

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

COMPLIANCE REPORT
OF

RECYCLING AND WASTE REDUCTION
DISTRICT OF PORTER COUNTY
PORTER COUNTY, INDIANA

January 1, 2019 to December 31, 2019



FILED
12/31/2020

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Therese Haller Dawn Garmon (interim) Keri Marrs Barron	01-01-19 to 07-19-19 07-20-19 to 10-06-19 10-07-19 to 12-31-20
Controller	Dawn Garmon	01-01-19 to 12-31-20
President of the District Board	Susan Lynch Tim Jones	01-01-19 to 12-31-19 01-01-20 to 12-31-20



STATE OF INDIANA
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TO: THE OFFICIALS OF THE RECYCLING AND WASTE REDUCTION
DISTRICT OF PORTER COUNTY, PORTER COUNTY, INDIANA

The Recycling and Waste Reduction District of Porter County (District) is considered a component unit of Porter County (County) under accounting principles generally accepted in the United States of America. The District's financial information was audited as part of the County's financial statements for the period from January 1, 2019 to December 31, 2019. The Financial Statements Audit Report of the County, which provides our opinions on the County's financial statements and which includes the District's financial information, 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 Result and Comment contained herein describes the identified reportable instance of noncompliance found as a result of these procedures for the District. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

The District's Annual Financial Report information can be found on the Indiana Gateway for Government Units financial reporting system website: <https://gateway.ifionline.org> and has not been subjected to any audit procedures.

Any Official Response to the Audit Result and Comment, incorporated within this report, was not verified for accuracy.

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

December 17, 2020

RECYCLING AND WASTE REDUCTION DISTRICT OF PORTER COUNTY
AUDIT RESULT AND COMMENT

INTERNAL CONTROLS

Condition and Context

There were no documented internal controls in place at the District to ensure the accuracy of the revenues reported in the financial statements. The revenue process currently in place does not allow the Executive Director to verify what fund in the accounting system that the revenues had been recorded when reviewing the revenues that were received.

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

RECYCLING AND WASTE REDUCTION DISTRICT OF PORTER COUNTY
EXIT CONFERENCE

The contents of this report were discussed on December 17, 2020, with Dawn Garmon, Controller; Keri Marrs Barron, Director; and Tim Jones, President of the District Board.