (Ebola)	F97.042 Emerg. Mgmt Performanc	Violence Against Women Grant
Cash and investments - beginning	\$ (26,140)	\$ (12,493)	\$ 5,189	\$ 13,465	\$ -	\$ (1,783)
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	64,176	49,972	-	13,465	5,111	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	64,176	49,972	-	13,465	5,111	-
Disbursements:						
Personal services	-	-	-	-	-	56,718
Supplies	-	-	-	-	-	800
Other services and charges	52,051	37,479	-	675	5,111	1,953
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	52,051	37,479	-	675	5,111	59,471
Excess (deficiency) of receipts over disbursements	12,125	12,493	-	12,790	-	(59,471)
Cash and investments - ending	\$ (14,015)	\$ -	\$ 5,189	\$ 26,255	\$ -	\$ (61,254)

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	F97.067 2015 Homeland Security	F97.067 2015 IDHS District 8	F93.994 Futures-Title V	F93.558 Futures - TANF	F93.074 Radon	IGIC Addressing Grant
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	15,130	-	17,695	17,567	-	-
Fines and forfeits	-	-	-	3,000	-	-
Other receipts	-	-	8,913	-	-	-
Total receipts	<u>15,130</u>	<u>-</u>	<u>26,608</u>	<u>20,567</u>	<u>-</u>	<u>-</u>
Disbursements:						
Personal services	-	-	17,695	-	-	-
Supplies	-	-	-	10,500	750	-
Other services and charges	15,130	16,233	-	7,066	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>15,130</u>	<u>16,233</u>	<u>17,695</u>	<u>17,566</u>	<u>750</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(16,233)</u>	<u>8,913</u>	<u>3,001</u>	<u>(750)</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (16,233)</u>	<u>\$ 8,913</u>	<u>\$ 3,001</u>	<u>\$ (750)</u>	<u>\$ 3,000</u>

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Multi State Learning Collabor.	Project Safe Place	IN Jud Supreme Court Grant	IJC Community Supervision Grant	1503 YSB Grant	Pilot Family Court Grant
Cash and investments - beginning	\$ 3,179	\$ 1,758	\$ 3,962	\$ 16,872	\$ 8,537	\$ 6,669
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	10,000	-	28,732	11,910
Charges for services	-	7,660	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	4,500	-	-	-	-
Total receipts	-	12,160	10,000	-	28,732	11,910
Disbursements:						
Personal services	-	-	-	-	15,152	-
Supplies	-	-	7,074	-	-	229
Other services and charges	1,536	3,568	3,600	3,978	10,655	15,073
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	1,536	3,568	10,674	3,978	25,807	15,302
Excess (deficiency) of receipts over disbursements	(1,536)	8,592	(674)	(3,978)	2,925	(3,392)
Cash and investments - ending	\$ 1,643	\$ 10,350	\$ 3,288	\$ 12,894	\$ 11,462	\$ 3,277

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Local Grants to Futures	Bloomington Bicycle Grant	MLK Jr Grant - Clerk	Mo. Co. Active Transportation	JDAI Coordination	Juv Detention Altern Init. JDAI
Cash and investments - beginning	\$ 2,880	\$ 144	\$ 80	\$ 830	\$ 35,000	\$ 35,159
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	1,000	-	46,723	30,967
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	-	-	1,000	-	46,723	30,967
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	265	-	22,053	1,298
Other services and charges	345	-	150	-	13,581	70,278
Capital outlay	-	-	-	-	20,000	-
Other disbursements	-	-	-	-	-	-
Total disbursements	345	-	415	-	55,634	71,576
Excess (deficiency) of receipts over disbursements	(345)	-	585	-	(8,911)	(40,609)
Cash and investments - ending	\$ 2,535	\$ 144	\$ 665	\$ 830	\$ 26,089	\$ (5,450)

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	Court Reform Grant	VASIA Guardianship Grants	Limestone Heritage Project	GYSD (Global Youth Services)	Syringe Services	IN Coal. Domestic Violence
Cash and investments - beginning	\$ (5,609)	\$ 38,500	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	10,318	-	-	1,000	15,000	1,000
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total receipts	10,318	-	-	1,000	15,000	1,000
Disbursements:						
Personal services	7,717	-	-	-	-	-
Supplies	-	-	-	500	5,881	200
Other services and charges	-	35,412	192	-	9,119	800
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	7,717	35,412	192	500	15,000	1,000
Excess (deficiency) of receipts over disbursements	2,601	(35,412)	(192)	500	-	-
Cash and investments - ending	\$ (3,008)	\$ 3,088	\$ (192)	\$ 500	\$ -	\$ -

