

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

WESTERN WAYNE REGIONAL SEWAGE DISTRICT

WAYNE COUNTY, INDIANA

January 1, 2018 to December 31, 2020



FILED
08/19/2021

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Gary Rubendall	01-01-18 to 12-31-21
President of the District Board	Dan Worl Susie Dungan	01-01-18 to 03-31-20 04-01-20 to 12-31-21



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE WESTERN WAYNE REGIONAL
SEWAGE DISTRICT, WAYNE COUNTY, INDIANA

This report is supplemental to our audit report of the Western Wayne Regional Sewage District (District), for the period from January 1, 2018 to December 31, 2020. 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 16, 2021

WESTERN WAYNE REGIONAL SEWAGE DISTRICT
AUDIT RESULTS AND COMMENTS

BAD DEBTS AND UNCOLLECTIBLE ACCOUNTS

Condition and Context

The District did not have a written policy for bad debts or uncollectable accounts receivable.

Criteria

The governing body of a unit must have a written policy concerning a procedure for the writing off of bad debts, uncollectible accounts receivable, or any adjustments to record balance. Documentation must exist for all efforts made by the unit to collect amounts owed prior to any write-offs. Write-offs or adjustments to records which are not documented or warranted may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 1)

RECORD OF HOURS WORKED

Condition and Context

Attendance or time records were not kept for employees.

Criteria

Indiana Code 5-11-9-4(b) states in part:

"The state board of accounts shall require that records be maintained showing which hours are worked each day by officers and employees: . . .

(2) employed by more than one (1) public agency or in more than one (1) position by the same public agency . . ."

The federal Fair Labor Standards Act (FLSA) requires that records of wages paid, daily and weekly hours of work, and the time of day and day of week on which the employee's work week begins be kept for all employees. These requirements can be met by use of the following prescribed general forms:

- General Form 99A, Employee's Service Record
- General Form 99B, Employee's Earnings Record
- General Form 99C, Employee's Weekly Earnings Record

WESTERN WAYNE REGIONAL SEWAGE DISTRICT
AUDIT RESULTS AND COMMENTS
(Continued)

General Form 99C is required only for employees who are not exempt from FLSA, are not on a fixed work schedule, and are not paid weekly.

Additional information regarding FLSA rules and regulations may be obtained from the Department of Labor. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 1)

CAPITAL ASSETS

Condition and Context

The District did not present for audit a capital asset policy detailing the threshold at which an item was considered a capital asset. In addition, the District did not maintain a complete detail listing of all capital assets owned that reflected their acquisition value.

Criteria

Every unit must have a capital assets policy that details the threshold at which an item is considered a capital asset. Every unit must have a complete detail listing of all capital assets owned which reflects their acquisition value. Capital Asset Ledger (Form 369) has been prescribed for this purpose. A complete physical inventory must be taken at least every two years, unless more stringent requirements exist, to verify account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 1)

LATE SUBMISSION OF ANNUAL FINANCIAL REPORT

Condition and Context

The District's Annual Financial Report for 2020 was not filed electronically until April 1, 2021, which was 31 days past the due date.

Criteria

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

"The state examiner shall require from every audited entity 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](#)."

WESTERN WAYNE REGIONAL SEWAGE DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on August 16, 2021, with Susie Dungan, President of the District Board, and Michael Stuckey, Superintendent.