

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

EXAMINATION REPORT  
OF

BLOOMINGTON SOUTH HIGH SCHOOL  
MONROE COUNTY COMMUNITY  
SCHOOL CORPORATION  
MONROE COUNTY, INDIANA

July 1, 2004 to May 11, 2007



**FILED**

12/27/2007



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SCHOOL OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
South High School Extra-Curricular Account Bookkeeper	Shannon Wood	09-03-04 to 05-11-07
Treasurer	Timothy Thrasher	07-01-04 to 06-30-07
Principal	Mark Fletcher	07-01-04 to 06-30-07
Assistant Principal	Jay True	07-01-04 to 06-30-07
Superintendent of Schools	John Maloy James Harvey (Interim) James Harvey	07-01-04 to 06-30-06 07-01-06 to 06-30-07 07-01-07 to 06-30-10
President of the School Board	Susan Wanzer Jim Muehling	03-23-04 to 12-31-06 01-01-07 to 12-31-07



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF MONROE COUNTY COMMUNITY SCHOOL CORPORATION

We have examined the records of Bloomington South High School Extra-Curricular Account Records, for the period from July 1, 2004 to May 11, 2007, and certify that the records and accountability for cash and other assets are satisfactory to the best of our knowledge and belief, except as stated in the Examination Results and Comments.

STATE BOARD OF ACCOUNTS

June 25, 2007

BLOOMINGTON SOUTH HIGH SCHOOL  
MONROE COUNTY COMMUNITY SCHOOL CORPORATION  
EXAMINATION RESULTS AND COMMENTS

INTERNAL CONTROLS

The controls over the recording and accounting for the financial activities of Bloomington South High School Extra-Curricular Account were insufficient in that:

- (1) The financial records at Bloomington South High School, kept by Shannon Wood, Extra-Curricular Account Bookkeeper, were not reconciled to the centralized Extra-Curricular Account records kept by the School Corporation Office. No information was presented for examination indicating Shannon Wood, Extra-Curricular Account Bookkeeper, or the High School Principal tried to reconcile the differences.
- (2) Auxiliary receipts which are nonapproved receipts, available to the Extra-Curricular Account Bookkeeper and given to sponsors at the time collections were remitted to the Extra-Curricular Account Bookkeeper, were not always issued at the time Shannon Wood, Extra-Curricular Account Bookkeeper, received receipts from sponsors. Many auxiliary receipts were prepared by the sponsors. No numerical order was maintained resulting in the lack of an audit trail for receipts turned over to Shannon Wood, Extra-Curricular Account Bookkeeper.
- (3) Deposits were not made timely. A number of prepared deposits dating from 2005 were found by School Officials in Shannon Wood's desk in May of 2007. Items located included a bag of cash change, a bank bag containing cash and several checks, and a change box with over \$1,000 from a dance.
- (4) Prescribed Extra-Curricular Account receipts (Form SA-3) were not used in numerical order by Shannon Wood, Extra-Curricular Account Bookkeeper, or by the Athletic Department.
- (5) Receipts were not kept in the school safe or timely deposited.
- (6) Money was reported missing in 2006 that had been in the safe, Shannon Wood's desk drawer, and the Athletic Director's desk. A custodian was discovered getting into the safe after hours and had obtained the combination from a secretary's desk drawer. School Officials determined that \$6,500 was missing in 2006 from desk drawers and the safe. The custodian paid back \$6,500 on June 9, 2006, and was allowed to resign. The incident was reported to the police but was handled by High School Officials with no charges were filed. The State Board of Accounts was not informed of the \$6,500 theft by the School Officials when performing the examination. The Athletic Director was reimbursed \$1,410 of the \$6,500 recovered for funds that were claimed by the Athletic Director to be personal funds kept in his desk drawer.

Bloomington South High School has been cited for internal control weaknesses in prior audits and officials were informed of the proper procedures to put in place. There was no evidence the recommended controls were implemented.

