



Title IVD – Information for Auditors and Clerks  
Association of Indiana Counties, Legislative Conference  
Indianapolis, IN  
February 17, 2011

## Agenda

- Introductions
- Background
- Moving Forward
- Questions

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## Incentive Cutover Balance Process

- DCS Audit finding mitigation requires enhanced financial reporting at state and county level:
  - Better segregation of Incentive Funds
  - Determination of balance of incentive funds as of 12/31/10
  - Process for prospective reporting
  
- County Considerations:
  - Collaborative approach between auditors, prosecutors and clerks
  - Assess measurement and historical reporting of the incentive fund cutover balances and activities
  - Importance of existing data and information—CAR1, state and county IVD reports
  - Identify risk areas in county fund accounting and reporting
  - Report any corrected balances

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## County Fund Maintenance Example Risk Areas

1. Was there a defined process for managing incentive funds?
2. Were incentive funds segregated?
3. Were incentive funds reported separately on county balance sheets?
4. Were internal controls in place for fund management?
5. Were assets purchased with incentive funds tracked?
6. Was incentive fund activity tracked electronically or by paper?
7. Are IVD fund balances reported as a distinct balance on the CAR1?

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