MONROE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	2016 Veterans Court Grant	Prosecutor IPAC Drug Grant	Veteran's Affairs Software Gra	Pretrial Pilot Project	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 70,267,058
Receipts:					
Taxes	-	-	-	-	131,932,166
Licenses and permits	-	-	-	-	860,173
Intergovernmental	-	-	-	-	47,831,048
Charges for services	64,440	6,000	649	83,000	4,635,187
Fines and forfeits	-	-	-	-	2,327,675
Other receipts	-	-	-	-	111,706,801
Total receipts	64,440	6,000	649	83,000	299,293,050
Disbursements:					
Personal services	19,947	-	-	-	41,526,463
Supplies	-	-	-	-	2,564,288
Other services and charges	-	6,000	649	-	223,282,477
Capital outlay	-	-	-	-	4,014,058
Other disbursements	-	-	-	-	24,008,345
Total disbursements	19,947	6,000	649	-	295,395,631
Excess (deficiency) of receipts over disbursements	44,493	-	-	83,000	3,897,419
Cash and investments - ending	\$ 44,493	\$ -	\$ -	\$ 83,000	\$ 74,164,477

MONROE COUNTY
SCHEDULE OF LEASES AND DEBT
December 31, 2016

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
GABC Leasing	Dump Trucks (Highway/Stormwater)	\$ 18,165	11/8/2013	11/8/2017
J.P. Morgan Case Bank	9 Dump Trucks 2 tractors 2 utility trucks etc.	332,700	2/14/2014	2/14/2018
Mail Finance/ Neopost Mail Leasing	Neopost Postage Meter in Courthouse	2,296	12/2/2014	10/3/2017
Pitney Bowes	Postage Meter in Clerk's Office	5,520	10/16/2015	10/15/2019
Pitney Bowes	Postage Meter in Voter Registration	2,472	3/14/2014	3/13/2018
Pitney Bowes	Postage Meter in Sheriff's Office	5,292	6/26/2014	6/26/2019
SBC Global Services DBA AT&T	911 Equipment/Cassidian Vesta 4.0	296,318	12/10/2014	9/1/2024
Wells Fargo	Copiers & Printers for Technical Services	<u>84,789</u>	10/17/2014	10/16/2019
Total governmental activities		<u>747,552</u>		
Total of annual lease payments		<u>\$ 747,552</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	County Capital Projects 2017 'A' one-year bond	\$ 2,000,000	\$ 1,009,320
General obligation bonds	County Capital Projects 2018-2018 'B' two-year bond	2,000,000	507,033
Revenue bonds	Purchase of Showers Building/Courthouse Renovation	985,000	998,179
Revenue bonds	MC Convention Center Land Purchases/Debt Service	4,956,106	620,818
Revenue bonds	Westside Economic Development Area Bonds of 2013	1,215,000	189,300
Revenue bonds	Westside Economic Development Area Bonds of 2007	3,760,000	627,882
Revenue bonds	Westside Economic Development Area Bonds of 2015	3,405,000	233,223
Revenue bonds	Econ Dev Bond North Park St. Rd. 46 TIF	<u>3,775,000</u>	<u>932,750</u>
Total governmental activities		<u>22,096,106</u>	<u>5,118,505</u>
Totals		<u>\$ 22,096,106</u>	<u>\$ 5,118,505</u>

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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 *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2016. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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, 2016.

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 the Uniform Guidance, 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

December 13, 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.

