

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

SUPPLEMENTAL AUDIT REPORT

OF

CENTRAL INDIANA EDUCATIONAL SERVICE CENTER

MARION COUNTY, INDIANA

July 1, 2009 to June 30, 2011



FILED
07/31/2012

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Transmittal Letter	3
Audit Result and Comment: Supporting Documentation	4
Exit Conference.....	5
Official Response	6-7

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	Tom Pagen	07-01-09 to 12-31-09
	Tom Pagen (Interim)	01-01-10 to 02-18-10
	Dr. MaryAnn Dewan	02-19-10 to 06-30-12
Treasurer	Donna Hattenbach Calhoun	07-01-09 to 04-09-12
	Michelle Smith (Interim)	04-10-12 to 06-30-12
President of the Board	Dr. Walter Bourke	07-01-09 to 06-30-10
	Dr. Scott Robinson	07-01-10 to 06-30-11
	Kenneth Hull	07-01-11 to 06-30-12



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

TO: THE OFFICIALS OF THE CENTRAL INDIANA EDUCATIONAL
SERVICE CENTER, MARION COUNTY, INDIANA

We have audited the records of the Central Indiana Educational Service Center for the period from July 1, 2009 to June 30, 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 Audit Result and Comment. The financial transactions of this office are reflected in the Audit Report of Central Indiana Educational Service Center for the two year period ended June 30, 2011.

STATE BOARD OF ACCOUNTS

May 23, 2012

CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
MARION COUNTY
AUDIT RESULT AND COMMENT

SUPPORTING DOCUMENTATION

Several payments were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records. Due to the lack of supporting information, the validity and accountability for some money disbursed could not be established.

There were numerous instances where credit card payments did not have any supporting documentation to support the charges listed on the monthly billing statements. These totaled \$47,398.10 for the period of August 1, 2009 to June 30, 2011. We requested the July 2009 credit card statement totaling \$14,480.80; however it was not presented for audit. The table below shows a summary listing of these charges.

Catering	\$ 10,404.74
Restaurants/dining	6,675.05
Technology	5,849.41
Conferences/workshops	5,595.98
Automotive	3,916.21
Power Systems (exercise equipment)	3,129.78
Publishing	2,282.29
Office services and supplies	1,625.66
Printing	1,078.27
Amazon.com	1,054.36
AMDI	865.84
Hotels/hotwire/travelocity	627.37
Flowers	587.46
Walmart/Target/Sams Club	575.30
Gasoline	533.64
Baggage fees/airfare	524.00
Grocery stores	290.60
Verizon	171.54
Michaels	149.07
Parking garages	149.00
Chico's	109.94
Limousine service/bus fare	108.00
Nordstrom	73.78
Tastings - A Wine Experience	71.68
Golf course fees	49.00
Brickyard Authentics	37.45
Miscellaneous	<u>862.68</u>
 Total	 <u><u>\$ 47,398.10</u></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 Indiana Public School Corporations, Chapter 9)

CENTRAL INDIANA EDUCATIONAL SERVICE CENTER
MARION COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 4, 2012, with Dr. MaryAnn Dewan, Executive Director; Kenneth Hull, President of the Board; and Michelle Smith, Treasurer (Interim). The Official Response has been made a part of this report and may be found on pages 6 and 7.



Mary Ann Dewan, Ph.D.

**Executive Director
6321 La Pas Trail
Indianapolis, IN 46268-2512
(317) 387-7100 / Fax: (317) 328-7298**

June 12, 2012

State Board of Accounts
302 W. Washington Street, Room E-418
Indianapolis, IN 46204-2765

To Whom It May Concern:

This is the CIESC official response to the most recent supplemental audit. Please include this information with our final audit report. The applicable corrective action plans are noted below.

Credit Cards

Corrective Action

A credit card policy was approved by the Governing Board on 2/22/2012. A new procedure has been implemented. Individual employees will no longer be issued a credit card. Service Center credit cards will be under the custody of the treasurer.

Credit card transactions will be documented with appropriate documentation such as detailed receipts. Charges that may be construed as personal will require sufficient documentation to justify the purchase as the work of the unit. Any such charges lacking in sufficient documentation will be reimbursed to the service center by the employee making the charge.

Supporting documentation such as detailed receipts, canceled checks, tickets, invoices, bills, and/or contracts will be included with each credit card statement as appropriate. Employees who initiate a charge and fail to provide supporting documentation will be required to reimburse the service center for the charge. Documentation of the reimbursement will be attached to the credit card statement.

Sincerely,

A handwritten signature in cursive script that reads "Mary Ann Dewan".

Mary Ann Dewan, Ph.D.
Executive Director

CENTRAL INDIANA EDUCATIONAL SERVICE CENTER

CREDIT CARD USAGE POLICY

Certain service center officers and employees are required from time to time to expend funds in the performance of service center business when a purchase order is neither practical nor possible. These expenditures may be directed toward the purchase or rental of equipment or facilities, the purchase of materials or to cover expenses while traveling to complete business for the service center. The Governing Board authorizes officers and employees of the school corporation to use service center credit cards for these purposes. The Governing Board designates the Treasurer as custodian of service center credit cards. The Governing Board further authorizes the Executive Director to develop administrative regulations and procedures to govern the use of the service center credit cards by Central Indiana Educational Service Center officers and employees.

The Governing Board directs officers and employees to limit credit card use to the areas identified in the preceding paragraph. The Governing Board may choose to authorize the use of credit cards. The Governing Board prefers that purchase orders be issued to provide the treasurer with the means to encumber and track appropriations, to provide the Governing Board and other service center officials with timely and accurate accounting information, and to provide for adequate monitoring of service center expenditures.

Date Adopted: February 22, 2012