

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

COMPLIANCE EXAMINATION REPORT

OF

WHITE OAK CONSERVANCY DISTRICT

PORTER COUNTY, INDIANA

January 1, 2018 to December 31, 2022



FILED
12/01/2023



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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December 1, 2023

To: The Officials of the White Oak Conservancy District
White Oak Conservancy District
PO Box 208
Wheeler, IN 46393

This report is supplemental to the audit report of the White Oak Conservancy District (District), for the period from January 1, 2018 to December 31, 2022. It has been provided as a separate report so that the reader may easily identify any Examination Findings that pertain to the District. It should be read in conjunction with the financial statement audit report of the District, which provides an opinion on the District's financial statements. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the District and perform procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Examination Findings and Results contained herein describe the identified reportable instances of noncompliance found as a result of these procedures.

We have reviewed the Supplemental Audit Report for the White Oak Conservancy District prepared by Crowe LLP, Independent Public Accountants, for the period January 1, 2018 to December 31, 2022. In our opinion, the Supplemental Audit Report was prepared in accordance with the guidelines established by the State Board of Accounts.

We call your attention to the findings in the report on page 3.

The report is filed with this letter in our office as a matter of public record.

Tammy R. White, CPA
Deputy State Examiner

COMPLIANCE EXAMINATION OF
WHITE OAK CONSERVANCY DISTRICT
Porter County, Indiana
January 1, 2018 to December 31, 2022

WHITE OAK CONSERVANCY DISTRICT

Porter County, Indiana
January 1, 2018 to December 31, 2022

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WHITE OAK CONSERVANCY DISTRICT
SCHEDULE OF OFFICIALS
For the period January 1, 2018 to December 31, 2022

<u>Office</u>	<u>Official</u>	<u>Term</u>
Financial Clerk	Cherie Vogel	01-01-18 to 12-31-22
Chairman of the Board	John Hack	01-01-18 to 12-31-22

INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and
Management of White Oak Conservancy District

We have examined White Oak Conservancy District's ("Unit") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Special Districts* during the period January 1, 2018 to December 31, 2022. Management of the Unit is responsible for the Unit's compliance with the specified requirements. Our responsibility is to express an opinion on the Unit's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Unit complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Unit complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our qualified opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Unit's compliance with specified requirements.

Our examination disclosed material noncompliance with the *Accounting and Uniform Compliance Guidelines Manual For Special Districts* applicable to the Unit during the period January 1, 2018 to December 31, 2022, as described in items 2022-001 and 2022-002 on the following Schedule of Examination Findings and Results.

In our opinion, except for the material noncompliance described in the preceding paragraph, the Unit complied, in all material respects, with the aforementioned requirements during the period January 1, 2018 to December 31, 2022.


Crowe LLP

Indianapolis, Indiana
November 20, 2023

WHITE OAK CONSERVANCY DISTRICT
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
January 1, 2018 to December 31, 2022

FINDING 2022-001: BANK ACCOUNT RECONCILIATIONS

Criteria: Indiana Code 5-13-6-1(e) states, "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

Condition: During testing, we noted the Unit does not prepare formal bank reconciliations. Rather, the Financial Clerk maintains a running total of cash balances and provide the Board each month with a summary. The summary lists all deposits and claims for the month. We noted this is a recurring finding. As a result, we noted that ending cash as of December 31, 2018, December 31, 2020, and December 31, 2022 were understated by a cumulative \$8,158. Management elected to waive these misstatements.

FINDING 2022-002: SEGREGATION OF DUTIES

Criteria: The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, Uniform Internal Control Standards for Indiana Political Subdivisions. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual: "An integral part of the control activity component is segregation of duties. . . .There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

Condition: During testing, we noted a lack of segregation of duties within the receipts and disbursements processes. We identified that the Treasurer is responsible for processing, depositing receipts, and signing checks.

WHITE OAK CONSERVANCY DISTRICT
EXIT CONFERENCE
January 1, 2018 to December 31, 2022

The contents of this report were discussed on November 20, 2023 with Cherie Vogel, Financial Clerk, John Hack, Chairman of the Board, and Dave Hollenbeck, Attorney.