MONROE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2016

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient	Total Federal Awards Expended
Department of Justice					
Juvenile Accountability Block Grants Courts - Probation	Indiana Criminal Justice Institute	16.523	03212-JB-FX-000403	\$ -	\$ 128,766
Crime Victim Assistance Prosecutor	Indiana Criminal Justice Institute	16.575	2014-VA-GX-0062	-	46,977
Violence Against Women Formula Grants Prosecutor	Indiana Criminal Justice Institute	16.588	2014-WF-AX-0005	-	29,680
Edward Byrne Memorial Justice Assistance Grant Program Courts - Probation	Indiana Criminal Justice Institute	16.738	20147-DJ-BX-1191	-	61,584
Total - Department of Justice				-	267,007
Department of Transportation					
Highway Planning and Construction Cluster Highway Planning and Construction	Indiana Department of Transportation	20.205			
Bridge Replacement			0800768/R-35316	-	11,295
UT Surface Transportation Program/MPO			0801060/B-31903	-	42,263
Highway Safety Improvement Program			1172115/T-35390	-	1,225
Bridge Replacement CE			1173326/B35900	-	108,869
Bridge Replacement E			11733326/B-35900	-	23,812
Public Lands Highway			1297633/PLC-37870	-	192,178
Public Lands Highway			1297633/R37870	-	145,600
Bridge Replacement			1382121/PLC936163	-	101,682
Transportation Enhancement/Transportation Alternatives			1382431/R35921	-	8,000
Transportation Enhancement/Transportation Alternatives			1382431/R35921	-	16,100
Transportation Enhancement/Transportation Alternatives			1382431/R35921	-	2,200
Surface Transportation Program Group IV			1400783/R-37596	-	444,631
Highway Safety Improvement Program			1500397/38351	-	3,692
Highway Safety Improvement Program			1592271/T-38965	-	2,946
Transportation Enhancement			600370/R29488	-	2,449
Surface Transportation Program			901794/R-35316	-	7,100
Transportation Enhancement/Transportation Alternatives			902263/R-33272	-	35,438
Rockport Roadf Bridge #94			0301007	-	9,289
Total - Highway Planning and Construction Cluster				-	1,158,770
Highway Safety Cluster State and Community Highway Safety Sheriff	Indiana Criminal Justice Institute	20.600	D3-15-8957	-	7,256
Alcohol Impaired Driving Countermeasures Incentive Grants I Sheriff	Indiana Criminal Justice Institute	20.601	D3-15-8993	-	1,448
Total - Highway Safety Cluster				-	8,704
Airport Improvement Program Airport	Direct Grant	20.106	3-18-0006-30	-	155,343
Formula Grants for Rural Areas Commissioners	Indiana Department of Transportation	20.509	IN18033090	705,275	705,275
Interagency Hazardous Materials Public Sector Training and Planning Grants Emergency Management	Indiana Department of Homeland Security	20.703	C440-5-445B	-	12,380
Total - Department of Transportation				705,275	2,040,472
Department of Health and Human Services					
TANF Cluster Temporary Assistance for Needy Families Health	Indiana Family Health Council	93.558	MCH 386-3	-	17,567
Immunization Cooperative Agreements Health	Indiana State Department of Health	93.268	A70-5-073164	-	64,176
Medical Reserve Corps Small Grant Program Health	Indiana State Department of Health	93.008	5MRCSG101005-04	-	15,000

MONROE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2016

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient	Total Federal Awards Expended
<u>Department of Health and Human Services (continued)</u>					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	Indiana State Department of Health	93.074			
Health			13816	-	13,465
Health			1U90TP000521-01	-	5,129
Health			5U90TP000521-02	-	19,680
Total - Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements				-	38,274
Family Planning Services Health	Indiana Family Health Council	93.217	SPHP-A-050511-36	-	128,999
Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership Marketplaces Health	Indiana Family Health Council	93.332	NAVCA 1401-01-00	-	14,274
<u>Department of Health and Human Services</u>					
Child Support Enforcement	Indiana Department of Child Services	93.563			
Incentive Payments - Clerk			1304IN4005	-	47,564
Incentive Payments - Court			1304IN4005	-	36,135
Incentive Payments - Prosecutor			1304IN4005	-	12,222
Clerks			1304IN4005	-	55,465
Court			1304IN4005	-	174,604
Prosecutor			1304IN4005	-	656,930
Indirect Costs			1304IN4005	-	226,716
ARRA Incentive Payments - Prosecutor			1304IN4005	-	19,850
Total - Child Support Enforcement				-	1,229,487
Child Support Enforcement Demonstrations and Special Projects Courts - Probation	Direct Grant	93.601	2016	-	43,529
Voting Access for Individuals with Disabilities_Grants to States HAVA	Indiana Election Division	93.617	2016	-	461
Basic Center Grant	Direct Grant	93.623			
YSB/Runaway Homeless			90CY645801	-	111,039
YSB/Runaway Homeless			90CY6800-02	-	30,506
Total - Basic Center Grant				-	141,545
Social Services Block Grant Prosecutor	Indiana Family and Social Services Administration	93.667	53-16-PV-2740	-	14,583
HIV Prevention Activities Health Department Based Health	Indiana State Department of Health	93.940	U62PS003682	-	64,373
Maternal and Child Health Services Block Grant to the States Health	Indiana Family Health Council	93.994	2016	-	17,695
Total - Department of Health and Human Services				-	1,789,964
<u>Department of Homeland Security</u>					
Emergency Management Performance Grants Emergency Mgmt	Indiana Department of Homeland Security	97.042	EMW-2014-EP-00030	-	47,778
Homeland Security Grant Program Emergency Management	Indiana Department of Homeland Security	97.067	EMW-2014-SS-00138	-	49,972
Total - Department of Homeland Security				-	97,750
Total federal awards expended				\$ 705,275	\$ 4,195,192

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

MONROE COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the County under programs of the federal government for the year ended December 31, 2016. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 the Uniform Guidance, 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. The County has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

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 weakness identified?	no
Significant deficiency identified?	none reported
Any audit finding disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	no

Identification of Major Programs and type of auditor's report issued on compliance for each:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
93.563	Highway Planning and Construction Cluster Child Support Enforcement	Unmodified Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?	no
--	----

Section II - Financial Statement Findings

FINDING 2016-001

Subject: Preparation of the Schedule of Expenditures of Federal Awards
Audit Findings: Material Weakness, Noncompliance

Repeat Finding

This is a repeat of Finding 2015-001 from the immediate prior year.

