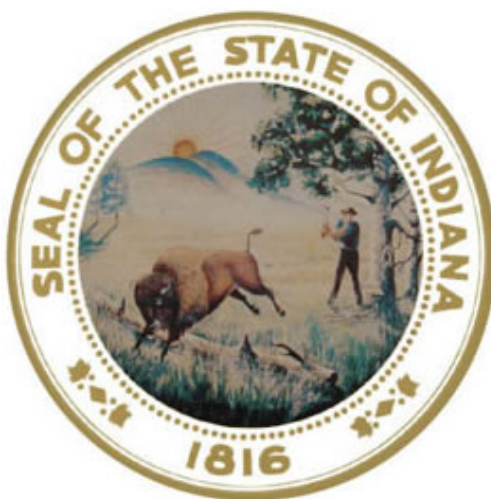


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

SUPPLEMENTAL COMPLIANCE REPORT  
OF

ATHLETIC DEPARTMENT  
RICHMOND HIGH SCHOOL  
RICHMOND COMMUNITY SCHOOLS  
WAYNE COUNTY, INDIANA

July 1, 2012 to June 2, 2015



**FILED**  
08/06/2015



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## SCHEDULE OF OFFICIALS

| <u>Office</u>                    | <u>Official</u>  | <u>Term</u>  |
|----------------------------------|--|--|
| Treasurer                        | Robert K. Coddington<br>Karen Scalf                                | 07-01-12 to 03-07-14<br>03-08-14 to 12-31-15                         |
| Superintendent<br>of Schools     | Dr. Allen Bourff<br>Dr. Betty Poindexter (Interim)<br>Todd Terrill | 07-01-12 to 11-30-14<br>12-01-14 to 06-14-15<br>06-15-15 to 12-31-15 |
| President of the<br>School Board | Kelly Baumgartner<br>Linda Morgason                                | 01-01-12 to 12-31-12<br>01-01-13 to 12-31-15                         |



# 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](http://www.in.gov/sboa)

TO: THE OFFICIALS OF THE RICHMOND COMMUNITY SCHOOLS,  
WAYNE COUNTY, INDIANA

This report is supplemental to our audit report of the Richmond Community Schools (School Corporation), for the period from July 1, 2012 to June 2, 2015. It has been provided as a separate report so that the reader may easily identify any Results and Comments that pertain to the Athletic Department, Richmond High School. It should be read in conjunction with our Financial Statement and Federal Single Audit Report of the School Corporation, which provides our opinions on the School Corporation's financial statement and federal program compliance. This report may be found at [www.in.gov/sboa/](http://www.in.gov/sboa/).

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Results and Comments contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Official Response to the Results and Comments, incorporated within this report, was not verified for accuracy.

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

June 2, 2015

ATHLETIC DEPARTMENT  
RICHMOND HIGH SCHOOL  
RICHMOND COMMUNITY SCHOOLS  
RESULTS AND COMMENTS

**UNAUTHORIZED EXPENSES**

On March 26, 2014, the Richmond High School Extra-Curricular Account reimbursed Joe Luce, Richmond High School Boys' Basketball Coach, \$843 from the Boys' Basketball Camp account for awards. Supporting documentation for the reimbursement included an extra-curricular purchase order with an attached credit card receipt from the awards vendor dated March 13, 2014. The credit card receipt indicated that engraved awards were purchased for the East Central Indiana Youth Basketball League (E.C.I.Y.B.L.). The East Central Indiana Youth Basketball League (E.C.I.Y.B.L) is a local youth basketball league. A sheet of paper with preliminary calculations and price subtotals was also attached to the purchase order and contained the description "E.C.I.Y.B.L. Champions." All revenue collected from gate admissions to games are retained by E.C.I.Y.B.L.