BLOOMINGTON SOUTH HIGH SCHOOL  
MONROE COUNTY COMMUNITY SCHOOL CORPORATION  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

A similar comment appeared in prior Report B25395.

Indiana Code 20-41-1-9 states in part: ". . . receipts shall be deposited without unreasonable delay."

#### DEPOSITS

Receipt documentation did not indicate the form in which the money was received (i.e. cash, check, etc.). Copies of the items deposited were obtained from the bank. We determined that the actual nature of the funds deposited did not agree to what was stated on the deposit ticket. We noted instances where checks were substituted for cash as shown on the receipts and instances where the receipt being posted was credited to the incorrect fund.

Receipts were not always deposited within a reasonable time. Shannon Wood, Extra-Curricular Account Bookkeeper, found cash from 2005 and 2006 in her car and at her house after our inquiries during the examination. The funds totaled \$14,768.14 and were deposited in April and May of 2007. The detail information we obtained from the bank did not agree with deposit designation as shown by Shannon Wood. The deposits totaling \$14,768.14 have been considered as credits against the missing receipts and are not considered part of this report.

Indiana Code 5-13-6-1(c) states in part: "Public funds deposited . . . shall be deposited in the same form in which they were received."

A similar comment appeared in prior Report B25395.

#### TIMELY RECORDKEEPING

We noted instances of the passage of up to three months from the time of the original date of the transactions until entry on the records. Shannon Wood, Extra-Curricular Account Bookkeeper, posted entries on numerous occasions to the ledger at Bloomington South High School and failed to send the paper work to the School Corporation Office in a timely manner which caused difficulties for the central office to reconcile to the account balances at Bloomington South High School.

BLOOMINGTON SOUTH HIGH SCHOOL  
MONROE COUNTY COMMUNITY SCHOOL CORPORATION  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

All documents and entries to records should be done in a timely manner to ensure that accurate financial information is available to allow the governmental unit to make informed management decisions and to help ensure compliance with IC 5-15-1-1 et seq., commonly referred to as the Public Records Law. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

OVERDRAWN FUND BALANCES EXTRA-CURRICULAR ACCOUNTS

The Academic Teams Fund, the Class of 2001 Fund, and the Lost T-Shirts Fund for Bloomington South High School, were overdrawn in 2005.

The Bookstore Fund, the Choir Fund, the Concessions Fund, the French Club Fund, the Academic Teams Fund, the Class of 2001 Fund, the Renaissance Fund, the Project Pride Fund, the Amateur Ham Radio Club Fund, the Helping Hands Fund, and the Class of 2008 Fund for Bloomington South High School were overdrawn in 2006.

Many of these negative funds were due to revenues not being deposited and posted to the accounts. Many sponsors were provided with incorrect fund balances by Shannon Wood, Extra-Curricular Account Bookkeeper.

The balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

A similar comment appeared in prior Report B25395.

THEATRE ARTS

An auxiliary receipt (324217) was written by the sponsor on December 1, 2005, for \$100 for the Theatre Arts Fund for collections received from the MCCSC Foundation. According to the sponsor the revenue was for a performance and should have been posted to the Theatre Arts Fund.

A review of the receipts to deposits and the Theatre Arts Fund showed no evidence the receipt was posted or the money was deposited.

We requested Shannon Wood, Extra-Curricular Account Bookkeeper, remit \$100 to the Bloomington South High School Extra-Curricular Account. (See Summary, page 17)

PARKING REVENUE/STUDENT IDENTIFICATION FEES

Collections for parking permits are documented by prenumbered tickets which are listed on a student sales report form compiled by Bloomington South High School. All amounts were collected and posted by Shannon Wood, Extra-Curricular Account Bookkeeper.

BLOOMINGTON SOUTH HIGH SCHOOL  
MONROE COUNTY COMMUNITY SCHOOL CORPORATION  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

A comparison of student sales report forms to the extra-curricular records for 2005-2006 revealed that 652 parking permits were sold at \$10 each for a total of \$6,520. The ledger (Fund 708) showed that parking permit and student ID revenue totaled \$4,151 leaving a balance of \$2,369 that was not recorded or deposited for parking fees.