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 relied on one employee to prepare the SEFA. There was no evidence of a control, such as an oversight, review, or approval process by the County, to ensure federal awards information entered and submitted was correct.

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Context

The SEFA contained the following types of errors in reporting expenditures: grants were duplicated, grant expenditures were overstated and understated, grant expenditures were omitted, and grant expenditures included state funds. The following is a summary of the net accumulated errors by federal agency:

1. The Department of Justice grants were understated by \$32,994.
2. The Department of Transportation grants were overstated by \$1,181,403.
3. The Department of Health and Human Services grants were understated by \$1,088,751.
4. The Department of Homeland Security grants were understated by \$55,160.

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. . . ."

2 CFR 200.508 states in part: "The auditee must: . . . (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with § 200.510 Financial statements. . . ."

2 CFR 200.510(b) states:

"*Schedule of expenditures of Federal awards*. The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502 Basis for determining Federal awards expended. 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 Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal 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 must 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. For a cluster of programs also provide the total for the cluster.
- (4) Include the total amount provided to subrecipients from each Federal program.
- (5) For loan or loan guarantee programs described in § 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.
- (6) Include notes that describe that significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in § 200.414 Indirect (F&A) costs."

Cause

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

Effect

The failure to establish controls enabled material misstatements of the SEFA to occur.

Recommendation

We recommended that the County's management establish controls to prevent, or detect and correct, errors on the SEFA.

Views of Responsible Officials

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

FINDING 2016-002

Subject: Internal Control over Financial Reporting
Audit Findings: Material Weakness, Noncompliance

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Repeat Finding

This is a repeat of Finding 2015-002 from the immediate prior year.

Condition

There were deficiencies in the internal control system of the County related to financial transactions and the input of financial information entered into the Indiana Gateway for government units financial reporting system (Gateway), which is the source for the Annual Financial Report (AFR) and the financial statement. Financial information was prepared and submitted into Gateway without effective oversight, review, approval, or other compensating control to ensure the accuracy of the information prior to submission.

Context

Due to a lack of controls over the input of financial information, the original financial information entered into Gateway omitted the Clerk's Trust, Sheriff's Inmate Trust, Jail Commissary, After Settlement Collections, and some redevelopment funds that were not included on the County Auditor's funds ledger.

The net effect of the errors resulted in the beginning cash and investment balance being understated by \$14,386,676, receipts being understated by \$19,951,183, disbursements being understated by \$23,488,027, and the ending cash and investment balance being understated by \$10,849,832.

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

MONROE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

The County's management had not established a proper system of internal control to ensure proper reporting of the AFR and financial statement.

Effect

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

Recommendation

We recommended that the County's management establish controls to prevent, or detect and correct, errors on the AFR and financial statement.

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.

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AUDITEE-PREPARED DOCUMENTS

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



CATHERINE C. SMITH
Monroe County Auditor

Courthouse, Room 209
100 West Kirkwood Avenue
Bloomington, IN 47404
Office (812) 349-2510
Fax (812) 349-2280

MEMORANDUM FOR RECORD

Auditor's Office Summary Schedule of Prior Audit Findings (Submitted for Audit Year 2016)

FINDING 2015-001 Preparation of the SEFA, Grant Management

Fiscal Year in which the finding initially occurred: 2015

Contact Person Responsible for Corrective Action: Catherine Smith

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

Status of Audit Finding:

The Monroe County Auditor's Office no longer uses Grant Navigator to manage grants across departments. The Low Financial System has been implemented as the Monroe County financial accounting software. This program has extensive report capabilities which allow departments with grants to track the grant process from first spend through the complete grant cycle. This replaces the legacy software Harris Financials which did not have the grant reporting features needed to track grants, so Grant Navigator was used. Employees found Grant Navigator cumbersome to use and therefore would not use the tool. Everyone is happy with what the Low Financial package provides and we note that employees and departments are using it more extensively. The SEFA has been corrected and it matches the entries in Low Financials. Grants are tracked more closely and accurately using this tool.

Low Financials allow each grant to be separated by grant year cycle to more effectively report and track grants from year-to-year. This prevents comingling of grant year funds which was a significant challenge to keep accurate using the old tool.

The corrective action plan outlined in the 2015 Audit has been fully implemented, the process seems to be working well.

Anticipated completion date: 30 September 2017

FINDING 2015-002 Internal Controls over Financial Transactions and Reporting

Fiscal Year in which the finding initially occurred: 2015

Contact Person Responsible for Corrective Action: Catherine Smith

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

Status of Audit Finding:

The corrective action outlined in the 2015 Audit has been fully implemented by placing the following structural controls inside a distinct process so that each element of accounting data is

checked upon input into the financial accounting software. Basically, two sets of eyes are on each transaction and the new financial director is the sole person allowed to verify and change entries, if a mistake has been identified and a journal entry correction must be made.

