

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

LAKE LEMON CONSERVANCY DISTRICT

MONROE COUNTY, INDIANA

January 1, 2017 to December 31, 2018



FILED
09/13/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
District Manager	Adam Casey	01-01-17 to 12-31-19
Treasurer	Lance Eberle Michael Blackwell	01-01-17 to 01-31-17 02-01-17 to 12-31-19
Chairperson of the District Board	Pam Dugan	01-01-17 to 12-31-19



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE LAKE LEMON CONSERVANCY DISTRICT, MONROE COUNTY, INDIANA

This report is supplemental to our audit report of the Lake Lemon Conservancy District (District), for the period from January 1, 2017 to December 31, 2018. 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 Statement Audit Report of the District, which provides our opinion on the District's financial statement. 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

July 30, 2019

LAKE LEMON CONSERVANCY DISTRICT
AUDIT RESULTS AND COMMENTS

ADOPTION OF INTERNAL CONTROL STANDARDS

As of December 31, 2018, the District had not adopted the acceptable minimum level of internal control standards as defined by the Indiana State Board of Accounts.

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

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

TRAINING ON INTERNAL CONTROL STANDARDS

Appropriate personnel of the District had not received the training over the internal control standards that were developed or approved by the Indiana State Board of Accounts.

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

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

CERTIFICATION ON INTERNAL CONTROL STANDARDS

The District's Indiana Gateway for Government Units certification on the adoption and training on the internal control standards was not made correctly. The District answered yes to both questions, but had not adopted or trained on the standards.

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 report 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](#)."



Lake Lemon Conservancy District

LAKE LEMON CONSERVANCY DISTRICT OFFICIAL RESPONSE

ADOPTION OF INTERNAL CONTROL STANDARDS

The Lake Lemon Conservancy District will propose a Resolution at the August 24th, 2019 Board Meeting, to adopt the minimum internal control standards as defined by SBOA.

TRAINING ON INTERNAL CONTROL STANDARDS

The Lake Lemon Conservancy District will have all current and future staff who process and/or handle financial transactions complete the online training offered by the SBOA.

CERTIFICATION ON INTERNAL CONTROL STANDARDS

Upon complete of the SBOA Internal Controls Standards training, the Lake Lemon Conservancy District will retain certificates of completion for applicable employees.

Mike J. Blackwell

(Signature)

LLCD Board Treasurer

(Title)

8/5/19

(Date)

Adam W. Casey

(Signature)

LLCD District Manager

(Title)

8/5/19

(Date)

LAKE LEMON CONSERVANCY DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on July 30, 2019, with Michael Blackwell, Treasurer; Pam Dugan, Chairperson of the District Board; Adam Casey, District Manager; Debra Ladyman, District Board Director; and Shirley Watkins, CPA.