



**STATE OF INDIANA**  
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B47453

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December 30, 2016

TO: THE OFFICIALS OF THE DECATUR COUNTY SOLID WASTE MANAGEMENT DISTRICT, DECATUR COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Decatur County Solid Waste Management District (District), for the period of January 1, 2010 to December 31, 2015, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

Our procedures were designed solely to satisfy the requirements of Indiana Code 5-11-1. Because our procedures were not designed to opine on the District's financial statements, we did not follow auditing standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any basic financial statement of the District.

Management is responsible for preparing and maintaining its accounting records and related documents, as well as compliance with applicable state laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

The District's Annual Financial Reports filed for years prior to 2011 can be found on the Indiana Transparency Portal website: [www.in.gov/itp/annual\\_reports/](http://www.in.gov/itp/annual_reports/). For years 2011 and later, the Annual Financial Reports filed by the District can be found on the Gateway website: <https://gateway.ifionline.org/>.

The Comments contained herein describe the identified reportable instances of noncompliance found as a result of the procedures we performed. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

**Current Period Comments**

- The Annual Financial Reports (AFR) filed for 2012, 2013, 2014, and 2015 did not match the District's records. In addition, the investment activity was not recorded in the ledger or on the AFR. These errors have been corrected in the AFRs filed on Gateway. Differences between the AFRs and ledger were as follows:

Years	Fund	Category	Amount per AFR	Amount per Adjusted District Ledger	Difference
2012	Solid Waste Management Fund	Beginning Balance	\$ 1,146,770.00	\$ 767,950.38	\$ 378,819.62
2012	Solid Waste Management Fund	Receipts	377,730.50	462,598.11	(84,867.61)
2012	Solid Waste Management Fund	Disbursements	377,730.50	423,691.09	(45,960.59)
2012	Solid Waste Management Fund	Ending Balance	1,146,770.00	806,857.40	339,912.60
2012	Rainy Day	Beginning Balance	-	368,064.82	(368,064.82)
2012	Rainy Day	Receipts	-	51,902.71	(51,902.71)
2012	Rainy Day	Disbursements	-	-	-
2012	Rainy Day	Ending Balance	-	419,967.03	(419,967.03)


Years	Fund	Category	Amount per AFR	Amount per Adjusted District Ledger	Difference
2012	Payroll	Beginning Balance	\$ -	\$ 1,195.38	\$ (1,195.38)
2012	Payroll	Receipts	-	41,436.96	(41,436.96)
2012	Payroll	Disbursements	-	41,268.44	(41,268.44)
2012	Payroll	Ending Balance	-	1,363.90	(1,363.90)
2013	Solid Waste Management Fund	Beginning Balance	811,836.79	806,857.40	4,979.39
2013	Solid Waste Management Fund	Receipts	451,718.69	453,287.80	(1,569.11)
2013	Solid Waste Management Fund	Disbursements	367,881.44	365,938.81	1,942.63
2013	Solid Waste Management Fund	Ending Balance	895,671.04	894,206.39	1,464.65
2013	Rainy Day	Beginning Balance	421,012.48	419,967.03	1,045.45
2013	Rainy Day	Receipts	-	520.96	(520.96)
2013	Rainy Day	Ending Balance	421,012.48	420,487.99	524.49
2013	Payroll	Beginning Balance	-	1,363.90	(1,363.90)
2013	Payroll	Disbursements	-	1,363.90	(1,363.90)
2014	Solid Waste Management Fund	Beginning Balance	879,580.89	894,206.39	(14,625.50)
2014	Solid Waste Management Fund	Receipts	471,558.20	470,508.56	1,049.64
2014	Solid Waste Management Fund	Disbursements	392,847.85	390,861.83	1,986.02
2014	Solid Waste Management Fund	Ending Balance	958,291.24	973,853.12	(15,561.88)
2014	Rainy Day	Beginning Balance	421,012.48	420,487.99	524.49
2014	Rainy Day	Receipts	-	1,049.64	(1,049.64)
2014	Rainy Day	Ending Balance	421,012.48	421,537.63	(525.15)
2015	Solid Waste Management Fund	Beginning Balance	972,914.31	973,853.12	(938.81)
2015	Solid Waste Management Fund	Receipts	484,867.76	486,600.70	(1,732.94)
2015	Solid Waste Management Fund	Disbursements	402,773.60	404,093.85	(1,320.25)
2015	Solid Waste Management Fund	Ending Balance	1,055,008.47	1,056,359.97	(1,351.50)
2015	Rainy Day	Beginning Balance	421,012.48	421,537.63	(525.15)
2015	Rainy Day	Receipts	-	1,573.57	(1,573.57)
2015	Rainy Day	Ending Balance	421,012.48	423,111.20	(2,098.72)