Regarding separation of duties, no one individual changes any financial entries they made themselves. There is strict division of duties across each financial operation. In the corrective action plan, there was information involving the hiring of a second financial deputy. This has been approved by the county council and is in the process of being initiated by 1/1/2018. The corrective action plan misidentified this position as the sole responsibility for internal auditing and that work process and procedure has already been implemented. This auditing process is being performed by the financial manager and this second deputy position will be trained to make daily journal entries and perform other basic accounting work. The financial director is responsible for the management, integrity and accuracy of the general ledger, though the population of the ledger itself is performed by the financial director's staff, with their oversight.

Anticipated completion date: 10 January 2018

FINDING 2015-007 Internal Controls over Child Support Enforcement

Fiscal Year in which the finding initially occurred: 2015

Contact Person Responsible for Corrective Action: Catherine Smith

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

Status of Audit Finding:

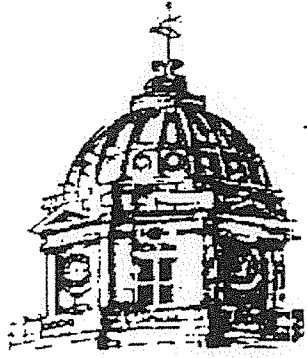
The Monroe County Cost Allocation Plan for the year 2015 was completed on 6/23/17 and forwarded to Robert Conrad, at the Department of Child Services. This constitutes the manner in which reimbursement is requested. The Cost Allocation Plan was prepared by a vendor, namely MAXIMUS, Inc., in Indianapolis. Until 2017, the county did not have a reasonable and effective internal control procedure in place. Early in 2017, a financial director was hired and the Auditor's office has been restructured to ensure proper segregation of responsibilities and compliance with requirements related to grants and child support enforcement. The Financial Director and their staff will also verify and review the Cost Allocation Plan as presented by our third party vendor to confirm indirect costs have been appropriately captured and reported. Additionally, we intend to maintain an improved level of training for our Grant Administrator to be able to distinguish accuracy of reporting from other departments concerning activities allowed, allowable costs, cost principles, and reporting.

Anticipated completion date: 31 December 2017

Respectfully submitted,

Catherine Smith

Monroe County Auditor



JESSICA MCCLELLAN
Monroe County Treasurer

100 W Kirkwood Avenue, Room 204
Bloomington, IN 47404
Office (812) 349-2530
treasurer@co.monroe.in.us

November 14, 2017

MEMORANDUM FOR RECORD
Treasurer's Office Summary of Prior Audit Findings
For Audit Year 2016

FINDING 2015-003 –

Fiscal Year in which the finding initially occurred: 2015

Contact person responsible for corrective action: Jessica McClellan

Contact phone number: 812-349-2531

Status of audit finding:

The audit findings for the year 2015 have been addressed and new office procedures and internal controls are in place. The corrective action plan submitted by Catherine Smith in response to the 2015 audit is being followed. In February 2017, I reviewed the five deficiencies described in the audit and wrote the following specific procedure used to correct the weaknesses.

1. Cash Reconciliations:

The Cash Book manager completes reconciliation of bank statements to the cash book for every month at the close of the month. Amounts posted in the Cash Book must match bank activity or the difference is researched and noted or corrected. Oversight is being given to reconciliation by the Treasurer.

Adjustment made between January and April 2016 corrected the errors in the cash book. Procedures were changed so that errors would not occur or be found sooner.

Investments are recorded on the cashbook and are reconciled with bank statements monthly.

2. Cash Book:

a. Cash Book postings that did not agree with that day's collections are due to NSF postings. Postings NSF adjustments were done on a day that had been balanced with that day's business, causing the day to become out of balance. Now NSF adjustments are done to the day's business in which the adjustment is received from the bank. Corrections are being made prior to the cashbook manager receiving daily information. If errors need to be voided and corrected, someone other than the person making the correction reviews and voids the transaction.

b. Bank balances are reviewed by the Treasurer, or her deputy, daily and forwarded to the Cash Book manager to verify accounts on the cashbook. The employee who verifies the checks with the check register also verifies that the correct bank is assigned for the withdrawal. Bank balance, cash book and ledger accounts match.

- c. Controls are in place to prevent the electronic cashbook from being changed after it is reconciled. The Cashbook is balanced on a timely basis and the daily balance is verified by another employee before being closed by the Cash Book Manager. Daily work is signed by two employees before it is added to the cash sheet. If necessary, corrections are made to the daily work and signed off on by employees authorized to make changes before it is entered on the cash sheet. After cash sheet is closed in the software it cannot be changed. A paper copy can be printed from the daily record at any time. The date the last change was made can be verified at any time and cannot change.
- d. An employee other than the person completing the Cashbook verifies and signs off on property tax software reports vs. the Cash Book. Treasurer discovered that credit card batches were being held past the business day to verify funds. Now all daily transactions including credit cards are recorded in the property tax system and the Cash Book the day they are received.
- e. The chief deputy is assigned to monitor electronic vendor payments. Errors discovered for incorrect amounts, incorrect dates or entries not recorded are balanced in the daily work before being entered on the cash sheet. Taxation Incoming Electronic Transfers (EFT) such as BMV receipts are added to cashbook by Financial Manager without being quietused and will have an accompanying receipt dictating where to credit the deposit on which specific cashbook line.