Students are given a free ID tag at the beginning of the school year and are charged a \$5.00 fee for a replacement identification tag. Replacement fees were collected by Shannon Wood, Extra-Curricular Account Bookkeeper, with no lists being maintained of ID tags replaced. Revenue for replacement ID tags was \$2,465 for 2004-2005 school year. We determined that \$2,000 was lost in 2005-2006 based on the revenue collected for the 2003-2004 and 2004-2005 school years since enrollment and all procedures were the same.

The total parking permit (\$2,369) and student ID fees (\$2,000) that were not recorded or deposited for 2005-2006 were \$4,369.

We requested Shannon Wood, Extra-Curricular Account Bookkeeper, remit \$4,369 to the Bloomington South High School Extra-Curricular Account. (See Summary, page 17)

APTITUDE EXAMS

Shannon Wood, Extra-Curricular Account Bookkeeper, collected the fees and maintained class lists of all students that pay to take an aptitude exam, and gave the list to the Aptitude Exam Sponsor who ordered the tests. The student list totaled \$16,366 for 2006-2007. A review of the Aptitude Exam ledger at the Central Office and a comparison of receipts to deposits showed \$15,936 as revenue, a difference of \$430.

We requested Shannon Wood, Extra-Curricular Account Bookkeeper, remit \$430 to the Bloomington South High School Extra-Curricular Account. (See Summary, page 17)

CHOIR ACCOUNT

The Choir Sponsor maintained a record of ticket sales for each choir event. Shannon Wood, Extra-Curricular Account Bookkeeper, did not issue a receipt upon the remittance of ticket sales by the Sponsor. A comparison of records of the Sponsor to the Extra-Curricular Account at the Central Office indicated that \$1,663 was collected by the Sponsor but only \$1,211 was posted and deposited for a difference of \$452 for the school year 2004-2005. \$3,360 was collected by the Sponsor and \$2,463 was posted and deposited for a difference of \$897 for the school year 2005-2006. \$845 was collected by the Sponsor and \$754 was posted and deposited for a difference of \$91 for the school year 2006-2007. The total documented ticket sales exceeded the amount deposited and recorded to the Choir Fund by \$1,440.

We requested Shannon Wood, Extra-Curricular Account Bookkeeper, remit \$1,440 to the Bloomington South High School Extra-Curricular Account. (See Summary, page 17)

BLOOMINGTON SOUTH HIGH SCHOOL  
MONROE COUNTY COMMUNITY SCHOOL CORPORATION  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

OPTIMIST CLUB

The Optimist Club Sponsor maintained a record documenting advertisement sales with information that includes the name of the advertiser and the amount paid. Shannon Wood, Extra-Curricular Account Bookkeeper, did not issue a receipt to the Optimist Club Sponsor at the time of remittance by the Sponsor. Records indicate that \$1,039.20 was collected on May 5, 2005, on a Class receipt record kept by the Sponsor; \$939.20 was posted to the ledger and deposited by Shannon Wood, Extra-Curricular Account Bookkeeper, a difference of \$100. Records show that \$787.10 was collected on October 30, 2006, and \$747.10 was posted to the ledger by Shannon Wood, Extra-Curricular Account Bookkeeper, for a difference of \$40. The total documented difference for the Optimist Club Fund was \$140.

We requested Shannon Wood, Extra-Curricular Account Bookkeeper, remit \$140 to the Bloomington South High School Extra-Curricular Account. (See Summary, page 17)

PROJECT PRIDE

The Project Pride Club ordered club T-Shirts. The Sponsor of the Project Pride Club collected and maintained a record of the receipts to pay for the T-Shirts totaling \$401. Only \$267 was receipted and deposited on November 1, 2005, by Shannon Wood, Extra-Curricular Account Bookkeeper, to the Project Pride Fund for a difference of \$134. The Extra-Curricular Account Bookkeeper did not issue a receipt at the time of remittance by the Sponsor.

