



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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February 8, 2022

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

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Grant County Soil and Water Conservation District (District), Grant 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.ifionline.org](http://www.gateway.ifionline.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**

#### **ANNUAL FINANCIAL REPORTS**

A similar comment also appeared in prior report B47595.

#### *Condition and Context*

The Annual Financial Reports filed for the years 2016, 2017, 2018, 2019, and 2020 did not reflect the financial activity of the District. The District's savings account was not included on the unit's financial statements for the engagement period.

#### *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](#)."

## **BANK ACCOUNT RECONCILIATIONS**

### *Condition and Context*

Monthly reconciliations were performed; however, not all depository balances were included in the reconciliation. The December 31, 2020 bank reconciliation included the checking depository balances; however, the saving account balance was not included as part of the reconciliation. Additionally, the financial activity of the District's savings account was not included on the unit's financial statements for the engagement period.

### *Criteria*

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance must agree. If the reconciled bank balance is less than the subsidiary or control ledgers, the amount needed to balance may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 1)

## **ADOPTION OF, AND TRAINING ON, INTERNAL CONTROL STANDARDS**

### *Condition and Context*

The District had not adopted the acceptable minimum level of internal control standards as defined by the Indiana State Board of Accounts.

In addition, District employees whose official duties included receiving, processing, depositing, disbursing, or otherwise having access to funds that belonged to the District, had not received training over internal control standards that was developed or approved by the Indiana State Board of Accounts.

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

## **CERTIFICATION OF INTERNAL CONTROL STANDARDS**

### *Condition and Context*

The District certified on the Indiana Gateway for Governmental Units (Gateway) financial reporting system that it had adopted the minimum internal control standards as required by Indiana Code 5-11-1-27(e); however, during the engagement, the Office Coordinator indicated that the District had not adopted the minimum internal control standards.

In addition, the District certified on Gateway that all personnel defined by Indiana Code 5-11-2-27(e) had received training concerning the internal control standards adopted by the District; however, during the engagement, the Office Coordinator indicated that employees had not received training over internal control standards.

*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](#)."

**SALARY ORDINANCES**

*Condition and Context*

The District did not provide an annual salary resolution or ordinance, Board minutes, or other documentation setting and approving the salaries of District officers and employees for 2016, 2017, 2018, 2019, and 2020.

*Criteria*

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution, or salary schedule adopted by the governing body unless otherwise authorized by law. Compensation must be paid in a manner that will facilitate compliance with state and federal reporting requirements. (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

Fund	Cash and Investments 12-31-20
General Fund	\$ 23,803
Total	\$ 23,803

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

The contents of this report were communicated to Belinda Hussong, Office Coordinator, and Robert Embree, President of the District Board, on January 31, 2022.

Respectfully,

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