3. Excise Tax

The Treasurer posts the excise, wheel and surtax amount deposited in the bank to Cash Book. Excise, wheel and surtax are each recorded on individual lines on the Cashbook. The Treasurer's Office creates a receipt for the funds and forwards it to the Auditor. The Auditor receives excise, wheel and surtax distribution amounts from the State Auditor's Office and verifies those amounts with the Treasurer's receipt.

Treasurer balances the excise, wheel and surtax on a monthly basis with the Auditor and documents from the state's ftp website. Extra excise, wheel and surtax discovered during the past audit are held on a separate line to be reviewed and disbursed. My intention was to disburse in Spring settlement 2017. We are both a new auditor and treasurer in 2017 and we waited to distribute funds until we were certain BMV receipts settled for a full year and our books balanced consistently. Funds will be distributed on or before Fall settlement 2017.

4. Financial Reporting

Treasurer's After Tax Balance will be given to the Auditor after settlement as requested.

5. Redevelopment Commission Funds

Redevelopment Commission Capital, Debt Reserve and Principal & Interest Accounts at Old National Bank are tracked on the Cash Book in Investments. The Treasurer receives monthly bank statements and records the interest earned. Interest information is forwarded to the Auditor.

Respectfully,


Jessica McAllen
Monroe County Treasurer

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

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-004 AND 2015-007 REPORT PERIOD:

January 1, 2015 to December 31, 2015

Contact Person Responsible for Corrective Action: Nicole Browne

812-349-5004

Status of Audit Finding:

2015-004

A spreadsheet was generated and implemented in reporting year end totals for all of the accounts for The Monroe County Clerk's Office, including ISETS and the I 69 savings account which are not represented in Odyssey, to the Monroe County Auditor.

Anticipated Completion Date: 30 June 2016

(Refer to B)

2015-007

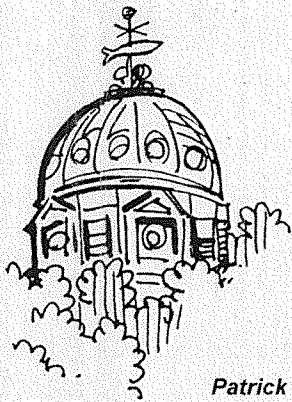
Time is recorded monthly by each individual employee for actual hours worked on IVD cases. Those time sheets are supplied by Malcon and collected by Rebecca Waldrip, ISETS Supervisor. They are e-mailed to Malcon who compiles a completed report that is then submitted to Nicole Browne, Monroe County Clerk, for her to verify and sign. The documentation with her signature, is returned to Malcon.

Anticipated Completion Date: 30 June 2016 (Refer to B)

Nicole L. Browne
(Signature)

Clerk
(Title)

October 30, 2017
(Date)



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

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

Patrick Stoffers, President

Julie Thomas, Vice President

Iris Kiesling, Member

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS 2015

October 31, 2017

FINDING 2015-005

Fiscal year in which the finding initially occurred: January 1, 2015– December 31, 2015

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

Issues identified: Ineffective internal control system including segregation of duties and failure to verify the sub-recipient was not suspended or debarred.

Status of Audit Findings:

Monroe County Government **initiated in 2016** policies and procedures to ensure an effective internal control system that includes segregation of duties and oversight, review, and approval to ensure procurement, and suspension and debarment in the use of federal grant funds.

Specifically, the Commissioners in 2016 and 2017:

- Have ensured the sub-recipient is not on the Debarment and Suspension list- checking prior to the submission of each grant. We have not felt it necessary to check again within 6 months of the prior check
- MCG checks SAMS for all reported contractual agreements associated with the Rural Transit program as opposed to requiring the sub-recipient provide that confirmation.

FINDING 2015-006

Fiscal year in which the finding initially occurred: January 1, 2015 – December 31, 2015

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

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

Status of Audit Findings: The Monroe County Commissioners established in 2016 internal control policies and procedures specific to the segregation of duties, established monthly meetings with Area 10 / Rural Transit, and have held periodic on site visits.

