

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

EXAMINATION REPORT
OF

GEORGETOWN ELEMENTARY
EXTRA-CURRICULAR ACCOUNT
NEW ALBANY-FLOYD COUNTY CONSOLIDATED
SCHOOL CORPORATION
FLOYD COUNTY, INDIANA

July 1, 2009 to March 31, 2011



FILED
07/15/2011

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SCHOOL OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Fred McWhorter II	07-01-09 to 06-30-11
Superintendent of Schools	(Vacant) Dr. Bruce A. Hibbard	07-01-09 to 08-03-09 08-04-09 to 06-30-13
President of the School Board	Roger Whaley	07-01-09 to 06-30-11
Principal of Georgetown Elementary	Rhonda J. Benz	07-01-09 to 06-30-11
Extra-Curricular Treasurer of Georgetown Elementary	Elizabeth A. Barry (Vacant)	07-01-09 to 02-16-11 02-17-11 to 06-30-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE NEW ALBANY-FLOYD COUNTY CONSOLIDATED
SCHOOL CORPORATION, FLOYD COUNTY, INDIANA

We have examined the records of the Georgetown Elementary Extra-Curricular Accounts for the period from July 1, 2009 to March 31, 2011, 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 1, 2011

GEORGETOWN ELEMENTARY EXTRA-CURRICULAR ACCOUNT
 NEW ALBANY-FLOYD COUNTY CONSOLIDATED SCHOOL CORPORATION
 EXAMINATION RESULTS AND COMMENTS

COLLECTIONS NOT RECORDED OR DEPOSITED

Elizabeth A. Barry, former Georgetown Elementary Extra-Curricular Treasurer, was responsible for accounting for all textbook rental collections, posting the collections to the Extra-Curricular Ledger, issuing Textbook Rental Receipts (Form TBR-2), and depositing the collections into the Extra-Curricular bank account. A review of the deposit detail obtained from the bank, the student class listings for the 2010-2011 school year, and the textbook rental receipts issued indicated that receipts had been issued for collections in the amount of \$1,166.75 that had not been posted to the records or deposited into the Extra-Curricular bank account.

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

All financial transactions pertaining to the governmental unit should be recorded in the records of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

Elizabeth A. Barry, former Georgetown Elementary Extra-Curricular Treasurer, has been requested to reimburse the Extra-Curricular Textbook Rental Fund in the amount of \$1,166.75 for textbook rental collections not deposited. (See Summary, page 8)

UNSUPPORTED PAYMENTS AND REIMBURSEMENTS

During a review of disbursements from the Georgetown Elementary Extra-Curricular Accounts for the 2009-2010 and 2010-2011 schools years, we noted that several payments were made to Elizabeth A. Barry, former Georgetown Elementary Extra-Curricular Treasurer, that did not contain any supporting documentation. Due to the lack of supporting information, the validity and accountability of these payments could not be established. According to the financial ledger, two of the payments indicated that they were issued to Blue Apple Theatre Group and Blue Apple Players, but upon review of the cancelled checks we noted that they were made payable to Elizabeth Barry. The following schedule summarizes the payments that Elizabeth A. Barry, former Georgetown Elementary Extra-Curricular Treasurer, made to herself which lacked supporting documentation.

Check Number	Check Date	Payee	Fund	Amount	Description on Check
3216	12-08-09	Elizabeth Barry	Fund Raiser	\$ 186.23	Payment for Blue Apple Merchandise
3229	01-15-10	Elizabeth Barry	Fund Raiser	188.00	No Description
3229	01-15-10	Elizabeth Barry	Student Council	75.00	No Description
3298	07-06-10	Elizabeth Barry	Camp Fund	388.00	Purchase of Camp T-shirts
3299	07-14-10	Elizabeth Barry	Camp Fund	185.00	Purchase of Snacks and Misc. for Camp
3300	07-23-10	Elizabeth Barry	Camp Fund	226.98	Purchase of Classroom Material
3301	07-23-10	Elizabeth A. Barry	Fund Raiser	135.50	Purchase of Floral Arrangements
3302	07-26-10	Elizabeth A. Barry	Fund Raiser	70.94	Purchase of Classroom Material
Total				<u>\$ 1,455.65</u>	

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

GEORGETOWN ELEMENTARY EXTRA-CURRICULAR ACCOUNT
NEW ALBANY-FLOYD COUNTY CONSOLIDATED SCHOOL CORPORATION
EXAMINATION RESULTS AND COMMENTS
(Continued)

Elizabeth A. Barry, former Georgetown Elementary Extra-Curricular Treasurer, has been requested to reimburse the Extra-Curricular Camp Fund in the amount of \$799.98, the Extra-Curricular Fund Raiser Fund in the amount of \$580.67 and the Extra-Curricular Student Council Fund in the amount of \$75.00 for unsupported payments and reimbursements. (See Summary, page 8)

DEPOSITS NOT MADE INTACT

A receipt was issued on July 26, 2010, for "Sale of snacks from lounge" in the amount of \$182. The receipt was marked that the collections receipted were in the form of cash. Upon review of the detail of that deposit obtained from the bank, we noted that the deposit consisted of 14 different checks for \$13 each, made payable to Georgetown Elementary and Georgetown PTA for the purchase of yearbooks.

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."

