

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

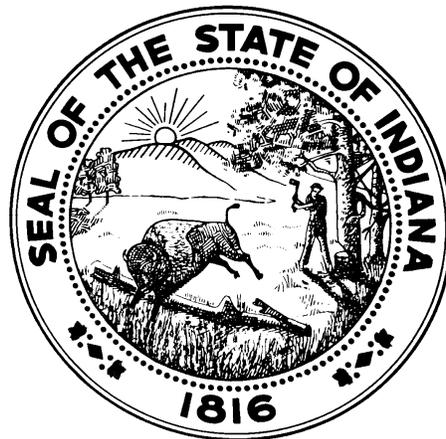
SPECIAL INVESTIGATION REPORT

OF

CHARTER SCHOOL OF THE DUNES

LAKE COUNTY, INDIANA

July 1, 2006 to June 30, 2009



**FILED**

08/19/2009



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### SCHOOL OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Senior Vice President of School Finance	Roger Gray	07-01-06 to 06-30-09
Chief Administrative Officer	William Ignatowski Deborah Conkle	07-01-06 to 06-30-08 07-01-08 to 06-30-09
President of the School Board	Nancy Knightly	07-01-06 to 06-30-09



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

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TO: THE OFFICIALS OF THE CHARTER SCHOOL OF THE DUNES

We have audited the receipts issued and subsequently deposited for the period from July 1, 2006 to June 30, 2009. The results of our review are stated in the Audit Results and Comments.

STATE BOARD OF ACCOUNTS

July 14, 2009

CHARTER SCHOOL OF THE DUNES  
AUDIT RESULTS AND COMMENTS

RECEIPTS NOT DEPOSITED

Receipts were issued at the reception desk for school lunch payments and other miscellaneous fees. These collections would be placed in a drawer of the reception desk. The receptionist would take the collections out of the drawer after a period of time, and remit them to the business manager. The business manager would count the money and make up a deposit and take the deposit to the bank.

Receipts were also issued by the after school program staff in the after school program classroom. The program staff would turn the collections in to the business manager for deposit.

The receipts issued were not reconciled to the collections deposited. We reviewed 100% of the receipts issued and compared the amounts to subsequent deposits to the bank which resulted in differences as follows:

	<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>Totals</u>
Receipts issued at reception desk	\$ 18,242.35	\$ 15,913.01	\$ 7,588.22	\$ 41,743.58
Reception desk receipts deposited	<u>8,312.25</u>	<u>5,772.89</u>	<u>3,153.00</u>	<u>17,238.14</u>
Reception desk receipts not deposited	<u>\$ 9,930.10</u>	<u>\$ 10,140.12</u>	<u>\$ 4,435.22</u>	<u>24,505.44</u>
Receipts issued for after school program	\$ 11,471.00	\$ 12,073.50	\$ 6,009.00	29,553.50
After school program receipts deposited	<u>9,090.50</u>	<u>6,281.00</u>	<u>5,866.00</u>	<u>21,237.50</u>
After school program receipts not deposited	<u>\$ 2,380.50</u>	<u>\$ 5,792.50</u>	<u>\$ 143.00</u>	<u>8,316.00</u>
Total receipts not deposited (See Summary, page 6)				<u>\$ 32,821.44</u>

Due to the frequency of personnel changes, we are unable to determine or identify the person solely responsible for the receipts not deposited.

Funds misappropriated, diverted or unaccounted for through malfeasance, misfeasance, or nonfeasance in office of any officer or employee may be the personal obligation of the responsible officer or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

EMPLOYEE BLANKET BOND

The Charter School of the Dunes had Employee Theft Coverage with Hartford Casualty Insurance Company which provided \$100,000 per year coverage for the period July 1, 2006 to June 30, 2009.

AUDIT COSTS - MISSING FUNDS

Additional costs were incurred due to receipts which were not deposited.

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 Indiana Public School Corporations, Chapter 9)

CHARTER SCHOOL OF THE DUNES  
EXIT CONFERENCE

The contents of this report were discussed on July 14, 2009, with Ronald Cohen, Vice President of the School Board; Danielle Sleight, Treasurer; Roger Gray, Senior Vice President of School Finance; and Linda Becker, Finance Officer.

CHARTER SCHOOL OF THE DUNES  
SUMMARY

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Unknown:			
Receipts Not Deposited, page 4	<u>\$ 32,819.44</u>	<u>\$ -</u>	<u>\$ 32,819.44</u>

AFFIDAVIT

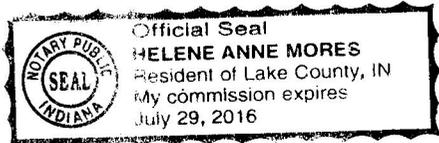
STATE OF INDIANA                    )  
  Lake   COUNTY                    )

We, Lapreil Schwan and Christina Barriga, Field Examiners, being duly sworn on our oaths, state that the foregoing report based on the official records of the Charter School of the Dunes, Lake County, Indiana, for the period from July 1, 2006 to June 30, 2009, is true and correct to the best of our knowledge and belief.

Lapreil Schwan

Christina Barriga  
Field Examiners

Subscribed and sworn to before me this 9 day of August, 2009.



Helene Anne Mores  
Notary Public

My Commission Expires: \_\_\_\_\_

County of Residence:   Lake