Monroe County has ensured:

1. The sub-recipient is advised of the CFDA title, number, award name and number, award year, and the name of the Federal Agency. (ALL of this information is sent to the sub-recipient via INDOT at the time of the award – INDOT was not forwarding the information to MCG- but that has been corrected.
2. The sub-recipient is advised of requirements imposed upon them by Federal Laws, regulations, contract, and grant agreement in addition to any requirements imposed upon MCG as the pass through entity
3. Monthly meeting/submissions of information ensures the activities of the sub-recipient are in compliance with proper use of funds and performance goals
4. Audit requirements are met for the fiscal year of receipt- given the delay in the audit- corrective action may be necessary
5. Corrective Action plans were submitted and approved by INDOT for 2016.
6. No adjustments were necessary to our financial records
7. The sub-recipient provides all requested financial documentation as necessary for MCG to comply with our sub-recipient monitoring.

Angela Purdie
Commissioners' Administrator



Chris Gaal
Prosecuting Attorney

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

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

October 27, 2017

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding 2015-007

Federal Agency: Department of Health and Human Services

Federal Program: Child Support Enforcement

CFDA Number: 93.563

Federal Award Number: 1304IN4005

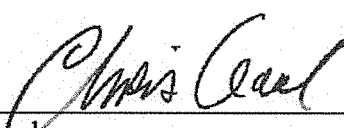
Pass-through Entity: Indiana Department of Child Services

Auditee Contact Person: Beth Hamlin

Contact Person Title: Executive Director, Monroe County Prosecutor's Office

Contact Phone Number: (812) 349-2064

Status of Audit Finding: Corrective Action Plan UPDATE – Since September, 2016 our office has completed the 445272/DFC Form 918 monthly. As an additional corrective action, and after much discussion and analysis of our local processes, we expect to begin using the PAR and the MEC beginning with our October, 2017 reporting period. Several questions regarding the use of these two processes were posed at the DFC Financial Quality Assurance Analyst recently and answers to these questions were received on Thursday, 10/26/2017. It is our intention to continue to use these processes (PAR and MEC) barring any unforeseen complications.



Chris Gaal
Monroe County Prosecuting Attorney



Date

Monroe Circuit Court

Office of Court Services

The Justice Building

301 North College Avenue

Bloomington, Indiana 47404-3865

(812)349-2615

Fax (812)349-2791

Bonnie Austin
Director

Lisa Abraham
Deputy Court Administrator

Lisa Wesemann
Public Service Coordinator

Bernice Luck
Financial Coordinator

Jama Chandler
Case Management Coordinator

Michelle Pritchard
Court Program Coordinator

October 31, 2017

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2015-007

Original Assigned SBA Audit Report Number:

B44887

Report Period:

January 1, 2015 to December 31, 2015

Pass-Through Entity

Indiana Department of Child Services

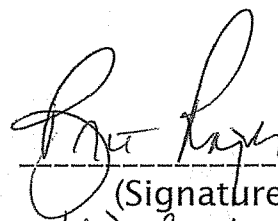
Contact Person:

Bernice Luck

Contact Phone Number:

812 349 2641

Status of Audit Finding: Corrective Action was taken on the September 2016 monthly expense claim for the unallowed claim on the August 2015 monthly expense claim. Department reviews activities for allowed and unallowed claims to ensure program funds are used appropriately.



(Signature)
V.D. Commissioner

(Title)



CATHERINE C. SMITH
Monroe County Auditor

Courthouse, Room 209
100 West Kirkwood Avenue
Bloomington, IN 47404
Office (812) 349-2510
Fax (812) 349-2280

MEMORANDUM FOR PUBLIC RECORD

CORRECTIVE ACTION PLAN
2016 SBOA Audit Review Fall 2017

FINDING 2016-001

Contact Person Responsible for Corrective Action: Catherine Smith, Monroe County Auditor
Contact Phone Number: 812.349.2515 (Direct Line)

Views of Responsible Official: Auditor Catherine Smith agrees with the deficiencies identified in the 2016 Audit of Monroe County regarding internal control of federal awards, a repeat finding. The Monroe County Auditor's Office takes this review very seriously and will be diligent about working the following plan:

Description of Corrective Action Plan: While Auditor Smith is still completing her first year as the Auditor of Monroe County, she is still developing a systematic approach of the review and organization of the set of federal awards Monroe County receives and there are several. The plan is quite simple in its approach and it is as follows:

1. Apply the necessary man-hours to completely review and organize all grants from inception through their completion.
2. Create and maintain a master control document of all awards, as a working tool to organize, review and track each award.
3. Create a unique file for each award, in a specific format and following a designated convention, for both original paper work and electronic data.
4. Train **internal** Auditor's Department staff members to understand the award process, what the county's responsibilities are for data collection, management and reporting are and how these responsibilities will be performed and reviewed.
5. Train responsible Monroe County Government employees **external** to the Auditor's Office who are integral to the award process in the necessary activities to augment and ensure the county's responsibilities for data collection, management and reporting are met or exceeded and how these compliance criteria will be measured and reviewed by the Auditor's Office to ensure compliance.
6. Eliminate errors by incorporating a structured monthly review of all awards by the Grants' Administrator and reconciling, correcting, and/or mitigating immediate corrective action as needed and thoroughly documenting any adjustments.
7. Build in a preventative maintenance element to grant review, by developing and implementing a monthly systematic process of review of all awards (both federal and non-federal) and the work performed on each award by the Grants' Administrator by the County's Financial Director. This formal monthly review process will include a measurement tool that will be developed and

applied, culminating in a mechanism that requires signatory approval by the Financial Director. Once implemented, this “second set of eyes” approach will prevent errors from propagating or being allowed to float until the year end.

