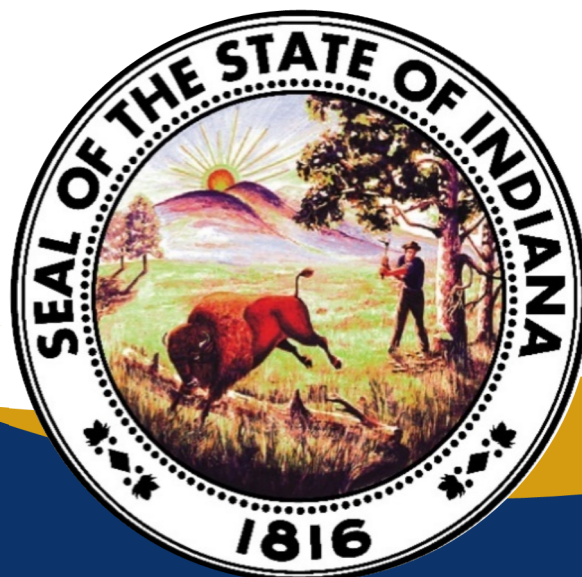


**STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769**

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

SUPPLEMENTAL COMPLIANCE REPORT
OF
STUCKER FORK CONSERVANCY DISTRICT
SCOTT COUNTY, INDIANA
January 1, 2023 to December 31, 2024



FILED

04/28/2025

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Transmittal Letter	3
Audit Result and Comment: Capital Assets.....	4
Exit Conference.....	5

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Utility Superintendent	Randy Needler	01-01-23 to 12-31-25
Financial Clerk	Lisa Wheeler	01-01-23 to 12-31-25
President of the District Board	John Bard	01-01-23 to 12-31-25



Paul D. Joyce, CPA
State Examiner

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TO: THE OFFICIALS OF THE STUCKER FORK CONSERVANCY
DISTRICT, SCOTT COUNTY, INDIANA

This report is supplemental to the audit report of the Stucker Fork Conservancy District (District), for the period from January 1, 2023 to December 31, 2024. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the District. It should be read in conjunction with the Financial Statement Audit Report of the District, which provides our opinions on the District's financial statement. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit Result and Comment contained herein describes the identified reportable instance of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Official Response to the Audit Result and Comment, incorporated within this report, was not verified for accuracy.

Beth Kelley, CPA, CFE
Deputy State Examiner

April 16, 2025

STUCKER FORK CONSERVANCY DISTRICT
AUDIT RESULT AND COMMENT

CAPITAL ASSETS

A similar comment also appeared in prior Report 000001343S, entitled *CAPITAL ASSETS*.

Condition and Context

The District had not established effective internal controls over capital assets. The capital asset policy of the District requires a complete inventory to be performed annually. Officials of the District did not provide evidence that a physical inventory had been taken annually as required. Additionally, the District did not properly maintain a detailed listing of capital assets. Additions and deletions of capital assets during the audit period were not properly recorded. Capital asset records indicated that the last additions recorded to the records were in 2009.

Criteria

Every unit must have a capital assets policy that details the threshold at which an item is considered a capital asset. Every unit must have a complete detail listing of all capital assets owned which reflects their acquisition value. Capital Asset Ledger (Form 369) has been prescribed for this purpose. A complete physical inventory must be taken at least every two years, unless more stringent requirements exist, to verify account balances carried in the accounting records. (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:

"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.

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. . . ."

STUCKER FORK CONSERVANCY DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on April 16, 2025, with Lisa Wheeler, Financial Clerk; John Bard, President of the District Board; and Randy Needler, Utility Superintendent.