

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

COMPLIANCE REPORT
OF
LAPORTE COUNTY SOLID WASTE MANAGEMENT DISTRICT
LAPORTE COUNTY, INDIANA
January 1, 2019 to December 31, 2019



FILED
07/14/2022

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Transmittal Letter	3
Audit Results and Comments:	
Capital Assets.....	4-5
Payroll.....	5
Exit Conference.....	6

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	Clay Turner	01-01-19 to 12-31-20
Controller	Lyn De Groot	01-01-19 to 12-31-20
Chair of the District Board	Don Pryzbylinski Mayor Tom Dermody	01-01-19 to 12-31-19 01-01-20 to 12-31-20



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF THE LAPORTE COUNTY SOLID WASTE
MANAGEMENT DISTRICT, LAPORTE COUNTY, INDIANA

The LaPorte County Solid Waste Management District (District) is considered a component unit of LaPorte 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 statement for the period from January 1, 2019 to December 31, 2019. The Financial Statement Audit Report of the County, which provides our opinions on the County's financial statement 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 Results and Comments contained herein describe the identified reportable instances 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 Results and Comments, incorporated within this report, was not verified for accuracy.

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

December 2, 2020

LAPORTE COUNTY SOLID WASTE MANAGEMENT DISTRICT
AUDIT RESULTS AND COMMENTS

CAPITAL ASSETS

Condition and Context

The District does not have a capital asset policy that details the threshold at which an item is considered a capital asset or that determines a useful life of a capital asset; therefore, there is no depreciation of capital assets. The District's policy included at what threshold an asset should be inventoried, but not what should be considered a capital asset. The District inventoried all items without determining how items should be classified.

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.

The list of capital assets should include the following categories:

Land

The records of each unit must include a description of land owned by the unit, its location, amount of acreage (if relevant), its acquisition date and the purchase price. If the purchase price is not available, appraised value may be used.

Infrastructure

A capital asset account for the cost of infrastructure must reflect the location and brief description identifying each road, bridge, tunnel, drainage system, storm water system, dam, or lighting system owned by the unit.

Buildings

A capital asset account for buildings must reflect the location of each building and the purchase price or construction cost and the cost of improvements, if applicable. If a building is acquired by gift, the account must reflect its appraised value at the time of acquisition.

LAPORTE COUNTY SOLID WASTE MANAGEMENT DISTRICT
AUDIT RESULTS AND COMMENTS
(Continued)

Improvements Other than Buildings

A capital asset account must reflect the acquisition value of permanent improvements, other than buildings, which have been added to the land. Examples of such improvements are fences, retaining walls, sidewalks, and gutters. The improvements must be valued at the purchase or construction cost.

Equipment

Tangible property of a permanent nature (other than land, buildings, and improvements) must be inventoried. Examples include machinery, trucks, cars, furniture, office equipment including but not limited to computers and data processing equipment, and desks, safes, cabinets, books, cellphones, etc. The value of such items must be carried in the inventory at the purchase cost.

Construction Work in Progress

Where construction work has not been completed in the current reporting fiscal year, the cost of the project must be carried as "construction work in progress." When the project is completed, it must be placed on the inventory applicable to the assigned asset account. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 1)

PAYROLL

Condition and Context

Employees are paid biweekly. Employees complete a monthly timesheet that is turned in to the Executive Director for review and approval at the end of the month. Timesheets are not used to process biweekly payroll. Employees are paid 1/26th of the approved salary ordinance. The pay period goes through the date of pay. This results in employees being paid in advance of hours worked.

Criteria

Compensation and any other payments for goods and services must not be paid in advance of receipt of the goods or services unless specifically authorized by law. Payments made for goods or services which are not received may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 1)

LAPORTE COUNTY SOLID WASTE MANAGEMENT DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on December 2, 2020, with Lyn De Groot, Controller; Clay Turner, Executive Director; and Mayor Tom Dermody, Chair of the District Board.