

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

EXAMINATION REPORT  
OF

TREASURER  
COVINGTON MULTI-SCHOOL BUILDING CORPORATION  
FOUNTAIN COUNTY, INDIANA

December 1, 2003 to June 30, 2009



**FILED**

11/04/2009



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## OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
<u>Covington Multi-School Building Corporation</u>		
President	Tom McGurk Jr.	12-01-03 to 12-31-09
Secretary	Dave Allen	12-01-03 to 12-31-09
Treasurer	Mike Stultz	12-01-03 to 12-31-09
<u>Covington Community School Corporation</u>		
Superintendent	Nate Evans	07-01-03 to 02-06-09
	Vacant	02-07-09 to 02-19-09
	Dr. Robert Baker (Interim)	02-20-09 to 05-11-09
	Roger Coffing (Interim)	05-12-09 to 07-05-09
	Dr. Dennis A. Cahill (Interim)	07-06-09 to 12-31-09
Treasurer	Charlotte Starkey	07-01-03 to 06-30-06
	Cindy Coleman	07-01-06 to 02-23-09
	Trudie J. Dillon	02-24-09 to 06-30-10
President of the School Board	Dr. Bradley Balch	07-01-03 to 10-15-07
	Roger Coffing	10-16-07 to 06-30-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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STATE BOARD OF ACCOUNTS  
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TO: THE OFFICIALS OF THE COVINGTON MULTI-SCHOOL BUILDING CORPORATION

We have examined the disbursements of the Treasurer for the period from December 1, 2003 to June 30, 2009, 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

September 4, 2009

TREASURER  
COVINGTON MULTI-SCHOOL BUILDING CORPORATION  
EXAMINATION RESULTS AND COMMENTS

BUILDING CORPORATION LOAN

Nate Evans, former Superintendent of Covington Community School Corporation, acted as a representative of the Covington Multi-School Building Corporation by presenting documentation for a loan to the Covington Multi-School Building Corporation from the Covington Community School Corporation Board of Trustees, when in fact the Covington Community School Corporation Board of Trustees had no knowledge of these documents. Consequently, the Covington Community School Corporation incurred costs associated with the Covington Multi-School Building loan. These costs were requested to be repaid in a separate examination report on the Office of the Superintendent.

Funds misappropriated, diverted or unaccounted for through malfeasance, misfeasance, or non-feasance 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)

PUBLIC FUNDS FOR PRIVATE USE

As an agent of the Covington Multi-School Building Corporation, Nate Evans, former Superintendent of Covington Community School Corporation, charged the cost of a washer and dryer to the Covington Multi-School Building Corporation at a local appliance store. The Building Corporation did not receive the washer and dryer which were paid for by the Building Corporation. The washer and dryer were identified as used for the personal benefit of Nate Evans, former Superintendent of Covington Community School Corporation. On September 4, 2009, we requested Nate Evans, former Superintendent of Covington Community School Corporation, repay \$1,900 to the Covington Multi-School Corporation for these items. (See Summary, page 6)

Assets of the governmental unit may not be used in a manner unrelated to the functions and purposes of the governmental unit.

Generally, public funds may not be used to make improvements to property not owned by the governmental unit, unless permitted by statute, federal or state requirements, or safety concerns. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

Funds misappropriated, diverted or unaccounted for through malfeasance, misfeasance, or non-feasance 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)

TREASURER  
COVINGTON MULTI-SCHOOL BUILDING CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on August 26, 2009, with Tom McGurk Jr., President of Covington Multi-School Building Corporation; and Dave Allen, Secretary of the Covington Multi-School Building Corporation.

The contents of this report were discussed on September 4, 2009, with Nate Evans, former Superintendent of Covington Community School Corporation.

TREASURER  
COVINGTON MULTI-SCHOOL BUILDING CORPORATION  
SUMMARY

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Nate Evans, former Superintendent of Covington Community School Corporation: Public Funds for Private Use	<u>\$ 1,900</u>	<u>\$ -</u>	<u>\$ 1,900</u>

AFFIDAVIT

STATE OF INDIANA            )  
    Fountain COUNTY        )

I, Philip W. Astell, Field Examiner, being duly sworn on my oath, state that the foregoing report based on the official records of the Treasurer, Covington Multi-School Building Corporation, Fountain County, Indiana, for the period from December 1, 2003 to June 30, 2009, is true and correct to the best of my knowledge and belief.

  
\_\_\_\_\_  
Field Examiner

Subscribed and sworn to before me this 15 day of Oct, 2009.

  
\_\_\_\_\_  
Clerk of the Circuit Court