We requested Shannon Wood, Extra-Curricular Account Bookkeeper, remit \$134 to the Bloomington South High School Extra-Curricular Account. (See Summary, page 17)

ATHLETIC EVENT SALES

Ticket sales for athletic events were collected by workers and turned over to the Athletic Director or one of his assistants. The collections were counted and a prescribed form SA-4 Ticket Sales Report, was completed. The SA-4 and the collections were turned over to the Athletic Bookkeeper who recounted the money, and completed the receipt which is a prescribed form that is prenumbered. The Athletic Bookkeeper would then take the money and the receipt to Shannon Wood, Extra-Curricular Account Bookkeeper, to make up the deposit and take the money to the bank. Shannon Wood, Extra-Curricular Account Bookkeeper, did not issue auxiliary receipts to the Athletic Department to document the various amounts remitted. Shannon Wood, Extra-Curricular Account Bookkeeper, would make the deposit and send a copy of the receipt and deposit ticket to the School Corporation Office to be posted and also post the receipt to the extra-curricular ledger at Bloomington South High School. A copy of the receipt and Ticket Sales Report was retained and recorded by the Athletic Bookkeeper or the Athletic Director in the Athletic Department records.

We compared receipts and Ticket Sales Report forms obtained from the Athletic Director to the extra-curricular records at the School Corporation Office for the 2004-2005 school year. Our comparison revealed that on April 21, 2005, baseball ticket sales (receipt 103241) for \$385 was not recorded and deposited by Shannon Wood, Extra-Curricular Account Bookkeeper. Additionally, on April 21, 2005, track and field ticket sales (receipt 103240) for \$480 were not recorded and deposited by Shannon Wood, Extra-Curricular Account Bookkeeper. Total not recorded or deposited for 2004-2005 school year was \$865.

BLOOMINGTON SOUTH HIGH SCHOOL  
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EXAMINATION RESULTS AND COMMENTS  
(Continued)

We compared receipts and ticket sales report forms obtained from the Athletic Director to the extra-curricular records at the School Corporation Office for the 2005-2006 school year. Our comparison revealed the following were not recorded and deposited by Shannon Wood, Extra-Curricular Account Bookkeeper:

1. December 14, 2005, basketball ticket sales (receipt 105703) for \$429;
2. January 9, 2006, basketball ticket sales (receipt 105726) for \$258;
3. January 9, 2006, swimming ticket sales (receipt 105735) for \$392;
4. January 19, 2006, wrestling ticket sales (receipt 105740) for \$880;
5. April 13, 2006, baseball ticket sales (receipt 105816) for \$342;
6. April 15, 2006, softball ticket sales (receipt 105820) for \$288;
7. April 18, 2006, baseball and softball ticket sales (receipt 105824) for \$517;
8. April 20, 2006, softball ticket sales (receipt 105832) for \$560;
9. April 28, 2006 baseball and softball ticket sales (receipt 105839) for \$856;
10. May 4, 2006, softball ticket sales (receipt 105843) for \$180; and
11. May 10, 2006, baseball and softball ticket sales (receipt 105857) for \$249.

The total for the 2005-2006 school year was \$4,951.

We compared receipts and ticket sales report forms obtained from the Athletic Director to the extra-curricular records at the School Corporation Office for the current portion of the 2006-2007 school year. Our comparison revealed the following were not recorded and deposited by Shannon Wood, Extra-Curricular Account Bookkeeper.

1. September 19, 2006, soccer ticket sales (receipt 105945) for \$352;
2. September 27, 2006, volleyball ticket sales (receipt 103542) for \$676;
3. October 5, 2006, volleyball ticket sales (receipt 103553) for \$568;
4. October 6, 2006, football ticket sales (receipt 103554) for \$5,680;
5. October 9, 2006, football ticket sales (receipt 103557) for \$450;
6. October 14, 2006, football ticket sales (receipt 103564) for \$432; and
7. October 29, 2006, football sectional ticket sales (receipt 103567) for \$3,745.

The total for the 2006-2007 school year was \$11,903.

