



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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May 26, 2022

To: The Officials of Clark County
Clark County
501 E Court Ave
Jeffersonville, IN 47130

This report is supplemental to the audit report of the Clark County (County), for the period January 1, 2020 to December 31, 2020. It has been provided as a separate report so that the reader may easily identify any Examination Findings that pertain to the County. It should be read in conjunction with the financial statement audit report of the County, which provides an opinion on the County's financial statements. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the County and perform procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

We call your attention to the findings in the report which may be found on page three.

We have reviewed the Supplemental Audit Report for Clark County, prepared by Crowe LLP, Independent Public Accountants, for the period January 1, 2020 to December 31, 2020. In our opinion, the Supplemental Audit Report was prepared in accordance with the guidelines established by the State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

A handwritten signature in black ink that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

**COMPLIANCE EXAMINATION OF
CLARK COUNTY, INDIANA**

Jeffersonville, Indiana
January 1, 2020 to December 31, 2020

CLARK COUNTY, INDIANA

Jeffersonville, Indiana
January 1, 2020 to December 31, 2020

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CLARK COUNTY
SCHEDULE OF OFFICIALS
January 1, 2020 to December 31, 2020

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Danny Yost	01-01-19 to 12-31-22
County Treasurer	R. Monty Snelling	01-01-19 to 12-31-22
Clerk of the Circuit Court	Susan Popp	01-01-15 to 12-31-22
County Sheriff	Jamey Noel	01-01-15 to 12-31-22
County Recorder	Terry E. Conway	01-01-19 to 12-31-22
President of the Board of County Commissioners	Jack Coffman	01-01-17 to 12-31-20
President of the County Council	Barbara Hollis	01-01-19 to 12-31-22

INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and
Management of Clark County, Indiana

We have examined Clark County's (the "County") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines* during the period January 1, 2020 to December 31, 2020. Management of the County is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our qualified opinion.

Our examination does not provide a legal determination on the County's compliance with specified requirements.

Our examination disclosed material noncompliance with the *Accounting and Uniform Compliance Guidelines* applicable to the County during the period January 1, 2020 to December 31, 2020, as described in items 2020-001 through 2020-003 on the following Schedule of Examination Findings and Results.

In our opinion, except for the material noncompliance described in the preceding paragraph, the County complied, in all material respects, with the aforementioned requirements during the period January 1, 2020 to December 31, 2020.

The County's responses to the finding identified in our examination is described in the accompanying Schedule of Examination Findings and Results. The County's response was not subjected to the procedures applied in the examination of compliance and, accordingly, we express no opinion on it.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
May 13, 2022

CLARK COUNTY, INDIANA
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
January 1, 2020 to December 31, 2020

FINDING 2020-001: MISSTATEMENT OF ANNUAL FINANCIAL REPORT

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. . . ."*

Condition: During testing, we noted that noted several funds were inappropriately excluded from the Annual Financial Report. An entry was posted to include these funds on the Annual Financial Report. The net impact of this entry increased cash, receipts and disbursements by approximately \$11.8 million, \$21.3 million and \$22.4 million, respectively.

FINDING 2020-002: ANNUAL FINANCIAL REPORT SUBMISSION

Criteria: 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."*

Condition: During testing of Annual Financial Report submissions, we noted the 2020 Annual Financial Report was submitted on April 6, 2021, 36 days after the due date. This is a repeat finding as presented in report B58994.

FINDING 2020-003: DEFICIT CASH BALANCES

Criteria: Chapter 1 of the Accounting and Uniform Compliance Guidelines Manual states in part, *"The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the unit."*

Condition: During testing of cash, we noted 28 funds with cash balances below zero. Of these funds, all but 5 were related to cost reimbursement grants. The total deficit cash balances of the 5 remaining funds approximated \$600,000. This is a repeat finding as presented in report B58994.

CLARK COUNTY, INDIANA
EXIT CONFERENCE
January 1, 2020 to December 31, 2020

The contents of this report were discussed on May 13, 2022 with Bryan Glover, President of the Clark County Commissioners, Scott Lewis, County Attorney, Barbara Hollis, President of the Clark County Council, Danny Yost, County Auditor and Jessica Huffman, Chief Deputy. The officials acknowledged the findings.