

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

CLAY COUNTY, INDIANA

January 1, 2021 to December 31, 2021



FILED

08/10/2022

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Auditor	Jennifer M. Flater	01-01-21 to 12-31-22
County Treasurer	Debra James	01-01-21 to 12-31-22
Clerk of the Circuit Court	Amy E. Jordan	01-01-21 to 12-31-22
County Sheriff	Paul Harden	01-01-21 to 12-31-22
County Recorder	(Patricia) Nicole Keller	01-01-21 to 12-31-22
President of the Board of County Commissioners	Marty Heffner	01-01-21 to 06-30-21
	Paul R. Sinderson	07-01-21 to 12-31-21
	Marty Heffner	01-01-22 to 06-30-22
	Paul R. Sinderson	07-01-22 to 12-31-22
President of the County Council	Larry Moss	01-01-21 to 12-31-22



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF CLAY COUNTY, INDIANA

This report is supplemental to our audit report of Clay County (County), for the period from January 1, 2021 to December 31, 2021. It has been provided as a separate report so that the reader may easily identify any Audit Result and Comment that pertains to the County. It should be read in conjunction with our Financial Statement Audit Report of the County, which provides our opinions on the County's financial statement. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit Result and Comment contained herein describes the identified reportable instance of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Official Response to the Audit Result and Comment, incorporated within this report, was not verified for accuracy.

Beth Kelley, CPA, CFE
Deputy State Examiner

July 20, 2022

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COUNTY AUDITOR
CLAY COUNTY

COUNTY AUDITOR
CLAY COUNTY
AUDIT RESULT AND COMMENT

MOTOR VEHICLE HIGHWAY (MVH) – RESTRICTED FUND

Condition and Context

Beginning January 1, 2019, the County was required to create a Motor Vehicle Highway (MVH) Restricted sub-fund, that would be used exclusively for the construction, reconstruction, and preservation of the County's highways, and be reported separately on the Annual Financial Report and Annual Operational Report.

The County created the sub-fund 1173, MVH Restricted fund on its financial records, but failed to report separately the MVH Restricted fund from the Motor Vehicle Highway fund on the 2021 Annual Financial Report (AFR) which was the source of the financial statement. The Motor Vehicle Highway fund was omitted from the AFR and only the MVH Restricted fund was included.

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

Criteria

The MVH and MVH Restricted will be shown separately on the Annual Financial Report and Annual Operational Report. (State Examiner Directive 2018-2)

Units are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, court decisions, and filing requirements concerning reports and other procedural matters of federal and state agencies. Units must file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Guidelines Manual for County Auditors of Indiana, Chapter 1)

COUNTY AUDITOR
CLAY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 20, 2022, with Jennifer M. Flater, County Auditor; Paul R. Sinderson, President of the Board of County Commissioners; and Larry Moss, President of the County Council.