The amount not receipted or deposited for the 2004-2005 school year was \$865. The amount not receipted or deposited for the 2005-2006 school year was \$4,951. The amount not receipted for the current portion of the 2006-2007 school year was \$11,903. The total ticket sales not receipted or deposited totaled \$17,719.

We requested Shannon Wood, Extra-Curricular Account Bookkeeper, remit \$17,719 to the Bloomington South High School Extra-Curricular Account. (See Summary, page 17)

RECEIPTS DID NOT MATCH DEPOSITS

Shannon Wood, Extra-Curricular Account Bookkeeper, in response to our inquiries on missing funds; found some undeposited funds in her desk, her car, and her home. She made the deposits and stated most of the cash was gate receipts from athletic events.

Our review of the contents of the deposits provided by the bank noted that the deposits were not exclusive for gate receipts but was other revenue that Shannon Wood had not posted to the ledgers.

BLOOMINGTON SOUTH HIGH SCHOOL  
MONROE COUNTY COMMUNITY SCHOOL CORPORATION  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

A deposit was made on April 11, 2007, of monies that Shannon Wood stated were found in her car in the amount of \$4,643 for basketball, swimming and diving ticket sales revenue from December 1 and December 2, 2006 (receipt 103587). However, records received from the bank showed the deposit contained a check for Music for \$450, a check for Theatre for \$250, a check for Optimist for \$20, a check for \$75.60 (no fund stated); a check for Optimist for \$20, a check for a \$10 parking permit; and a check from Center Grove for presale freshman football for \$415 for a total of \$1,240.60 that were not attributable to gate receipts as Shannon Wood, Extra-Curricular Account Bookkeeper, had indicated. No information was provided for examination that checks were recorded in the records as receipts. Properly recording documented collections in the records would result in cash necessary to balance of \$1,240.60. No other records were presented for these deposits.

We requested Shannon Wood, Extra-Curricular Account Bookkeeper, remit \$1,240.60 to the Bloomington South High School Extra-Curricular Account. (See Summary, page 17)

A deposit was made on April 25, 2007, of monies found at Shannon's house in the amount of \$3,778.21 which she stated were for athletic ticket sales and athletic fundraisers. The deposit contained a check from Target for \$890.58 and a check from Pepsi for \$1,862.63 for vending proceeds for a total of \$2,753.21 that was not for athletics. No information was provided for examination that checks were recorded in the records as receipts. Properly recording documented collections in the records would result in cash necessary to balance of \$2,753.21. No other records were presented for these deposits.

We requested Shannon Wood, Extra-Curricular Account Bookkeeper, remit \$2,753.21 to the Bloomington South High School Extra-Curricular Account. (See Summary, page 17)

RECEIPT ISSUANCE/FUNDRAISER MONEY

Receipts were written by Shannon Wood, Extra-Curricular Account Bookkeeper after deposits were made as shown below:

A fundraiser was held in October 2005, for the victims of Hurricane Katrina. Donations were collected at ball games and included cash and checks. An auxiliary receipt showed \$6,773.48 being collected. \$3,803 was checks and cash to the School with the rest being checks made out to the Red Cross directly. The revenue was posted on January 31, 2006, by Shannon Wood, Extra-Curricular Account Bookkeeper, receipt 103864, to the Student Council Fund on Bloomington South High School's ledger as Student Council Homecoming Dance. However, no information was presented for examination to indicate the donation was ever made for the victims of Hurricane Katrina. The receipt was posted as Hurricane Katrina revenue on the administration ledger in the Student Council Fund on January 1, 2006. A review of the underlying documentation provided by the bank noted, from the deposit contents, that the money was for the fundraising event that was held for the Red Cross.

A cash bag found in Shannon Wood's desk in May of 2007 containing \$355.53 was also determined by School Officials to belong to the Katrina fundraiser. The \$355.53 was not included in the \$6,773.48 auxiliary receipt. The Bloomington South High School ECA did not remit (\$3,803 + \$355.53) \$4,158.53 to the American Red Cross, Hurricane Katrina account. Shannon Wood, Extra-Curricular Account Bookkeeper, stated the money was not sent because of the lack of an address. However, when asked how she was able to forward checks made out to Hurricane Katrina, she stated she did not know. As of July 10, 2007, the fundraiser money had not been disbursed to the Red Cross.

