



STATE OF INDIANA
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B47112

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November 1, 2016

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

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

- *The Annual Financial Report (AFR) filed for 2012, 2013, 2014, and 2015 did not match the District's records as shown below:*

<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount per AFR</u>	<u>Amount per District Ledger</u>	<u>Difference</u>
2012	General	Beg Bal	\$ 462,225.57	\$ 670,823.20	\$ 208,597.63
2012	General	Receipts	609,876.91	650,896.91	41,020.00
2012	General	End Bal	357,686.04	607,303.67	249,617.63
2012	Rainy Day	Beg Bal	88,316.00	-	(88,316.00)
2012	Rainy Day	Receipts	20,000.00	-	(20,000.00)
2012	Rainy Day	End Bal	108,316.00	-	(108,316.00)
2012	Nonreverting Capital Fund	Beg Bal	120,281.63	-	(120,281.63)
2012	Nonreverting Capital Fund	Receipts	21,000.00	-	(21,000.00)
2012	Nonreverting Capital Fund	End Bal	141,281.63	-	(141,281.63)
2013	General	Beg Bal	357,686.04	607,283.67	249,597.63
2013	General	End Bal	335,464.83	585,062.96	249,598.13
2013	Rainy Day	Beg Bal	108,316.00	-	(108,316.00)
2013	Rainy Day	End Bal	108,316.00	-	(108,316.00)
2013	Nonreverting Capital Fund	Beg Bal	141,281.63	-	(141,281.63)
2013	Nonreverting Capital Fund	End Bal	141,281.63	-	(141,281.63)

<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount per AFR</u>	<u>Amount per District Ledger</u>	<u>Difference</u>
2014	General	Beg Bal	335,464.83	585,062.46	249,597.63
2014	General	End Bal	367,054.78	616,652.41	249,597.63
2014	Rainy Day	Beg Bal	108,316.00	-	(108,316.00)
2014	Rainy Day	End Bal	108,316.00	86,816.00	(21,500.00)
2014	Nonreverting Capital Fund	Beg Bal	141,281.63	-	(141,281.63)
2014	Aluminum Can Fund	Receipts	1,011.51	-	(1,011.51)
2014	Aluminum Can Fund	Disb	1,068.75	-	(1,068.75)
2014	Aluminum Can Fund	End Bal	580.19	637.43	57.24
2015	General	Beg Bal	364,054.78	367,054.78	3,000.00
2015	General	End Bal	316,917.86	319,917.86	3,000.00
2015	Rainy Day	Receipts	-	1,000.00	1,000.00
2015	Rainy Day	Disb	21,500.00	22,500.00	1,000.00
2015	Aluminum Can Fund	Beg Bal	580.19	-	(580.19)
2015	Aluminum Can Fund	Receipts	922.32	-	(922.32)
2015	Aluminum Can Fund	Disb	923.40	-	(923.40)
2015	Aluminum Can Fund	End Bal	579.11	-	(579.11)

- *Depository reconciliations of the fund balances to the bank account balances were conducted; however, the reconciliation contained errors. Records were not setup by fund for 2012, 2013, and 2014 causing errors in posting.*
- *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. 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 up to 6 days after collection in 2012, 21 days in 2013, 6 days in 2014, and 15 days in 2015.*
- *Employees were paid without federal, state, and local taxes being withheld. Board members were paid without taxes being withheld for 2012.*
- *Internal Revenue Service Form W-2 was not issued for all employees in 2012.*
- *The records presented for review indicated the following disbursements in excess of budgeted appropriations:*

<u>Year</u>	<u>Fund</u>	<u>Excess Amount Disbursed</u>
2012	General	\$ 48,749.44

- *Disbursements totaling \$2,186.15 were spent on Christmas meeting expenses that included food, supplies, and gifts.*

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 14, 2016, with Richard Summers, Chairman of Board; Laura Albertson, Controller; Noel Harty, Treasurer; and June Eckerle, Comptroller. Any Official Response attached to this letter was not verified for accuracy.

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