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

EXAMINATION REPORT
OF

STARKE COUNTY SOIL AND
WATER CONSERVATION DISTRICT
STARKE COUNTY, INDIANA

January 1, 2008 to December 31, 2009



FILED
08/04/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
District Coordinator	Andrea Surma	01-01-08 to 12-31-10
Treasurer	Larry Jernas	01-01-08 to 12-31-10
President of the Board	Philip Brown	01-01-08 to 12-31-10



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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of the Starke County Soil and Water Conservation District (District), for the period of January 1, 2008 to December 31, 2009. 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, 2008 and 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

June 29, 2010

STARKE 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, 2008 And 2009

	Cash and Investments <u>01-01-08</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash and Investments <u>12-31-08</u>
General	<u>\$ 77,653</u>	<u>\$ 24,819</u>	<u>\$ 22,295</u>	<u>\$ 80,177</u>
	Cash and Investments <u>01-01-09</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash and Investments <u>12-31-09</u>
General	<u>\$ 80,177</u>	<u>\$ 15,436</u>	<u>\$ 15,288</u>	<u>\$ 80,325</u>

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

STARKE 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.

STARKE COUNTY SOIL AND WATER CONSERVATION DISTRICT
EXAMINATION RESULT AND COMMENT

EXPENSE REIMBURSEMENT ITEMIZATION

Mileage for travel to meetings outside of the District was not claimed on the proper form, Mileage Claim form 101.

Several payments were observed which did not contain adequate supporting documentation, such as detailed receipts, invoices, and other public records. Due to the lack of supporting information, the validity and accountability for some money disbursed could not be established.

Records presented for audit included claims for reimbursement of meals for more than one individual. Detailed documentation was not attached to the information presented for reimbursement which would enable a determination that all expenses were for employees conducting governmental business.

All claims, invoices, receipts, accounts payable vouchers, including those presented to the governing body for approval in accordance with IC 5-11-10, should contain adequate detailed documentation. All claims, invoices, receipts, and accounts payable vouchers regarding reimbursement for meals and expenses for individuals must have specific detailed information of the names of all individuals for whom amounts are claimed, including the nature, name and purpose of the business meeting, to enable the governing body to authorize payment. Payments which do not have proper itemization showing the business nature of the claim may be the personal obligation of the responsible official, employee or other person for whom the claim is made. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

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)

STARKE COUNTY SOIL AND WATER CONSERVATION DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on June 29, 2010, with Andrea Surma, District Coordinator.