BLOOMINGTON SOUTH HIGH SCHOOL  
MONROE COUNTY COMMUNITY SCHOOL CORPORATION  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

No revenue remained, after correction to the funds for the \$3,803 deposit, for the Homecoming dance in the fall of 2005. No other records were presented for examination to account for the \$3,803. We determined that \$3,803 was not receipted or deposited for the Homecoming dance.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

We requested Shannon Wood, Extra-Curricular Account Bookkeeper, remit \$3,803 to the Bloomington South High School Extra-Curricular Account. (See Summary, page 17)

AUDIT COSTS - MISSING FUNDS

The State of Indiana incurred additional audit fees in the investigation of the missing funds. The State of Indiana is requesting reimbursement of audit fees incurred in the amount of \$11,827.80 from Shannon Wood, Extra-Curricular Account Bookkeeper.

Audit costs incurred because of theft or shortage may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

INSURANCE COVERAGE

Shannon Wood, Extra-Curricular Account Bookkeeper, was covered for loss under a public employee's dishonesty bond with Indiana Insurance Coverage through ISU/The May Agency for \$100,000 per year.

FURTHER INVESTIGATION

We have requested Shannon Wood submit detailed documentation which provides for a proper accounting for the issues as detailed herein or to remit \$32,128.81, to the Bloomington South High School Extra-Curricular Account.

Due to the nature of the information provided herein, we are forwarding this Report to the Indiana State Police, Prosecuting Attorney of Monroe County, Attorney General of the State of Indiana for further investigation and resolution.

BLOOMINGTON SOUTH HIGH SCHOOL  
MONROE COUNTY COMMUNITY SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on August 14, 2007, with Timothy Thrasher, Treasurer; James Harvey, Superintendent of Schools; Mark Fletcher, Principal, Bloomington South High School; Jay True, Assistant Principal, Bloomington South High School; Barbara Buckner, Assistant Comptroller; Lois Sabo-Skelton, Secretary of Monroe County Community School Board; Valerie Merriam, Assistant Secretary Monroe County Community School Board; and Susan Daniels, Monroe County Community School Board member. The official response has been made a part of this report and may be found on page 13.

The contents of this report were discussed on August 16, 2007, with Shannon Wood, former Bloomington South High School Extra-Curricular Account Bookkeeper. The official response has been made a part of this report and may be found on pages 14-16.



## Monroe County Community School Corporation

315 North Drive, Bloomington, IN 47401 – 812-330-7700 \* FAX 812-330-7813 [www.mccsc.edu](http://www.mccsc.edu)

August 23, 2007

State Board of Accounts  
302 Washington St., Room E418  
Indianapolis, Indiana 46204-2765  
ATTN: Bruce A. Hartman, State Examiner

Dear Mr. Hartman,

The Monroe County Community School Corporation presents the following information to be included in the Audit Report for the Bloomington High School South audit:

The administration of the Monroe County Community School Corporation and of Bloomington High School South appreciate the time invested and recommendations made by the State Board of Accounts and its Field Examiners in connection with the audit of Bloomington High School South. We are committed to doing everything in our power to prevent future misuse of school corporation and extra-curricular activity fund assets. Administrators and members of the clerical staff throughout the school corporation have been and will continue to be reminded of proper procedures for processing cash receipts. We will provide close supervision of those receiving cash payments. The central office staff is committed to providing individual building administrators information and documentation when it becomes aware of situations that may indicate the need for corrective action at the school. Appropriate training and staff development will be provided as warranted.

In addition, any future situations involving the misuse of assets will be reported immediately to the State Board of Accounts and a file of all such incidents will be maintained by the central administration and the administration of the school involved.

