



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B47110

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

November 1, 2016

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

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Clay Owen 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

- *The Fiscal Officer did not obtain an individual Surety Bond for 2012 and 2013.*
- *Depository reconciliations of the fund balances to the bank account balances were not retained for examination for 36 out of 48 months during the examination period. Bank statements for the examination period were not always retained.*
- *A ledger for 2012, 2013, 2014, or 2015 was not presented for review. Therefore, it could not be determined if the disbursements exceeded appropriations or if receipts were deposited timely.*
- *As no ledgers were maintained for 2012 through 2015, it could not be determined if the amounts reported on the District's Annual Financial Reports (AFR) for these years were accurate.*
- *The Board did not adopt a salary schedule establishing the compensation of officers and employees for 2012, 2013, 2014, and 2015. Therefore, it could not be determined if officers and employees were paid the proper amounts.*

- *Payroll records were not presented for review for 2012, 2013, 2014, and 2015.*
- *An AFR for 2012 was not filed with the State Examiner as required by statute. The AFR for 2014 was not filed until August 30, 2015, which was 182 days past the due date.*
- *Officials did not file a Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R and its equivalent) with the Indiana State Board of Accounts for 2012.*
- *The Form 100-R for 2014 was not filed until August 31, 2015, which was 212 days past the due date.*
- *Not all minutes of Board meetings were presented for examination for 2012 and 2013.*
- *Several payments were observed which were not supported by adequate documentation, such as paid receipts and/or invoices. Reimbursements to Petty Cash totaling \$193 for supplies and gas were made without supporting documentation. A reimbursement to the former Director totaling \$34 was made with no supporting documentation. Due to the lack of supporting information, we could not verify the purpose of these disbursements.*
- *Reimbursements were made to the former Director totaling \$1,518 for a copier, wooden filing cabinets, and a wood vertical file cabinet. As of the date of this letter, all items had not been returned to the District. District officials should pursue the return of the items mentioned above.*
- *Payments totaling \$244 were made to purchase three large heritage knives, two personalizations, and flowers that appear to be for personal use and not for purpose of the District.*

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 September 15, 2016, with Jon C. Stantz, Board President, and Debra S. James, Clay County Treasurer. Any Official Response attached to this letter was not verified for accuracy.

Paul D. Joyce
 Paul D. Joyce, CPA
 State Examiner