

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

AUDIT REPORT
OF

BANNEKER HONORS ACHIEVEMENT CENTER
GARY COMMUNITY SCHOOL CORPORATION
LAKE COUNTY, INDIANA

July 1, 2010 to October 31, 2012



FILED
05/17/2013

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SCHOOL CORPORATION OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Alesia Y. Pritchett	07-01-10 to 06-29-12
	(Vacant)	06-30-12 to 07-04-12
	Dr. Cheryl Pruitt (Interim)	07-05-12 to 09-24-12
	Dr. Nikita White	09-25-12 to 06-30-13
Superintendent of Schools	Dr. Myrtle V. Campbell	07-01-10 to 06-29-12
	(Vacant)	06-30-12 to 06-30-12
	Dr. Cheryl Pruitt	07-01-12 to 06-30-13
President of the School Board	Kenneth A. Stalling	07-01-10 to 06-30-11
	Darren Washington	07-01-11 to 12-31-12
	Rosie G. Washington	01-01-13 to 12-31-13
Extra-Curricular Treasurer of Banneker Honors Achievement Center	Dorothy Trice	07-01-10 to 03-07-11
	Rosalind Brown	03-08-11 to 01-03-12
	Patricia Franklin	01-04-12 to 09-21-12
	(Vacant)	09-22-12 to 09-23-12
	Janice Barnett	09-24-12 to 06-30-13
Principal of Banneker Honors Achievement Center	Sarah Givens	07-01-10 to 06-30-13



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 GARY COMMUNITY SCHOOL CORPORATION

We have audited the records of the Banneker Honors Achievement Center for the period from July 1, 2010 to October 31, 2012, 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 Results and Comments.

STATE BOARD OF ACCOUNTS

January 24, 2013

BANNEKER HONORS ACHIEVEMENT CENTER
GARY COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

CASH NECESSARY TO BALANCE

Patricia Franklin was the Extra-Curricular (ECA) Treasurer at Banneker Honors Achievement Center from January 4, 2012 to September 21, 2012. Prior to January 2012, the monthly bank balances were reconciled to the record balance without variance.

The monthly reconcilements of the record balance to the bank balance, for the period January 2012 to September 21, 2012, noted variances in the total receipts posted when compared to the amounts deposited. The following table indicates the amounts by month for which the deposit amount varied from the total receipts issued by Patricia Franklin, former ECA Treasurer:

Month	Cash Long (Cash Short)
January	\$ -
February	(0.65)
March	0.10
April	(10.32)
May	(443.15)
June	10.87
July	(34.00)
August	13.00
September 1 - 21, 2012	(6.00)
Cash Necessary to Balance	\$ <u>(470.15)</u>

We requested that Patricia Franklin, former ECA Treasurer, reimburse Banneker Honors Achievement Center \$470.15 for the cash necessary to balance. (See Summary of Charges, page 9)

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Extra- Curricular Accounts, Chapter 7)

OFFICIAL BOND

The School Corporation had a Public Official Bond for Patricia Franklin, former ECA Treasurer, which had an indefinite term beginning September 3, 2011. The insurer is Hartford Fire Insurance Company and provides coverage of \$10,000 with the State of Indiana named as the surety.

BANNEKER HONORS ACHIEVEMENT CENTER
GARY COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

RECEIPTS

- A. The composition of the receipts for 29 of the deposits examined did not agree to the composition of the deposit ticket.

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."

- B. The daily food service collections and reports were remitted to the ECA Treasurer for receipting, depositing, and remitting to the School Corporation. The food service daily reports included the daily sales collections and any prepayments credited to the student accounts. It was determined that six receipts totaling \$96 for lunch prepayments were posted to the ledger separately as well as included in the receipt posted for the same daily food service report.

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

- C. The Summary Collection Form SA-8 was not prepared for all field trip collections and candy sale fundraisers. The SA-8 form is designed to provide more accountability for collections remitted to the ECA Treasurer by teachers/sponsors.

The Summary Collection Form (SA-8) is prenumbered and to be prepared in duplicate by the sponsor. The original is to the extra-curricular treasurer to be retained in numerical order and the duplicate is to be retained in numerical order by the sponsor.

A sponsor for the purpose of Form (SA-8) is the teacher or other person in charge of a classroom or function collecting money. Form SA-8 is to be used as a transmittal document each time fundraiser or field trip money is reported from the sponsor to the extra-curricular treasurer. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 2)

- D. The Form TBR-2, Official Receipt - Individual Textbook Rental List, was not used during the period of November 2011 to May 2012. Textbook rental collections in the amount of \$206 were accounted for using an extra-curricular receipt rather than the prescribed Form TBR-2.

Form TBR-2, Official Receipt - Individual Textbook Rental List, is to be prenumbered and printed in triplicate. The form, one set for each student, is to be prepared when textbooks and related materials are issued to the student. Form TBR-2, Official Receipt - Individual Textbook Rental List provides for the date the textbooks were issued, the name of the student and the total fee collected. The completed form shall be signed by the issuing officer who could be the treasurer of the extra-curricular account or someone designated by the treasurer to issue the textbooks and collect the rental fees.