Sincerely,

  
Timothy Thrasher  
Treasurer

OFFICIAL RESPONSE  
Shannon Wood

I would like to start by responding to the "Internal Controls" issue. There was an internal theft and this person was caught, but I feel that the situation should have been handled differently. At the time of the theft, there should have been more done to find out how much money could have been taken. Once it was proven by myself and another secretary that money was missing from the safe, there was only a few days that went by and the person was caught. At this time a guess was made as to how much money the person had taken and they paid the sum quickly and were terminated. If a thorough investigation would have been done at that time we would have known that much more money was indeed missing. From the time of the first theft, which was from office drawers in the bookstore and in the athletic office, until this person was caught many months went by before they were caught.

I would like to address a few things below on some of the discrepancies.

Theatre-The \$100.00 check from the MCCSC Foundation-I thought this was a grant check. This was put back into the sponsors box to handle accordingly.

Auxiliary Receipt 314949-This was the homecoming dance money that was discussed that was also involved in the theft. There were not two dances during that time so there is no way that the \$3803 was also for homecoming dance. This money was deposited but was for Hurricane Katrina. The person collecting the money never came in to do the paperwork to send the money to the Red Cross. There were checks that were made out directly to the Red Cross and I did put them in an envelope and mailed them directly to the Red Cross. As for the other part, that was the responsibility of the person collecting the money to do the paperwork to have the check processed for the Red Cross from our central office. So, therefore, the \$3803.00 should not be on the report as not accounted for. This was discussed between the auditor, myself and the Assistant Principal at the time of the audit and it was agreed upon at that time just as I have stated.

Parking and Student ID Revenue-Again this would have been found to be missing if time would have been taken when the internal theft occurred. It is also very hard to estimate what this total would have been. There were times when I was out of the office due to an ill immediate family member in the hospital and secretaries in the main office took the ID boxes and handed out all ID's in the box by sending passes for everyone. These were not all paid for. I did print ID's before they were paid for and the students would pay when they picked them up. This happened more than once and consisted of a lot of ID's. The boxes were full and came back empty, but I didn't feel like there was anything that could be done about it after the students had

already received them.

AP Exams-Right before I left BHSS, I was working on this issue. I had left a binder and told an assistant principal where it was on my desk and told him also where I was at on this project. I had found all but about \$80 at that time. It was due to the fact that there were free and reduced students that were not marked properly on the sheets. These students did not have to pay. What also needs to be noted is that there were hundreds of tests signed up for. There were also times that students would tell me the tests that were signing up for and would walk out without paying and with the hectic nature of this, I wouldn't always catch this, and I would question myself later whether they paid or not. I really feel that all this would be found if this book was looked at more thoroughly and the receipts were checked against what was deposited and also against the tests that were signed up for. I was trying to do this at the time I left BHSS.

Choir-It is really hard to know what would have been actually given to me. These deposits ALWAYS came down by students. Again the money prior to 06-07 could have been found if the thorough investigation had been made.

Optimist-I also had all the correspondence for this and it was all due to deposits being turned in wrong by the sponsor. The correction was noted and the deposit was made.

Project Pride-No receipts were provided showing that this money was turned in. Sponsor didn't have receipts and I couldn't find a receipt having been made. Again this money could have been involved in the internal theft.

Athletics-Money prior to 06-07 could have been found to have not been deposited if there had been a thorough investigation done at the time of the theft. The money was taken between the time of office drawer thefts and the theft from the safe. This money would have gone in the safe and just as the other was that was taken from the safe. Normally the money put in the safe I would not have even looked at yet. It would just be put in there so that it could be counted the next day. I did not make a note of what I was putting in the safe because it was "the safe" and felt that it was in a secure place. I did not have the safe combination. Only two people did and I was not one of them. The reason it came to my attention that money was missing from the safe was because I was trying to get a deposit to come out before leaving for the day and it wasn't calculating up correctly. I decided to have the other secretary, who had the combination, meet me to put it in the safe so I could continue with it in the morning. When we got it out the next day, there was a whole athletic deposit missing. What was odd was that the rest of the deposit was there. Only the large one was taken, but I knew it should be there because that was the one that I couldn't get to come out correctly. But as for the money in 06-07, it was taken from my vehicle in my driveway. We had a huge string of thefts that occurred in our neighborhood during that time. The local sheriff's department could verify this. Cars were broken into all