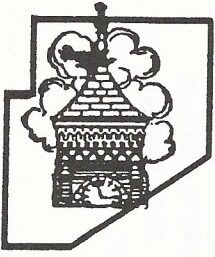
- *Depository reconciliations of the fund balances to the bank balances were not documented for every month in 2012, 2013, 2014, and 2015.*
- *The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks. The back side or endorsement side of the checks was not returned.*
- *The Board did not adopt a salary schedule establishing the compensation of officers and employees for 2013.*
- *Compensation paid to employees was not in accordance with the salary schedule for 2012.*
- *Board members were paid without federal, state, and local taxes being withheld.*
- *Payroll taxes withheld were not properly remitted to the Internal Revenue Service (IRS) and Indiana Department of Revenue in 2013.*
- *IRS Form W-2 (W-2) was not issued for all employees. Additionally, the W-2s did not include all compensation for 2014 and 2015.*
- *The Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) was incomplete for 2012, 2014, and 2015. These reports did not include all employees. Additionally, the Form 100-R was inaccurate for 2012. The 2012 report included net wages, instead of gross wages for the employees reported.*
- *The fiscal officers were not properly bonded for the period September 2012 to August 2015. The fiscal officers did not obtain individual surety bonds.*

- *The District's internal control procedures have not been formally documented. At a minimum, someone should review the AFR, the ledger, the bank statements and the bank reconciliations on a regular basis, and document what that review was (example: what documents were reviewed, date reviewed, who did it).*
- *Prescribed and/or approved forms were not always used as required.*

This letter is intended for the information and use of the governing body and management of the District. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

The contents of this letter were discussed on October 6, 2016, with Brittani Saunders, Administrator/Controller. Any Official Response attached to this letter was not verified for accuracy.

  
Paul D. Joyce, CPA  
State Examiner



# Decatur County Solid Waste Management District

315 S. IRELAND, SUITE D  
GREENSBURG, IN 47240

"OFFICIAL RESPONSE"

Date: October 19, 2016

State Board of Accounts  
302 West Washington Street  
Room E 418  
Indianapolis, IN 46204-2765

To Lisa David,

The Decatur County Solid Waste Management District has reviewed the comments of the Financial Exam done on October 6, 2016. We agree with the auditors' comments, and the following actions will be taken:

- Depository reconciliations will be done with a prescribed forms of a ledger book and/or a new computer software program that has State Board of Accounts approved forms.
- We have contacted our financial institution in regards to receiving copies of the back side of all checks.
- The Board did not adopt a salary schedule for 2013 but has adopted a salary schedule for each year going forward.
- Compensation paid was not in accordance with salary schedules in 2012 due to death of our former Director. The former Director was paid for compensatory time, vacation time, and any other benefits she had remaining.
- Board members were paid without federal, state, and local taxes taken out due to the amount they are paid yearly.
- Payroll taxes in 2013 were not properly remitted to the IRS and Indiana Department of Revenue but this was corrected at the end of 2013 by our accountants at RBSK Partners.
- W-2's will be issued to all employees; this includes board members paid. RBSK Partners, our accounting firm, did not issue a W-2 due to the amount these members were paid. Going forward, we will issue W-2's for these employees.
- The 100-R will include advisory members going forward.
- Fiscal officers were bonded starting January 1, 2016 and will be bonded going forward.
- The District has adopted a Resolution to meet the new Internal Controls procedures. The board is working on a full list of all internal controls and this will be adopted by June 2017.

I would like to thank you and your staff for your time. I look forward to receiving the final report.

Yours Sincerely,

Brittani Saunders  
Decatur County Solid Waste (Executive Director)