

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

SUPPLEMENTAL COMPLIANCE REPORT
OF
ROCKFIELD REGIONAL SEWER DISTRICT
CARROLL COUNTY, INDIANA
January 1, 2012 to December 31, 2016



FILED
01/30/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Steven W. Goodrich	01-01-12 to 03-12-12
	Deborah K. Smith	03-13-12 to 08-31-16
	Rebecca M. Dishon	09-01-16 to 12-31-18
President of the Board	Terry Nipple	01-01-12 to 12-31-13
	Steven W. Goodrich	01-01-14 to 12-31-17



STATE OF INDIANA
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TO: THE OFFICIALS OF THE ROCKFIELD REGIONAL SEWER
DISTRICT, CARROLL COUNTY, INDIANA

This report is supplemental to our examination report of the Rockfield Regional Sewer District (District), for the period from January 1, 2012 to December 31, 2016. 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 Statements 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/.

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

December 21, 2017

ROCKFIELD REGIONAL SEWER DISTRICT
EXAMINATION RESULTS AND COMMENTS

FINANCIAL RECORDKEEPING/CONDITION OF RECORDS

The records presented for examination did not provide sufficient information to examine or establish receipts, disbursements, ending balances, or the accuracy or correctness of the transactions.

Some of the deficiencies included:

1. The District did not maintain its financial records using the prescribed form Simplified Cash Journal-Form 323, which facilitates the accounting for the cash balances, receipts, and disbursements segregated by fund. The District's financial records for the years 2013, 2014, 2015, and 2016 consisted of a simplified computer spreadsheet. The financial transactions recorded on the computerized spreadsheets were not segregated by fund. Therefore, we were unable to verify the accuracy of the financial statements.
2. Financial records such as bank statements, general ledger, and other accounting records documenting the financial activity of the District were not provided for 2012. We were unable to verify the beginning fund balances, receipts and disbursements for the year 2012 as reported in the financial statements.

The failure to maintain its financial records in accordance with prescribed guidelines limited our scope in performing alternative auditing procedures to determine if the District's financial statements, as presented, accurately reflects the financial position and results of operations of the District. We were unable to express an opinion as to whether the District's financial statements, in all material respects, were presented fairly.

Officials and employees are required to use prescribed and approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Special District, Chapter 1)

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance must agree. If the reconciled bank balance is less than the subsidiary or control ledgers, the amount needed to balance may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special District, Chapter 1)

ROCKFIELD REGIONAL SEWER DISTRICT
EXAMINATION RESULTS AND COMMENTS
(Continued)

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7."

OTHER RECORDS NOT PRESENTED

The minutes of the meetings of the District Board were not provided for the year 2012. Therefore, we were unable to verify financial transactions approved by the District Board, including the approval of claims and invoices.

Indiana Code 5-14-1.5-4(b) states:

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

1. Date, time, and place of the meeting;
2. Members present and absent;
3. The general substance of all matters proposed, discussed or decided; and
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."

ROCKFIELD REGIONAL SEWER DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on December 21, 2017, with Rebecca M. Dishon, Treasurer.