



STATE OF INDIANA

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B46526

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June 28, 2016

TO: THE OFFICIALS OF THE BROWN COUNTY SOLID WASTE
MANAGEMENT DISTRICT, BROWN COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Brown County Solid Waste Management District (District), for the period of January 1, 2012 to December 31, 2015, 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 District's financial statements, we did not follow auditing standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any basic financial statement of the 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 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

- *Depository reconciliations of the individual fund balances to the bank account balances were conducted; however, the reconciliations did not balance. As of December 31, 2015, the bank account reconciliation identified a cash long of \$370.*
- *The Annual Financial Reports (AFR) filed for 2013, 2014, and 2015 did not match the District's records. These errors have been corrected in the AFRs filed on Gateway. Differences between the AFR and ledger were as follows:*

<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount Per AFR</u>	<u>Amount Per Adjusted District Ledger</u>	<u>Difference</u>
2013	Payroll	Beginning Balance	\$ -	\$ 175.79	\$ (175.79)
2013	Payroll	Receipts	-	33,831.33	(33,831.33)
2013	Payroll	Disbursements	-	33,585.18	(33,585.18)
2013	Payroll	Ending Balance	-	421.91	(421.91)
2013	Freon	Receipts	-	465.00	(465.00)
2013	Freon	Disbursements	-	435.00	(435.00)
2013	Freon	Ending Balance	-	30.00	(30.00)
2014	Payroll	Beginning Balance	-	421.91	(421.91)
2014	Payroll	Receipts	-	35,365.69	(35,365.69)
2014	Payroll	Disbursements	-	34,996.53	(34,996.53)
2014	Payroll	Ending Balance	-	791.07	(791.07)
2014	Knights	Receipts	-	4,036.50	(4,036.50)
2014	Knights	Disbursements	-	3,634.50	(3,634.50)
2014	Knights	Ending Balance	-	402.00	(402.00)
2014	Freon	Beginning Balance	-	30.00	(30.00)
2014	Freon	Receipts	-	975.00	(975.00)
2014	Freon	Disbursements	-	825.00	(825.00)
2014	Freon	Ending Balance	-	180.00	(180.00)
2015	Payroll	Beginning Balance	-	791.07	(791.07)
2015	Payroll	Receipts	-	35,065.63	(35,065.63)
2015	Payroll	Disbursements	-	35,477.40	(35,477.40)
2015	Payroll	Ending Balance	-	379.30	(379.30)
2015	Knights	Beginning Balance	-	402.00	(402.00)
2015	Knights	Receipts	-	7,613.75	(7,613.75)
2015	Knights	Disbursements	-	8,015.75	(8,015.75)
2015	Freon	Beginning Balance	-	180.00	(180.00)
2015	Freon	Receipts	-	1,530.00	(1,530.00)
2015	Freon	Disbursements	-	1,560.00	(1,560.00)
2015	Freon	Ending Balance	-	150.00	(150.00)
2015	Nonreverting Capital Fund	Receipts	94.62	98.51	(3.89)
2015	Nonreverting Capital Fund	Ending Balance	22,373.93	22,377.82	(3.89)

- *The District did not have a credit card policy approved by the Board.*
- *The District's internal control procedures have not been formally documented. At a minimum, someone should review the Annual Financial Report, the ledger, the bank statements, and the bank reconciliation on a regular basis, and document what that review was (example: what documents were reviewed, date reviewed, reviewed it).*
- *Prescribed and/or approved forms were not in use for the ledgers.*

This letter is intended for the information and use of the governing body and management of the 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 April 18, 2016, with Marilyn Feiock, Fiscal Officer; Phil Stephens, Director; Diana Biddle, Board member; and Darren Byrd, Board member. Any Official Response attached to this letter was not verified for accuracy.

Paul D. Joyce
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State Examiner