BANNEKER HONORS ACHIEVEMENT CENTER
GARY COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

The original of Form TBR-2 is to be given the payer (student or parent). The duplicate is to be retained by the issuing officer and the triplicate is to remain intact in the book. The duplicate, together with rental fees collected, must be transmitted daily to the treasurer of the extra-curricular account. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 4)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

BANNEKER HONORS ACHIEVEMENT CENTER
GARY COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on January 23, 2013, with Dr. Nikita White, Treasurer; Sarah Givens, Principal of Banneker Honors Achievement Center; Janice Barnett, Extra-Curricular Treasurer Banneker Honors Achievement Center; and Robin Pratt, Supervisor of Secretaries. The Official Response has been made a part of this report and may be found on page 8.

The contents of this report were discussed on January 23, 2013, with Patricia Franklin, former Extra-Curricular Treasurer Banneker Honors Achievement Center, and James Balanoff, Union Representative. The former official indicated that she would be responding to the report, but no Official Response was received.

The contents of this report were discussed on January 24, 2013, with Dr. Cheryl Pruitt, Superintendent of Schools; Rosie G. Washington, President of the School Board; Dr. Nikita White, Treasurer; and Dr. Albert J. Holmes, Executive Director of Federal Programs.

**GARY COMMUNITY
SCHOOL CORPORATION**



**Accountability and
BANNEKER HONORS ACHIEVEMENT CENTER
ELEMENTARY HONORS PROGRAM
301 PARKE STREET - Gary, IN 46403**

**A NEW DIRECTION: Focus on
Continuous School Improvement**

**(219) 938-1750 • Fax (219) 939-1750
Mrs. Sarah H. Givens, PRINCIPAL
sgivens@garycsc.k12.in.us**

January 24, 2013

Dr. Cheryl Pruitt
Superintendent
Gary Community School Corporation
620 E. 10th Place
Gary, Indiana 46402

RE: CASH NECESSARY TO BALANCE EXTRA-CURRICULAR ACCOUNT

Dear Dr. Pruitt:

A meeting was held on January 23, 2012 to discuss the audit results and comments involving Patricia Franklin, who was the Extra-Curricular Treasurer at Banneker School from January 4, 2012 to September 21, 2012. Present at the meeting were:

Dr. Nakita White, Chief Financial Officer	Patricia Franklin, Treasure of Audit Period
Robin Pratt, Supervisor of Secretaries	Jim Balanoff, SEIU Representative
Sarah H. Givens, Banneker School Principal	Two (2) Auditors
Janice Barnett, Current Banneker School Treasurer	

As per the outcome of the meeting, be it hereby confirmed that Patricia Franklin was the Extra-Curricular Treasurer at Banneker School during the audit period. Be it also noted the prior to January 2012, the monthly bank balances were reconciled to the record without variance. **Please be advised that it was requested that Patricia Franklin reimburse the school \$470.15 for the cash necessary to balance; as the employee is held personally responsible for the amount needed to balance the fund.** (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7) Please see attachment which gives receipt and policy guidelines for audit period involved. The present school treasurer, Janice Barnett, has been advised of proper guidelines in reference to the proper handling of all school funds and the importance of monthly bank balance reconcilements, so that occurrences such as this one *not occur again*.

Respectfully yours,

A handwritten signature in cursive script, appearing to read "Sarah H. Givens", written in black ink.

Sarah H. Givens
Banneker School Principal

Cc: Dr. Nikita White, Chief Financial Officer
Robin Pratt, Supervisor of Secretaries
Mr. Willie Cook, Director of Human Resources
Personal File of Ms. Patricia Franklin

BANNEKER HONORS ACHIEVEMENT CENTER
 GARY COMMUNITY SCHOOL CORPORATION
 SUMMARY OF CHARGES

	Charges	Credits	Balance Due
Patricia Franklin, former Extra-Curricular Treasurer:			
Cash Necessary to Balance, page 4	\$ 470.15	\$ -	\$ 470.15

This report was forwarded to the Office of the Indiana Attorney General and the local prosecuting attorney.

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AFFIDAVIT

STATE OF INDIANA)
)
Porter COUNTY)

We, Christina Griffin and Michelle M. Janosky, Field Examiners, being duly sworn on our oaths, state that the foregoing report based on the official records of the Banneker Honors Achievement Center, Gary Community School Corporation, Lake County, Indiana, for the period from July 1, 2010 to October 31, 2012, is true and correct to the best of our knowledge and belief.

Christina Griffin

Michelle M. Janosky
Field Examiners

Subscribed and sworn to before me this 22nd day of April, 2013

Holly L Taylor
Notary Public

My Commission Expires: Jan 4, 2021
County of Residence: Porter



Holly L Taylor
Notary Public
State of Indiana
My Commission Expires Jan 4, 2021