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June 5, 2015

TO: THE OFFICIALS OF THE FREELANDVILLE REGIONAL
SEWER DISTRICT, KNOX COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Freelandville Regional Sewer District (Regional Sewer District), for the period of February 24, 2011 to December 31, 2012, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

Our procedures were designed solely to satisfy the requirements of Indiana Code 5-11-1. Because our procedures were not designed to opine on the Regional Sewer District's financial statements, we did not follow *generally accepted auditing standards*. Accordingly, we do not express an opinion on any basic financial statement of the Regional Sewer District.

Management is responsible for preparing and maintaining its accounting records and related documents, as well as compliance with applicable state laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

The Annual Financial Reports filed by the Regional Sewer District can be found on the Gateway website: <https://gateway.ifionline.org/>.


The Comments contained herein describe the identified reportable instances of noncompliance found as a result of the procedures we performed. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Current Period Comments

- *The financial institution did not return the actual cancelled checks with the monthly bank statements but instead returned only an optical image of the front side of the checks. An optical image of the back side or endorsement side of the checks was not returned.*
- *Receipts were deposited later than the next business day following the receipt of funds. Receipts were deposited seven days after receiving funds.*
- *The Fiscal Officer did not obtain an individual Surety Bond for 2011 or 2012.*
- *An Annual Financial Report (AFR) for 2011 was not filed with the State Examiner. In addition, the 2012 AFR was not filed until April 24, 2013, which is 55 days past the due date.*
- *The officials did not timely file a Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) with the Indiana State Board of Accounts for 2011. The report was filed on March 26, 2012, which is 64 days past the due date.*

This letter is intended for the information and use of the governing body and management of the Regional Sewer District. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

The contents of this letter were discussed on May 6, 2015, with Vaughn Hislip, Treasurer, and Leonard Vance, Chairman of the Board.


Paul D. Joyce, CPA
State Examiner