



STATE OF INDIANA
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B47461

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December 30, 2016

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

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Tipton County Solid Waste Management District (District), for the period of January 1, 2012 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 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 Report (AFR) filed for 2015 contained a number of errors and did not match the District's records as follows:*


<u>Years</u>	<u>Fund</u>	<u>Category</u>	<u>Amount per AFR</u>	<u>Amount per Ledger</u>	<u>Difference</u>
2015	Solid Waste Mgt Fund	Ending Balance	\$ 428,411.00	\$ 503,856.00	\$ (75,445.00)
2015	Rainy Day Fund	Receipts	205,205.00	-	205,205.00
2015	Rainy Day Fund	Disbursements	154,943.00	-	154,943.00
2015	Rainy Day Fund	Ending Balance	53,960.00	3,698.00	50,262.00

- *Duplicate posting of four tax distributions were made in the amounts of \$3,700, \$4,030 and \$81,213 in 2013, 2014, and 2015 respectively.*
- *Interest earned in one bank account was not posted to the records for the review period.*

- *Several payments were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records.*
- *Depository reconciliations of the fund balances to the bank account balances at December 31, 2013, December 31, 2014, and December 31, 2015, were conducted; however, the reconciliations contained errors.*
- *Receipts were deposited later than the next business day in several instances during the examination period.*
- *District Board approvals of payments to the Director were not presented for review for the period May 1, 2011 to April 30, 2012. District Board approvals of hourly rates for part time employees were not presented for review for the years 2012, 2013, 2014, and 2015.*
- *Part-time employees did not maintain detailed time cards in 2012, 2013, 2014, and 2015.*
- *Internal Revenue Service Form W-2 was not issued to the District employees in 2012, 2013, 2014, and 2015. Employees were paid without the District withholding federal, state, and local taxes.*
- *A review of checks disbursed to the Director indicated all 48 payments were paid as much as 31 days in advance of the actual date the services were provided in 2012, 2013, 2014, and 2015.*
- *The Director was bonded for \$15,000 instead of the \$ 30,000 required by Indiana Code for 2012, 2013, 2014, and 2015.*

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 11, 2016, with Beth Hirtzel, District Administrator. Any Official Response attached to this letter was not verified for accuracy.


Paul D. Joyce, CPA
State Examiner