



**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](http://www.in.gov/sboa)

January 6, 2023

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

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Sullivan County Solid Waste Management District, Sullivan 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.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***

***PRESCRIBED FORMS***

The same comment also appeared in prior Reports B27760, B33645, B38635, B40480, and B51496.

***Condition and Context***

The following prescribed or approved forms were not always in use:

Form 359 - Ledger of Appropriations, Encumbrances, Disbursements, and Balances  
Form 99B - Employee's Earnings Record.

***Criteria***

Officials and employees are required to use State Board of Accounts prescribed and approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 1)

**BANK ACCOUNT RECONCILIATIONS**

A similar comment also appeared in prior Report B51496, entitled *PUBLIC RECORDS RETENTION*.

*Condition and Context*

Depository reconciliations of the fund balances to the bank account balances were not conducted for January 1, 2018 to December 31, 2021.

*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."

**APPROPRIATIONS**

The same comment appeared in prior Report B51496.

*Condition and Context*

The records presented indicated the following disbursements in excess of budgeted appropriations:

Fund	Year	Excess Amount Expended
Solid Waste Management	2021	\$ 5,145

*Criteria*

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

**PENALTIES, INTEREST, AND OTHER CHARGES**

The same comment appeared in a Management Letter addressed to the Officials of the Sullivan County Solid Waste Management District for the period ending December 31, 2017.

*Condition and Context*

Penalties, interest, and other charges were paid to the Indiana Department of Workforce Development in the amount of \$15 in 2018, and to the Indiana Department of Revenue in the amount of \$38 in 2020 because payments were not made on a timely basis.

### *Criteria*

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the unit. Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the unit. Any penalties, interest, or other charges paid by the unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 1)

### **CERTIFIED REPORT FILED AFTER DUE DATE**

A similar comment appeared in prior Report B51496, entitled *FORM 100R FILING*.

#### *Condition and Context*

The officials did not timely file a Certified Report of Names, Addresses, Duties, and Compensation of Public Employees (Form 100R) with the Indiana State Board of Accounts for the years 2018, 2019, and 2020. Reports were filed on March 22, 2019, February 1, 2020, and March 25, 2021, which were 50, 1, and 53 days past the due dates, respectively.

### *Criteria*

Indiana Code 5-11-13-1(a) states in part:

"Every state, county, city, town, township, or school official . . . shall during the month of January of each year prepare, make, and sign a certified report, correctly and completely showing the names and business addresses of each and all officers, employees, and agents . . . and the respective duties and compensation of each, and shall forthwith file said report in the office of the state examiner of the state board of accounts . . . The certification must be filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

### **ANNUAL FINANCIAL REPORT**

A similar comment also appeared in prior Reports B40480 and B51496, entitled *ANNUAL REPORT*.

#### *Condition and Context*

Annual Financial Reports were not timely filed. The Annual Financial Reports for 2018, 2019, 2020, and 2021 were not filed electronically until June 21, 2019; June 16, 2022; June 9, 2022; and June 9, 2022, which were 111, 837, 464, and 99 days late, respectively.

### *Criteria*

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality 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](#)."

## **MONTHLY AND ANNUAL UPLOADS**

The files and governmental unit information that are required to be uploaded monthly include the bank reconciliements, approved Township Board minutes and the funds ledger, summarizing total receipts, disbursements, and balances by fund.

Annual upload requirements include the year-end bank statement, year-end outstanding check list, year-end investments, detail of receipt activity, detail of disbursement activity, current year salary ordinance, and an annual vendor history report.

The Special District did not comply with the State Examiner Directive and failed to upload any of the monthly and annual files on the Indiana Gateway for Government Units (Gateway) financial reporting system for 2018, 2019, 2020, and 2021.

### *Criteria*

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)

Beginning with July 2018 files, which will be due September 15, 2018, all cities, towns, townships, libraries, and special districts will use the Upload App to upload files containing financial and governmental unit information on Gateway to allow the State Board of Accounts (SBOA) to conduct audit planning and audit processes prior to on-site work at a unit. (State Examiner Directive 2018-1)

## **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) and that all personnel as defined by Indiana Code 5-11-1-27(c) had received training concerning the internal control standards adopted by the unit; however, the District had not adopted the minimum internal control standards and all personnel had not received training concerning the internal control standards.

### *Context*

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](#)."

## **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.

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

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
Solid Waste Management Fund	\$ 45,394

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

The contents of this report were communicated to Doug Bates, President/Treasurer of the District Board, and Michele Cary, Coordinator, on December 15, 2022.

Respectfully,



Beth Kelley, CPA, CFE  
Deputy State Examiner