along my road numerous times. The money should have been left at school, but at this time because of the theft only one person had the safe combination, and if that person was not around for me at the end of the day, I had no choice but to take it with me. At the time, I thought that was safer than leaving it at school because of the thefts out of the locked drawers. I was also very overwhelmed at this time. The school year started out very hectic with absences in other areas that I was expected to cover along with my father being very ill. This did not change until after the first of the year when I was not expected to spend time in the attendance office covering what had been a long term absence. Week/months went by where I was in that office more than I was in my own. Many days I was only in my office from 7:30a-8:00 am then from 2:45-3:30. This was not giving me time to do anything in my office, so therefore I was not doing my job properly. Along with this, I had a very sick father that got extremely worse as the end of the year came and toward the end of the year I was out taking care of him. Things did take place that should not have, but I also feel that if things had been done differently (ie my covering another office and my not having the safe combination) these things would not have happened.

In closing, I have said from the beginning of this investigation I feel that I should not be responsible for the time that there was an internal theft going on. I feel that this was not handled properly and more money could have been recovered. It is something that was discussed by myself and the athletic director right after the decision had been made to drop the issue because they got back some of the money and they felt that we would just have to be out the rest if there was indeed more money missing. They felt they had handled it the best way they knew how and we couldn't go back on this person to get more because "the deal" had been made. I also feel that my being out of the office to cover another area and being out with my ill father played a big factor in my negligence to my job responsibilities. I should not have left deposits in my car, but at the time I did think they were safe. I didn't have any reason to think that someone would get in my vehicle that was parked in my driveway and take them.

BLOOMINGTON SOUTH HIGH SCHOOL  
MONROE COUNTY COMMUNITY SCHOOL CORPORATION  
SUMMARY

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Shannon Wood, former Bloomington South High School Extra-Curricular Account Bookkeeper:			
Receipts not deposited:			
2005-2006 Auxiliary receipt 324217 Theatre Arts	\$ 100.00	\$ -	\$ 100.00
2005-2006 Parking Permit Revenue	2,369.00	-	2,369.00
2005-2006 Student ID Revenue	2,000.00	-	2,000.00
2006-2007 Aptitude Exams	430.00	-	430.00
2004-2005 Choir	452.00	-	452.00
2005-2006 Choir	897.00	-	897.00
2006-2007 Choir	91.00	-	91.00
2004-2005 Optimist	100.00	-	100.00
2006-2007 Optimist	40.00	-	40.00
2005-2006 Project Pride	134.00	-	134.00
2004-2005 Athletics	865.00	-	865.00
2005-2006 Athletics	4,951.00	-	4,951.00
2006-2007 Athletics	11,903.00	-	11,903.00
Adjusted Deposit, April 11, 2007	1,240.60	-	1,240.60
Adjusted Deposit, April 25, 2007	2,753.21	-	2,753.21
Student Council Dance, Fall 2005	3,803.00	-	3,803.00
	<u>3,803.00</u>	<u>-</u>	<u>3,803.00</u>
Totals	<u>\$ 32,128.81</u>	<u>\$ -</u>	<u>\$ 32,128.81</u>

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AFFIDAVIT

STATE OF INDIANA )  
                                  )  
Monroe COUNTY)

I, Karen Braun, Field Examiner, being duly sworn on my oath, state that the foregoing report based on the official records of the Monroe County Community School Corporation, Monroe County, Indiana, for the period from July 1, 2004 to May 11, 2007, is true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Karen Braun  
Field Examiner

Subscribed and sworn to before me this 18<sup>th</sup> day of December, 2007

Heather Whitlow  
Notary Public  
Heather Whitlow

My Commission Expires: 9-24-2014

County of Residence: Monroe