

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

COMPLIANCE ENGAGEMENT REPORT

OF

W.U.R. SOLID WASTE MANAGEMENT DISTRICT

WAYNE COUNTY, INDIANA

January 1, 2020 to December 31, 2023



**FILED**

04/29/2024



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Fiscal Officer	Kimberly Walton	01-01-20 to 12-31-22
	Mark Hoelscher	01-01-23 to 07-12-23
	Nancy Funk	07-13-23 to 12-31-24
President of the District Board	Gary Saunders	01-01-20 to 12-31-21
	Ron Itnyre	01-01-22 to 07-12-23
	Cathy Williams	07-13-23 to 12-31-24



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE W.U.R. SOLID WASTE MANAGEMENT  
DISTRICT, WAYNE COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the W.U.R. Solid Waste Management 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 Nancy Funk, Fiscal Officer, and Cathy Williams, President of the District Board, on April 24, 2024.



Beth Kelley, CPA, CFE  
Deputy State Examiner

April 3, 2024

W.U.R. SOLID WASTE MANAGEMENT DISTRICT  
COMMENTS

**ADOPTION OF, AND CERTIFICATION ON, INTERNAL CONTROL STANDARDS**

A similar comment also appeared in prior Report B56357.

*Condition and Context*

Internal controls were not in place to ensure compliance with internal control policy requirements under Indiana Code 5-11-1-27 nor to ensure that certification on the adoption of these standards was made correctly. The District did not adopt the acceptable minimum level of internal control standards as defined by the Indiana State Board of Accounts. The District incorrectly certified on the Annual Financial Reports for 2020, 2021, 2022, and 2023 that they had adopted the standards.

*Criteria*

Indiana Code 5-11-1-27(g) states:

"After June 30, 2016, the legislative body of a political subdivision shall ensure that:

- (1) the internal control standards and procedures developed under subsection (e) are adopted by the political subdivision; and
- (2) personnel receive training concerning the internal control standards and procedures adopted by the political subdivision."

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. . . ."

W.U.R. SOLID WASTE MANAGEMENT DISTRICT  
COMMENTS  
(Continued)

**RECEIPT ISSUANCE**

*Condition and Context*

Due to an internal control deficiency, the District did not issue any receipts during the engagement period.

*Criteria*

Receipts shall be issued and recorded at the time of the transaction. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 1)

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:

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

W.U.R. SOLID WASTE MANAGEMENT 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
Solid Waste Management Fund	\$ 180,297	\$ 82,232	\$ 70,461	\$ 192,068	\$ 90,911	\$ 76,553	\$ 206,426
Totals	<u>\$ 180,297</u>	<u>\$ 82,232</u>	<u>\$ 70,461</u>	<u>\$ 192,068</u>	<u>\$ 90,911</u>	<u>\$ 76,553</u>	<u>\$ 206,426</u>

W.U.R. SOLID WASTE MANAGEMENT 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
Solid Waste Management Fund	\$ 206,426	\$ 87,384	\$ 105,150	\$ 188,660	\$ 150,472	\$ 141,299	\$ 197,833
Totals	<u>\$ 206,426</u>	<u>\$ 87,384</u>	<u>\$ 105,150</u>	<u>\$ 188,660</u>	<u>\$ 150,472</u>	<u>\$ 141,299</u>	<u>\$ 197,833</u>