Anticipated Completion Date: **August 31, 2018**

Catherine Smith

(Signature)

Monroe County Auditor

(Title)

December 11, 2017

(Date)



CATHERINE C. SMITH
Monroe County Auditor

Courthouse, Room 209
100 West Kirkwood Avenue
Bloomington, IN 47404
Office (812) 349-2510
Fax (812) 349-2280

MEMORANDUM FOR PUBLIC RECORD

CORRECTIVE ACTION PLAN
2016 SBOA Audit Review Fall 2017

FINDING 2016-002

Contact Person Responsible for Corrective Action: Catherine Smith, Monroe County Auditor
Contact Phone Number: 812.349.2515 (Direct Line)

Views of Responsible Official: Auditor Catherine Smith agrees with the deficiencies identified in the 2016 Audit of Monroe County regarding internal control over Financial Reporting, a repeat finding. The Monroe County Auditor's Office takes this review very seriously and will be diligent about working the following plan:

Description of Corrective Action Plan: During Auditor Smith's inaugural year as the Auditor of Monroe County, she has begun the process of overhauling the financial systems and mechanisms of the auditor's office by recruiting and training key employees and is in the process of developing and implementing a systematic approach of the review and control process of financial reporting, including developing a strong and measurable internal control plan.

While effective internal control does remain an on-going problem, Monroe County as a whole, has taken serious and substantial steps to address this issue, both aggregately and collectively. Major areas of corrective action includes purchasing and implementing a windows-based financial software system (Low) which includes general ledger management, banking reconciliation, payroll processing and employee benefit expense management. This software also includes a yet-to-be implemented purchasing request module. The commissioner's purchased this software in late summer 2016 and implementation began in fall of that year and is still in the process of becoming fully implemented. This includes financial data collection across the county being refined to fit the systematic requirements in order to standardize data elements, such as have like named and formatted elements, in an effort to make reporting more understandable and usable county wide.

Standardizing Monroe County's data, both the collection aspect and the reporting aspect, will go a long way toward effective financial management and internal control, as problems will be more easily recognizable and discrepancies will be more visible. While this is more of a causal approach to our internal control issues, Monroe County recognized there were certainly a few big picture issues that prevented the Auditor's Office from developing good internal controls and this problem of data collection and management was certainly a paramount issue. Purchasing the new financial software was a giant first step taken by the county, as a whole.

Additionally, another large and glaring big picture issue was staffing. The Monroe County Council has

recognized this problem and taken it seriously, as well. The Council began the process of addressing this issue in 2017 by funding the second financial position for 2018. The staffing was so critically short that virtually no internal auditing was being completed, allowing problems to be created, perpetuated and hidden. These issues have been and will continue to be addressed, as follows:

1. Restructure the Auditor's Office financial team from a chaos management team to a highly effective and efficient team of financial talent, driven by a written and measured internal control plan.
2. Focus on error prevention, rather than error identification and correction.
3. Continue identifying, hiring and training excellent Auditor's Department staff responsible for capable financial management, including appropriate internal controls.
-This process began by hiring a very capable and technically proficient Financial Director in the first quarter of 2017. In addition, Monroe County has refunded the position of Second Financial Deputy during the budgeting process for Fiscal Year 2018. A capable candidate has been identified and is scheduled to begin their work of general ledger operating and management in early 2018.
4. Convert the top level Auditor's financial position into one that ensures proper internal controls and executes the internal control plan, performs appropriate internal audits and is responsible for the overall financial operation such as managing the financial employees and by performing appropriate internal audits.
5. Ensure an adequate number of staffing man-hours are applied to effectively administer internal control over all financial processes.
6. Continue to train Auditor's staff and county wide external staff to understand the process and benefit of good internal control, how to develop it and how to restructure it as the county's business needs change.
7. Write a well thought out and measurable plan to manage the county's responsibilities for data collection, management and reporting and how these responsibilities will be performed and reviewed. This plan, written in the Auditor's Office, will address data collection, reporting, segregation of duties, reconciliation processes, authorizations and approval processes and verifications processes.
8. Implement the written Auditor's Internal Control Plan and the inter-departmental purchasing program.
9. Establish a formal performance review process which includes being held to the standard of the Internal Control Plan.

Anticipated Completion Date: End of year, 2018.

Catherine Smith

(Signature)

Monroe County Auditor

(Title)

December 11, 2017

(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/>.