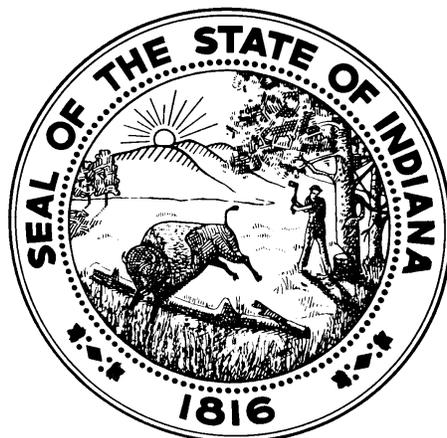


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF

WABASH COUNTY SOIL AND
WATER CONSERVATION DISTRICT
WABASH COUNTY, INDIANA

January 1, 2006 to December 31, 2007



FILED
08/22/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	Adam Jones	01-01-06 to 10-01-06
	Vacant	10-02-06 to 04-09-07
	Penny K. Collins	04-10-07 to 12-31-08
President of the Board of Supervisors	Barry Eppley	01-01-06 to 12-31-08



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE WABASH COUNTY SOIL AND WATER
CONSERVATION DISTRICT, WABASH COUNTY, INDIANA

We have examined the financial information presented herein of the Wabash County Soil and Water Conservation District (District), for the period of January 1, 2006 to December 31, 2007. The District's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the District for the years ended December 31, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

July 17, 2008

WABASH COUNTY SOIL AND WATER CONSERVATION DISTRICT
 SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
 ALL GOVERNMENTAL FUND TYPES
 As Of And For The Years Ended December 31, 2006 And 2007

	Cash and Investments <u>01-01-06</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash and Investments <u>12-31-06</u>										
General	\$ <u>60,643</u>	\$ <u>56,025</u>	\$ <u>49,866</u>	\$ <u>66,802</u>										
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;"></th> <th style="width: 15%; text-align: center;">Cash and Investments <u>01-01-07</u></th> <th style="width: 15%; text-align: center;"><u>Receipts</u></th> <th style="width: 15%; text-align: center;"><u>Disbursements</u></th> <th style="width: 15%; text-align: center;">Cash and Investments <u>12-31-07</u></th> </tr> </thead> <tbody> <tr> <td>General</td> <td style="text-align: right;">\$ <u>66,802</u></td> <td style="text-align: right;">\$ <u>74,996</u></td> <td style="text-align: right;">\$ <u>67,405</u></td> <td style="text-align: right;">\$ <u>74,393</u></td> </tr> </tbody> </table>						Cash and Investments <u>01-01-07</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash and Investments <u>12-31-07</u>	General	\$ <u>66,802</u>	\$ <u>74,996</u>	\$ <u>67,405</u>	\$ <u>74,393</u>
	Cash and Investments <u>01-01-07</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash and Investments <u>12-31-07</u>										
General	\$ <u>66,802</u>	\$ <u>74,996</u>	\$ <u>67,405</u>	\$ <u>74,393</u>										

The accompanying notes are an integral part of the financial information.

WABASH COUNTY SOIL AND WATER CONSERVATION DISTRICT
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District provides soil and water conservation services.

Note 2. Fund Accounting

The District uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Deposits and Investments

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

State statute (IC 5-13-9) authorizes the District to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

WABASH COUNTY SOIL AND WATER CONSERVATION DISTRICT
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS

December 31, 2007

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Machinery and equipment	<u>\$ 43,441</u>

WABASH COUNTY SOIL AND WATER CONSERVATION DISTRICT
EXAMINATION RESULTS AND COMMENTS

BANK ACCOUNT RECONCILIATIONS

Record balances were not reconciled to depository balances or were incorrect during the two year period. The record balance per the General Ledger and the Reconciliation Summary Report did not agree at December 31, 2007. Also, several checks found to be outstanding at December 31, 2007, did not appear on the Reconciliation Summary Report for December 31, 2007. A similar comment appeared in prior Report B27360.

Indiana Code 5-13-6-1(e) states in part: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

PUBLIC RECORDS RETENTION

The following records were not presented for audit:

<u>Description</u>	<u>For the Period</u>
Duplicate receipts	01-01-06 to 03-23-07
Deposit slips	01-01-06 to 12-31-06
Claims and supporting documentation	01-01-06 to 04-01-07
Duplicate checks	01-01-06 to 12-31-07
Savings accounts bank statements	07-01-07 to 12-31-07

Indiana Code 5-15-6-3(f) concerning destruction of public records, states in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission."

Supporting documentation such as receipts, canceled checks, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

WABASH COUNTY SOIL AND WATER CONSERVATION DISTRICT
EXAMINATION RESULTS AND COMMENTS
(Continued)

PRESCRIBED FORMS

Prescribed Form 353, Check, was not in use. A similar comment appeared in prior Report B27360.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

OFFICIAL BOND

There was no official bond coverage for District employees and officers.

The supervisors of a district shall do the following:

- (1) Provide for the execution of surety bonds for all district employees and officers who are entrusted with money or property . . . (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 8)

WABASH COUNTY SOIL AND WATER CONSERVATION DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on July 17, 2008, with Penny K. Collins, Executive Director; and Barry Eppley, President of the Board of Supervisors.