

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2765**

EXAMINATION REPORT

OF

JEFFERSON COUNTY SOIL AND WATER CONSERVATION DISTRICT

JEFFERSON COUNTY, INDIANA

January 1, 2001 to December 31, 2005



**FILED**  
7/19/06



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials .....	2
Independent Accountant's Report .....	3
Schedules of Receipts, Disbursements, and Cash and Investment Balances.....	4
Notes to Schedules .....	5
Examination Result and Comment: Returned Checks or Optical Images of Checks.....	6
Exit Conference .....	7

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Amy Carpenter	01-01-01 to 12-31-06
President of the Board of Supervisors	Wes Thomas	01-01-01 to 12-31-01
	Bob Kuppler	01-01-02 to 12-31-02
	Norbert Schafer	01-01-03 to 12-31-05
	Bob Kuppler	01-01-06 to 12-31-06



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the schedules of receipts, disbursements, and cash and investment balances of Jefferson County Soil and Water Conservation District (District), for the period of January 1, 2001 to December 31, 2005. The District's management is responsible for the schedules. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the schedule of receipts, disbursements, and cash and investment balances and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above present fairly, in all material respects, the cash transactions of the District for the years ended December 31, 2001, 2002, 2003, 2004, and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

May 23, 2006

JEFFERSON COUNTY SOIL AND WATER CONSERVATION DISTRICT  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL FUND TYPES  
As Of And For The Years Ended December 31, 2001, 2002, 2003, 2004, And 2005

	Cash and Investments 01-01-01	Receipts	Disbursements	Cash and Investments 12-31-01
General	<u>\$ 31,692</u>	<u>\$ 48,221</u>	<u>\$ 53,895</u>	<u>\$ 26,018</u>
	Cash and Investments 01-01-02	Receipts	Disbursements	Cash and Investments 12-31-02
General	<u>\$ 26,018</u>	<u>\$ 44,054</u>	<u>\$ 42,124</u>	<u>\$ 27,948</u>
	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
General	<u>\$ 27,948</u>	<u>\$ 24,140</u>	<u>\$ 23,821</u>	<u>\$ 28,267</u>
	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
General	<u>\$ 28,267</u>	<u>\$ 20,872</u>	<u>\$ 21,824</u>	<u>\$ 27,315</u>
	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
General	<u>\$ 27,315</u>	<u>\$ 23,580</u>	<u>\$ 22,666</u>	<u>\$ 28,229</u>

The accompanying notes are an integral part of the schedules.

JEFFERSON COUNTY SOIL AND WATER CONSERVATION DISTRICT  
NOTES TO SCHEDULES

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District operates under a Board of Supervisors form of government and provides soil and water conservation services.

Note 2. Fund Accounting

The District uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

The District fund (general fund) is used to account for all activities of the district.

Note 3. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the District to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

JEFFERSON COUNTY SOIL AND WATER CONSERVATION DISTRICT  
EXAMINATION RESULT AND COMMENT

RETURNED CHECKS OR OPTICAL IMAGES OF CHECKS

The financial institution did not return the actual cancelled checks with the monthly bank statements and did not return any optical image of checks to the District.

Indiana Code 5-15-6-3(a) concerning optical imaging of checks states in part: ". . . 'original records' includes the optical image of a check or deposit document when:

- (1) the check or deposit document is recorded, copied, or reproduced by an optical imaging process . . . ; and
- (2) the drawer of the check receives an optical image of the check after the check is processed for payment . . . "

Further, Indiana Code 26-2-8-111(a) and (e) state in part:

"(a) If a law requires that certain records be retained, that requirement is met by retaining an electronic record of the information in the record that:

- (1) accurately reflects the information set forth in the record after it was first generated in its final form as an electronic record or otherwise: and
- (2) remains accessible for later reference."

"(e) If a law requires retention of a check, that requirement is satisfied by retention of an electronic record of the information on the front and back of the check in accordance with subsection (a). . . .

- (5) Any additional information required under Indiana Code 5-1.5-2-2.5 or Indiana Code 20-12-63-7."

JEFFERSON COUNTY SOIL AND WATER CONSERVATION DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on May 23, 2006, with Amy Carpenter, Treasurer. The officials concurred with our finding.