

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

COMPLIANCE REPORT  
OF  
HART LAKE CONSERVANCY DISTRICT  
MORGAN COUNTY, INDIANA  
January 1, 2013 to December 31, 2016



**FILED**  
08/22/2018



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Jerry Nadin Jennifer Arrowood	01-01-13 to 03-08-17 03-09-17 to 12-31-18
President of the District Board	John Hammel	01-01-13 to 12-31-18



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE HART LAKE CONSERVANCY DISTRICT, MORGAN COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Hart Lake Conservancy District (District), Morgan County, for the period of January 1, 2013 to December 31, 2016, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

The 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.

The Schedule of Cash and Investment Balances - Regulatory Basis, as listed in the Table of Contents, is presented as other information. It has not been subjected to any auditing procedures and, accordingly, we do not express an opinion or provide any assurance on it.

Any Official Response to the Results and Comments, incorporated within this report, was not verified for accuracy.

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

June 28, 2018

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#### OTHER INFORMATION - UNAUDITED

The District's Annual Financial Reports information can be found on the Indiana Gateway for Government Units (Gateway) website: <https://gateway.ifionline.org/>. The schedule presented herein is presented as other information and is derived from the District's Annual Financial Reports information and has not been subjected to any audit procedures. No adjustments have been made to the information as reported in Gateway and, as such, balances may differ.

HART LAKE CONSERVANCY DISTRICT  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH  
 AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2016

Fund	Cash and Investments 12-31-16
General Fund	\$ 52,083
CCI	<u>109,267</u>
Total	<u>\$ 161,350</u>

HART LAKE CONSERVANCY DISTRICT  
RESULTS AND COMMENTS

***ADOPTION OF INTERNAL CONTROL STANDARDS***

The District had not adopted the acceptable minimum level of internal control standards.

Indiana Code 5-11-1-27(g) states in part:

"After June 30, 2016, the legislative body of a political subdivision shall ensure that:

- (1) the internal control standards and procedures developed under subsection (e) are adopted by the political subdivision; . . . "

***CERTIFICATION ON INTERNAL CONTROL STANDARDS***

The District certified in Gateway that the minimum internal control standards were adopted as required per Indiana Code 5-11-1-27(e). However, the District has not adopted the acceptable minimum level of internal control standards and thus the certification was incorrectly made.

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."

***TRAINING ON INTERNAL CONTROL STANDARDS***

District personnel did not receive training on the adopted internal control standards.

Indiana 5-11-1-27(g) states in part:

"After June 30, 2016, the legislative body of a political subdivision shall ensure that: . . .

- (2) personnel receive training concerning the internal control standards and procedures adopted by the political subdivision."

HART LAKE CONSERVANCY DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on March 14, 2018, with Jennifer Arrowood, Treasurer, and John Hammel, President of the District Board.