

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

COMPLIANCE ENGAGEMENT REPORT

OF

CARROLL COUNTY SOIL AND WATER CONSERVATION DISTRICT

CARROLL COUNTY, INDIANA

January 1, 2020 to December 31, 2023



**FILED**  
05/14/2024



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Rhonda Hicks	01-01-20 to 12-31-24
President of the District Board	Mike Beale	01-01-20 to 12-31-24



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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](http://www.in.gov/sboa)

TO: THE OFFICIALS OF THE CARROLL COUNTY SOIL AND WATER  
CONSERVATION DISTRICT, CARROLL COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Carroll County Soil and Water Conservation District (District), for the period of January 1, 2020 to December 31, 2023. The objective of this engagement was to determine compliance with applicable Indiana laws, regulations, and uniform compliance guidelines (Guidelines) established by the Indiana State Board of Accounts pursuant to Indiana Code 5-11-1-24. The objective of this engagement is not to opine on compliance or financial activity of the District as this engagement was not conducted in accordance with any standards established by an authoritative standard setting body, and, as such, we do not provide any opinions on compliance or financial activity.

Management is responsible for preparing and maintaining its accounting records and related documents in accordance with applicable Indiana laws, regulations, and Guidelines. Management's responsibility also includes, but is not limited to, complying with other applicable Indiana laws, regulations, and Guidelines concerning how it operates: authorized sources and uses of funds; what reports are required to be prepared and filed; and what depositories and investment types are allowable.

We fulfilled our responsibility as detailed in the first paragraph, using procedures that verified the appropriate accounting for and reporting of cash, receipts, and disbursements; and the appropriate sources and uses of funds in accordance with applicable Indiana laws, regulations, and Guidelines. Expanding the scope and nature of these procedures can and does occur in specific circumstances.

The Comments contained herein, if any, describe the identified reportable instances of noncompliance found during our engagement. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified. Any Official Response to the Comments incorporated within this report was not verified for accuracy.

The Schedule of Officials and Statements of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis (Statements) are informational only. The Statements have not been subjected to any procedures designed to express an opinion or provide any assurance on them, and, accordingly, we do not express an opinion or provide any assurance on them.

This report is intended solely for the information and use of management, governance, and others within the organization. This restriction is not intended to limit the distribution of this report, which is a matter of public record. Reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>, and the District's Annual Financial Reports filed by management can be found on the Indiana Gateway for Government Units financial reporting system website: <http://www.gateway.ifionline.org>.

The contents of this report were communicated to Rhonda Hicks, Treasurer, and Mike Beale, President of the District Board, on May 9, 2024.



Beth Kelley, CPA, CFE  
Deputy State Examiner

April 29, 2024

CARROLL COUNTY SOIL AND WATER CONSERVATION DISTRICT  
COMMENT

**ANNUAL FINANCIAL REPORT - OTHER INFORMATION**

*Condition and Context*

Internal controls were not in place to ensure compliance with the Annual Financial Report (AFR). Financial and other information are required to be entered annually into the AFR via the Indiana Gateway for Government Units (Gateway) financial reporting system. The grant information entered into Gateway contained the following errors:

- The expenditures for the Nonpoint Source Implementation grant were understated by \$179,695 and \$164,749 in 2020 and 2021, respectively.
- The grant information entered for 2022 and 2023 did not include the correct Assistance Listings Number or program name.

*Criteria*

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every audited entity financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

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:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes. . . ."

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STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CASH  
AND INVESTMENT BALANCES - REGULATORY BASIS

CARROLL COUNTY SOIL AND WATER CONSERVATION DISTRICT  
 STATEMENT OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Years Ended December 31, 2020 and 2021

Fund	Cash and Investments 01-01-20	Receipts	Disbursements	Cash and Investments 12-31-20	Receipts	Disbursements	Cash and Investments 12-31-21
General Fund	\$ 107,531	\$ 213,677	\$ 237,046	\$ 84,162	\$ 215,979	\$ 192,240	\$ 107,901
Totals	<u>\$ 107,531</u>	<u>\$ 213,677</u>	<u>\$ 237,046</u>	<u>\$ 84,162</u>	<u>\$ 215,979</u>	<u>\$ 192,240</u>	<u>\$ 107,901</u>

CARROLL COUNTY SOIL AND WATER CONSERVATION DISTRICT  
 STATEMENT OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Years Ended December 31, 2022 and 2023

Fund	Cash and Investments 01-01-22	Receipts	Disbursements	Cash and Investments 12-31-22	Receipts	Disbursements	Cash and Investments 12-31-23
General Fund	\$ 107,901	\$ 157,479	\$ 162,957	\$ 102,423	\$ 171,880	\$ 188,520	\$ 85,783
Totals	<u>\$ 107,901</u>	<u>\$ 157,479</u>	<u>\$ 162,957</u>	<u>\$ 102,423</u>	<u>\$ 171,880</u>	<u>\$ 188,520</u>	<u>\$ 85,783</u>



## Carroll County Soil & Water Conservation District

May 9<sup>th</sup>, 2024

### **OFFICIAL RESPONSE**

(in regards to audit conducted for January 1, 2020 through December 31, 2023)

Indiana State Board of Accounts  
302 West Washington St. Room E418  
Indianapolis, IN 46204-2765

As Treasurer for the CCSWCD, I had not reported the IDEM 319 grant in the grants section in years previous to 2022, due to the perceived idea that it was a federal grant to the State of Indiana/IDEM and a pass through to the district.

It was brought to my attention in 2022, that it SHOULD be included as a federal grant in our reporting columns and proceeded to see it was added to our AFR's for 2022 and 2023. I did not at that time go through the process of UNLOCKING our AFR's to correct past records. Those funds were however, correctly posted and accounted for. After speaking with the SBOA Auditor, I will not be unlocking the 2020 and 2021 reports and adding the grant to the AFR. It is just noted in the audit report.

At the time it was brought to our attention, I contacted IDEM to get the federal grant number to add to the report filing. Unfortunately, I was given the federal number for IDEM and did not report the correct number specific to our grant contract.

After speaking with the conducting SBOA Auditor, I will not be unlocking our 2022 and 2023 AFR's to change the number, but note that from this time forward we will be utilizing the appropriate Assistant Listing Number (ALN), previously known as the Catalog of Federal Domestic Assistance (CFDA) number.

Sincerely,

A handwritten signature in black ink that reads "Rhonda R. Hicks". The signature is written in a cursive style.

Rhonda R. Hicks  
Treasurer

**1523 N US Hwy 421, Ste #2—Delphi, IN 46923  
765-564-4480 ext. 3**