Public funds may not be used to pay for personal items or for expenses which do not relate to the functions and purposes of the governmental unit. Any personal expenses paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 11)

IC 20-41-1-7 states in part: "The treasurer has charge of the custody and disbursement of any funds . . . incurred in conducting any athletic, social, or other school function (other than functions conducted solely by any organization of parents and teachers) . . ." Therefore, activities and organizations which are not extra-curricular in nature should be responsible for their own accounting and cash handling systems. The extra-curricular account should not collect, receipt, remit, or disburse outside organization's monies. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 1)

**CASH CHANGE FUNDS**

On Monday, January 5, 2015, at 3:00 pm, the Indiana State Board of Accounts conducted cash counts of Richmond High School Athletic cash change funds. At the time of the count, a cash change box in the amount of \$200 that was in the custody of Joe Luce, Richmond High School Boys' Basketball Coach, had not been returned to the Athletic Office from the weekend E.C.I.Y.B.L. games. Entry, gate, or admission fees collected by the E.C.I.Y.B.L are not remitted to or accounted for in the Richmond High School Extra-Curricular Account.

IC 20-41-1-7 states in part: "The treasurer has charge of the custody and disbursement of any funds . . . incurred in conducting any athletic, social, or other school function (other than functions conducted solely by any organization of parents and teachers) . . ." Therefore, activities and organizations which are not extra-curricular in nature should be responsible for their own accounting and cash handling systems. The extra-curricular account should not collect, receipt, remit, or disburse outside organization's monies. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 1)

**FUNDRAISERS**

During the period of review, the Richmond High School Boys' Basketball team conducted a fundraiser in which punch cards were sold for \$20. The punch card fundraiser was not submitted to the School Board for approval. The punch card allowed for 20 admittances to home athletic events. The School Board approved season tickets for athletic events in the amount of \$65 for adults and \$40 for students per the current Richmond High School Athletic Handbook approved by the School Board on June 25, 2014. The single admission price for high school events was \$5 and \$3 for freshman events.

ATHLETIC DEPARTMENT  
RICHMOND HIGH SCHOOL  
RICHMOND COMMUNITY SCHOOLS  
RESULTS AND COMMENTS  
(Continued)

During the 2014-2015 season, punch card sales revenue was remitted four times to the Athletic Office. One remittance was made November 17, 2014, in the amount of \$1,535. A remittance was made November 24, 2014, in the amount of \$385. A remittance was made December 15, 2014, in the amount of \$189, and the final remittance was made December 17, 2014, in the amount of \$643. None of these remittances nor the total of \$2,752 is divisible by \$20 which was the price of a punch card. Officials indicated records were not maintained regarding punch card inventory and the number of punch cards sold.

Richmond High School has a Student Fundraising Activity form that is required to be completed and submitted to the Principal for approval prior to commencing any student fundraising activity per Board Policy 5830. The fundraising form was not completed for the punch card fundraiser.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

Governmental units which conduct fund raising events should have the express permission of the governing body for conducting the fund raiser as well as procedures in place concerning the internal controls and the responsibility of employees or officials. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

Tickets, goods for sale, billings, and other collections, are considered accountable items for which a corresponding deposit must be made in the bank accounts of the governmental unit.

The deposit ticket or attached documentation must provide a detailed listing of the deposit, which includes at a minimum, check numbers and corresponding names of the payors. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

***PAYMENTS NOT REPORTED ON W-2***

An employee of the Athletic Department, Richmond High School, was paid \$1,867.20 from the Richmond High School Concession account for working in the concession stand during the E.C.I.Y.B.L. games. This income was not reported by the High School to the School Corporation for inclusion in the W-2 reported income. No withholdings for payroll taxes were made from these payments.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

ATHLETIC DEPARTMENT  
RICHMOND HIGH SCHOOL  
RICHMOND COMMUNITY SCHOOLS  
RESULTS AND COMMENTS  
(Continued)

**INTERNAL CONTROLS - CONCESSIONS**

The Richmond High School Extra-Curricular fund accounts for the transactions associated with the operations of concession stands at the Tiernan Center and Lybault Field. The High School has a contract with an individual to be the Concessions Manager. This contract was signed by both the Athletic Director and the Concessions Manager. The provisions of the 2014-2015 contract are the Concessions Manager is responsible for the following:

1. Ordering, stocking, and inventory of all concession supplies. All supplies will be paid for from the concession account of Richmond High School.
2. Set up for all concession sale events.
3. Submitting proper paperwork to the athletic department for the payment of all concession bills.
4. Staffing Red Devil Pride workers (1 booth) for football and boys' basketball games.
5. Maintaining security of stock and money.
6. Turning money into Athletic Department for deposit for each concession sale event.
7. Maintain Snack Machine supplies and turn money to Athletic Department for deposit.

