

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

SUPPLEMENTAL COMPLIANCE REPORT  
OF  
LAPORTE COUNTY REGIONAL SEWER DISTRICT  
LAPORTE COUNTY, INDIANA  
January 1, 2020 to December 31, 2021



**FILED**  
12/05/2022



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	(Vacant) Marcella Kunstek	01-01-20 to 11-18-20 11-19-20 to 12-31-22
President of the District Board	Tony Mancuso Mitch Bishop John Carr	01-01-20 to 01-20-21 01-21-21 to 01-19-22 01-20-22 to 12-31-22



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE LAPORTE COUNTY REGIONAL  
SEWER DISTRICT, LAPORTE COUNTY, INDIANA

This report is supplemental to our audit report of the LaPorte County Regional Sewer District (District), for the period from January 1, 2020 to December 31, 2021. 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 Statement Audit Report of the District, which provides our opinions on the District's financial statement. This report may be found at [www.in.gov/sboa/](http://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.

Beth Kelley, CPA, CFE  
Deputy State Examiner

November 16, 2022

LAPORTE COUNTY REGIONAL SEWER DISTRICT  
AUDIT RESULTS AND COMMENTS

**ADOPTION OF INTERNAL CONTROL STANDARDS**

*Condition and Context*

The District did not adopt an internal control policy in compliance with the acceptable minimum level of internal control standards as defined by the Indiana State Board of Accounts as required by Indiana Code 5-11-1-27(g).

*Criteria*

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

"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 . . ."

**CAPITAL ASSETS**

*Condition and Context*

The District had not adopted a capital asset policy, maintained a detailed listing of capital assets, or completed a physical inventory every two years as required. The District failed to report capital assets on the Indiana Gateway for Government Units financial reporting system.

*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)

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](#)."



# LAPORTE COUNTY REGIONAL SEWER & WATER DISTRICT

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c/o Jennifer Ransbottom, District Administrator  
325 S. Lafayette Blvd., South Bend IN 46601  
574.849.0004 Email: [jransbottom@jpr1source.com](mailto:jransbottom@jpr1source.com)

November 16, 2022

State Board of Accounts  
302 West Washington St., Room E418  
Indianapolis, IN 46204-2769

RE: Audit period January 1, 2020 – December 31, 2021

To Whom It May Concern:

This letter is in response to our exit interview this morning. We would like to assure SBOA that we are currently in the process of implementing policies to better protect and monitor the LaPorte County Regional Sewer & Water District.

Thank you.

  
Marcella Kunstek  
Treasurer

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\2022-11-16 Marcella Kunstek SBOA Letter.docx

LaPorte County Regional Sewer and Water District | 325 S. Lafayette Blvd. | South Bend, IN 46601  
Ph: 574.849.0004 | email: [jransbottom@jpr1source.com](mailto:jransbottom@jpr1source.com)

LAPORTE COUNTY REGIONAL SEWER DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on November 16, 2022, with Marcella Kunstek, Treasurer; John Carr, President of the District Board; Jerry Jackson, District Board Secretary; Dalia Zygaz, District Board member; Stephen Carter, District Accountant; and Jennifer Ransbottom, District Utility Manager.