

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

PERRY-CLEAR CREEK FIRE PROTECTION DISTRICT

MONROE COUNTY, INDIANA

January 1, 2013 to December 31, 2017



FILED
10/12/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Fiscal Officer	Roger W. Stewart	01-01-13 to 11-23-14
	Matthew Balla	11-24-14 to 08-08-17
	Joel Bomgardner	08-09-17 to 12-31-17
	C. Edward Brown	01-01-18 to 12-31-18
President of the District Board	John F. Moore	01-01-13 to 11-23-14
	Julio Alonso	11-24-14 to 12-31-18



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE PERRY-CLEAR CREEK FIRE PROTECTION
DISTRICT, MONROE COUNTY, INDIANA

This report is supplemental to our audit report of the Perry-Clear Creek Fire Protection District (District), for the period from January 1, 2013 to December 31, 2017. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the District. It should be read in conjunction with our Financial Statements Audit Report of the District, which provides our opinions 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 Audit 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 Audit Results and Comments, incorporated within this report, was not verified for accuracy.

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

August 31, 2018

PERRY-CLEAR CREEK FIRE PROTECTION DISTRICT
AUDIT RESULTS AND COMMENTS

TRAINING ON INTERNAL CONTROL STANDARDS

Records provided for audit indicated the District had not provided training on 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: . . .

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

PENALTIES, INTEREST, AND OTHER CHARGES

Penalties, interest, and other charges totaling \$174 were paid to various vendors because payment by the District was not remitted timely.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit. Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit. Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 1)

Perry-Clear Creek Fire Protection District

September 12, 2018

State Board of Accounts
OFFICIAL RESPONSE
302 West Washington St., Room E 418
Indianapolis, IN 46204-2765

ldavid@sboa.in.gov

This letter is in response to our recent audit for the years of 2013-2017.

In the initial conference with your auditor, she requested information on Internal Control Standards. After discussion with her, and researching our files, I felt that she was referring to our Materiality Policy, which was adopted in March of 2016. The Auditor worked off site on this audit and took with her all my hard copy files for those years. I emailed her on June 12 our Materiality Policy, which she replied that she would document it. The Auditor did not ever let me know that this was not the information she was requesting about Internal Controls. During the exit interview, the auditor brought up once again that we did not have Internal Control Standards. I feel that had she let me know when I had emailed in June that this was not what she was referring to, that our board would have been able to adopt an Internal Control Standards and have had training completed prior to the end of our audit.

Regarding the penalties and interest charges paid during the years of 2013-2017, we do acknowledge that those fees were paid and were out of our control. During a two-month period of 2014, the District did not have a board to sign checks and pay for any expenses, including utilities. While we worked very hard with different companies to waive our penalties and interest charges there were a few that would not waive any fees. We have worked very hard to eliminate this problem ever occurring again.

I would also like to state that while I understand the need for some audits to take place off site, I also believe that the auditor seemed overwhelmed and stated that she would only be able to work on our audit one day per week. I believe this may have been the reason she didn't get back with me concerning the policy I had emailed not being what she needed.

Thank you,

Tammy Bovenschen

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PERRY-CLEAR CREEK FIRE PROTECTION DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on August 31, 2018, with C. Edward Brown, Fiscal Officer; Dustin C. Dillard, Fire Chief; Joel Bomgardner, Vice President of the District Board; and Tammy Bovenschen, Administrative Assistant.