



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B58199

STATE BOARD OF ACCOUNTS
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December 29, 2021

TO: THE OFFICIALS OF THE UNION COUNTY SOIL AND WATER
CONSERVATION DISTRICT, UNION COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Union County Soil and Water Conservation District (District), Union County, for the period of January 1, 2016 to December 31, 2020, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

Management is responsible for preparing and maintaining its accounting records and related documents, as well as compliance with applicable state laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

The District's Annual Financial Reports filed by management can be found on the Gateway Website: www.gateway.ifonline.org.

The Comments contained herein describe the identified reportable instances of noncompliance found as a result of the procedures we performed. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Comments

ADOPTION OF, AND TRAINING AND CERTIFICATION ON, INTERNAL CONTROL STANDARDS

Condition and Context

The District certified on Gateway that it had adopted the minimum internal control standards as required by Indiana Code 5-11-1-27(e); however, during the engagement, the District could not provide documentation that it had adopted the minimum internal control standards.

The District certified on Gateway that all personnel defined by Indiana Code 5-11-1-27(c) had received training concerning the internal control standards adopted by the District; however, not all personnel had received training concerning the internal control standards.

Criteria

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."

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](#)."

ANNUAL FINANCIAL REPORT - BEGINNING AND ENDING BALANCES

Condition and Context

The Annual Financial Report (AFR) for 2017, 2019, and 2020 included the General Fund with beginning balances that were \$9,824, \$775, and \$775 more than the prior period ending balances, respectively. The AFR for 2018 included the General Fund with a beginning balance that was \$4,838 less than the prior period ending balance. Beginning and ending balances should agree.

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](#)."

Units are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, court decisions, and filing requirements concerning reports and other procedural matters of federal and state agencies. Units must file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 1)

This report is intended solely for the information and use of management, governance, and others within the organization. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

The Schedule of Cash and Investment Balances - Regulatory Basis, 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.


SCHEDULE OF CASH AND INVESTMENT
BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2020

<u>Fund</u>	<u>Cash and Investments 12-31-20</u>
General Fund	<u>\$ 37,373</u>
Total	<u><u>\$ 37,373</u></u>

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

The contents of this report were communicated to Andrea Napier, Treasurer, and Dana Risch, President of the District Board, on December 8, 2021.

Respectfully,


Paul D. Joyce, CPA
State Examiner



Union County Soil and Water Conservation District

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December 16, 2021

OFFICIAL RESPONSE

COMMUNICATION OF FUTURE COMPLIANCE

TO: THE OFFICIALS OF THE INDIANA STATE BOARD OF ACCOUNTS

We, the Union County Soil and Water Conservation District of Union County, Indiana, acknowledge our non-compliance and discrepancies throughout the 2018 through 2020 years.

The SWCD has not had an Office Manager or any office staff since February 2021. We filled this position on November 2, 2021, with the hire of Andrea Napier. Since then, we have completed a Capital Assets Policy and Capital Assets Ledger that was approved by the Board of Supervisors on December 16, 2021. This will reflect in our December 2021 Board Meeting Minutes. This policy and ledger are also available and on file in our office and will be updated yearly from this point forward.

The Internal Control Standards Training Webinar was also sent out to all Board Supervisors and staff via email and played during our December 16, 2021, Board Meeting. All Board Supervisors and staff completed their Internal Control Standards Certificate at the December 2021 Board Meeting. This will also be reflected in the December 2021 Board Meeting Minutes and is on file at the office.

We acknowledge the late submission of our Annual Financial Report for 2020 and will strive to be more aware of upcoming due dates.

We are implementing a system of two-person verification of important financial records before their submission to Gateway. This will diminish the risk of clerical error and mistakes that can occur from having only one person to validate pertinent information such as the Annual Financial Report.

We strive to do the best we can within our community and within our state. This auditing process has helped us grow and become aware of how we can be stronger in the future years.

Thank You,

Dana Risch, President
Union County Soil and Water Conservation District