



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

October 27, 2022

TO: THE OFFICIALS OF THE PRAIRIE CREEK-VIGO CONSERVANCY
DISTRICT, VIGO COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Prairie Creek-Vigo Conservancy District (District), Vigo County, for the period of January 1, 2018 to December 31, 2021, 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

TRAINING AND CERTIFICATION ON INTERNAL CONTROL STANDARDS

Similar comments also appeared in prior Report B51563, entitled *TRAINING ON INTERNAL CONTROL STANDARDS* and *CERTIFICATION OF INTERNAL CONTROL STANDARDS*.

Condition and Context

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.

In addition, 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, all personnel had not received training concerning the internal control standards.

Criteria

Indiana Code 5-11-1-27(g) states in part:

"After June 30, 2016, the legislative body of a political subdivision shall ensure that:

- (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](#)."

CAPITAL ASSETS

This same comment appeared in a management letter addressed to the Financial Clerk and District Board for the engagement period ending December 31, 2017.

Condition and Context

The District had not adopted a capital assets policy during the engagement period. In addition, the District had not conducted a physical inventory or kept record of its capital assets.

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)

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, 2021

| Fund | Cash and Investments 12-31-21 |
|--------------|-------------------------------------|
| General Fund | \$ 56,316 |
| Debt Reserve | <u>603,579</u> |
| Total | <u>\$ 659,895</u> |

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

The contents of this report were communicated to Barrett Piety, Financial Clerk; Jan Came, Bookkeeper; and Fred Wilson Jr., Chair of the District Board, on October 12, 2022.

Respectfully,



Beth Kelley, CPA, CFE
Deputy State Examiner