Elizabeth A. Barry, former Georgetown Elementary Extra-Curricular Treasurer, has been requested to reimburse the Extra-Curricular Faculty/Staff Fund in the amount of \$182. Once the reimbursement is made, a check will need to be written from the Extra-Curricular Faculty/Staff Fund to the Georgetown Elementary PTA for the 14 checks that were substituted for cash. (See Summary, page 8)

CASH CHANGE FUND

Check Number 3304 was cashed on July 28, 2010, for \$325 for the purpose of cash change during registration. During our review, the Cash Change Fund was not on hand at the Elementary School and there was no record of the Cash Change Funds being receipted back into the records of the Extra-Curricular Fund Raiser Fund or the funds being deposited into the bank account.

A Cash Change Fund may be established in any school corporation with the approval of the governing body (board of school trustees), where any officer or employee of the corporation is charged with the duty of collecting fees or other cash revenues. When authorized by the governing body, such Cash Change Fund shall be established by a check drawn on the General Fund (or other appropriate fund) of the school corporation in an amount to be determined by the governing body. The check is drawn in favor of the officer or employee who has been designated as custodian of the Cash Change Fund. The custodian shall convert same to cash and be held responsible for the safekeeping of such cash and the proper accounting thereof in the same manner as required for other funds of the school corporation. The governing board shall have authority to increase or decrease such fund and shall require the entire Cash Change Fund to be returned to the General Fund if and when it is no longer needed for the purpose established or when a change is made in the custodian of the fund [IC 36-1-8-2].

IC 36-1-8-2 is particularly applicable in school corporations where either a Textbook Rental Fund or School Lunch Fund, or both, are maintained as extra-curricular funds. If a Cash Change Fund is authorized and a check is drawn on the appropriate fund, the check will be recorded as a disbursement in the fund. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 6)

Elizabeth A. Barry, former Georgetown Elementary Extra-Curricular Treasurer, has been requested to reimburse the Extra-Curricular Fund Raiser Fund in the amount of \$325 for the missing cash change funds. (See Summary, page 8)

GEORGETOWN ELEMENTARY EXTRA-CURRICULAR ACCOUNT
NEW ALBANY-FLOYD COUNTY CONSOLIDATED SCHOOL CORPORATION
EXAMINATION RESULTS AND COMMENTS
(Continued)

AUDIT COSTS

Additional audit costs were incurred by the State of Indiana during the current examination due to the investigation of misappropriated funds by Elizabeth A. Barry, former Georgetown Elementary Extra-Curricular Treasurer. The State of Indiana is requesting reimbursement of the additional costs incurred in the amount of \$1,993.75. (See Summary, page 8)

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)

OFFICIAL BOND

Elizabeth A. Barry, former Georgetown Elementary Extra-Curricular Treasurer, has official bonds with The Ohio Casualty Insurance Company in the amount of \$10,000 for each school year. Bond No. 3-804-801 covers the term of July 1, 2009 to July 1, 2010, and Bond No. 3-804-801 covers the term July 1, 2010 to July 1, 2011.

GEORGETOWN ELEMENTARY EXTRA-CURRICULAR ACCOUNT
NEW ALBANY-FLOYD COUNTY CONSOLIDATED SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on May 17, 2011, with Dr. Bruce A. Hibbard, Superintendent of Schools; Fred McWhorter II, Treasurer; Roger Whaley, President of the School Board; and Rhonda J. Benz, Principal of Georgetown Elementary School. The officials concurred with our examination findings.

The contents of this report were also discussed on June 1, 2011, with Elizabeth A. Barry, former Extra-Curricular Treasurer of Georgetown Elementary.

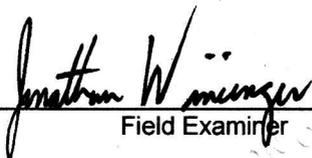
GEORGETOWN ELEMENTARY EXTRA-CURRICULAR ACCOUNT
 NEW ALBANY-FLOYD COUNTY CONSOLIDATED SCHOOL CORPORATION
 SUMMARY

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Elizabeth A. Barry, former Extra-Curricular Treasurer:			
Collections Not Recorded or Deposited, page 4	\$ 1,166.75	\$ -	\$ 1,166.75
Unsupported Payments and			
Reimbursements, pages 4 and 5	1,455.65	-	1,455.65
Deposits Not Made Intact, page 5	182.00	-	182.00
Cash Change Fund, page 5	325.00	-	325.00
Audit Costs, page 6	<u>1,993.75</u>	-	<u>1,993.75</u>
Totals	<u>\$ 5,123.15</u>	<u>\$ -</u>	<u>\$ 5,123.15</u>

AFFIDAVIT

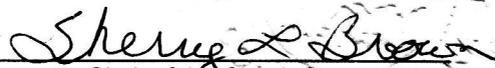
STATE OF INDIANA)
)
Harrison COUNTY)

I, Jonathan Wineinger, Field Examiner, being duly sworn on my oath, state that the foregoing report based on the official records of the Georgetown Elementary Extra-Curricular Account, New Albany-Floyd County Consolidated School Corporation, Floyd County, Indiana, for the period from July 1, 2009 to March 31, 2011, is true and correct to the best of my knowledge and belief.



Field Examiner

Subscribed and sworn to before me this 29 day of June, 2011.



Clerk of the Circuit Court

