

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

KENTLAND CONSERVANCY DISTRICT

NEWTON COUNTY, INDIANA

January 1, 2011 to December 31, 2014



**FILED**  
12/22/2015



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Transmittal Letter .....	3
Examination Results and Comments:	
Board Minutes.....	4
Claims .....	4-5
Joint Project .....	5
Exit Conference .....	6

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Financial Clerk	Judy M. King	01-01-11 to 12-31-15
President of the Board	Dave P. Smart	01-01-11 to 12-31-11
	James Sammons	01-01-12 to 12-31-12
	Lowell Mitchell	01-01-13 to 12-31-15



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE KENTLAND CONSERVANCY DISTRICT, NEWTON COUNTY, INDIANA

This report is supplemental to our examination report of the Kentland Conservancy District (District), for the period from January 1, 2011 to December 31, 2014. It has been provided as a separate report so that the reader may easily identify any Examination Results and Comments that pertain to the District. It should be read in conjunction with our Financial Statement Examination Report of the District, which provides our opinion on the District's financial statements. This report may be found at [www.in.gov/sboa/](http://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 Examination Results and Comments contained herein describe the identified reportable instances 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 Examination Results and Comments, incorporated within this report, was not verified for accuracy.

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

September 28, 2015

KENTLAND CONSERVANCY DISTRICT  
EXAMINATION RESULTS AND COMMENTS

**BOARD MINUTES**

The minutes of the governing body's meetings held from January 2011 to July 2011 were not presented for examination.

Indiana Code 5-14-1.5-4 states in part:

"(b) As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under section 3.5 or 3.6 of this chapter or any other statute that authorizes a governing body to conduct a meeting using an electronic means of communication."

**CLAIMS**

The District did not prepare Claims or Accounts Payable Vouchers (APV) to support any of the disbursements for the examination period. Claims or APVs document the approval by the person receiving the goods or services, the audit for correctness, the approval by the disbursing officer, the allowance by the governing body having jurisdiction over allowance of such claims before they are paid, and the certification by the fiscal officer as required by state statute.

Indiana Code 5-11-10-1.6 states in part:

"(a) As used in this section, 'governmental entity' refers to any of the following: . . .

- (8) A conservancy district. . . .

KENTLAND CONSERVANCY DISTRICT  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim. . . .

(e) The certification provided for in subsection (c)(4) must be on a form prescribed by the state board of accounts."

***JOINT PROJECT***

The District disbursed \$12,007 to a construction company for a joint project with the Town of Kentland. An invoice detailing the work performed was not provided for examination. A contract outlining how much the District and Town of Kentland each would be responsible for was not provided, nor was the approval of the project noted in the minutes of the District.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

Indiana Code 5-11-10-1.6 states in part:

"(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim; . . ."

KENTLAND CONSERVANCY DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on September 28, 2015, with Judy M. King, Financial Clerk, and Lowell Mitchell, President of the Board.