The contract covers all boys' and girls' basketball games, football games, and volleyball games. In addition, it includes other events occurring during the period of the contract as deemed necessary by the Athletic Director and Concessions Manager. Payments to the Concession Manager of \$600 per month for concessions and \$400 per month for snack machines are to be made by the 30<sup>th</sup> of each month. These payments to the Concessions Manager were reported on a 1099 for 2014.

The Concessions account purchases all concessions for all athletic events, including E.C.I.Y.B.L. and I.U. East games which are played at the Tiernan Center. All revenue from these events is deposited to the Concessions account. Concession workers are paid 15 percent of the gross sales for each event worked. All payments to the concession workers are made from the Concessions account. All records related to the event sales are maintained by the Concessions Manager who submits a statement to the Athletic Secretary for payments to the concession workers. During a review of the documentation submitted to the Athletic Secretary, we noted the documentation included insufficient detail of how the payment amounts were calculated. The documentation simply contained an amount due to each worker or club or organization working. There was no listing of games worked or gross revenue from each game worked.

There is no record of a perpetual concession inventory system. Physical inventory counts are not made at the beginning and end of each concession event and concession sales are not reconciled to ending inventory balances.

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)

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)



ATHLETIC DEPARTMENT  
RICHMOND HIGH SCHOOL  
RICHMOND COMMUNITY SCHOOLS  
RESULTS AND COMMENTS  
(Continued)

**INTERNAL CONTROLS OVER PURCHASING**

On February 12, 2015, a vendor's statement was submitted for payment from the Boys' Basketball Camp account for Boys' Basketball expenses in the amount of \$28,560.03. There were no invoices detailing items purchased presented with the statement. However, three purchase orders had been submitted for invoices included on the statement. The supporting documentation attached to these three purchase orders were quotes obtained from the vendor. The purchase orders/quotes were for \$840, \$382.50, and \$13,309 for a total of \$14,531.50. These quotes were posted against the balance of the Boys' Basketball Camp Fund budget. Prior to posting these purchase orders, the balance in the Boys' Basketball Camp account was \$350.34. Examiners requested and obtained invoices included on the statement. These purchases were made from October 14, 2014 to January 9, 2015. The invoices had due dates for payments ranging from November 13, 2014 to February 8, 2015. The High School negotiated a later payment date of April 1, 2015. On April 7, 2015, the vendor was paid \$24,986.61. A review of deposits indicated there were no deposits from participating individuals for payment of their equipment. Each participant was to be required to participate in the punch card fundraiser to raise funds to pay for their gear. As indicated previously, proceeds from the punch card fundraiser for 2014 totaled \$2,752. A detailed accumulation of items purchased for participants in the Boys' Basketball program is shown below:

| Detail of Items Purchased                          | Total<br>Number<br>Purchased |
|--|------------------------------|
| Nike Free Trainer Shoes Red/ White                 | 10                           |
| Nike Free Trainer Shoes Black/ White               | 21                           |
| Jordan Prime Fly Shoes Grey/White                  | 39                           |
| Nike Lunar HyperQuickness Shoes Black/White        | 16                           |
| Nike Lightweight Dri-fit Short Sleeve Shirts Red   | 30                           |
| Nike Lightweight Dri-fit Short Sleeve Shirts Black | 15                           |
| Nike Legend S/S Poly Top Black                     | 5                            |
| Nike Legend Sleeveless Poly Top Scarlet            | 24                           |
| Nike League Rev Practice Jersey Black/White        | 24                           |
| Nike League Practice Short Black/White             | 24                           |
| Team Sports Gymsack Black/Grey/Volt                | 35                           |
| Nike Brasilia 6 Medium Duffle Flint Grey/Black     | 35                           |
| Nike Air Jordan Dri-Fit Crew Black/Gym Red         | 75                           |
| Nike Air Jordan Dri-Fit Crew Black/Matte Silver    | 75                           |
| Nike Jordan Warm-Up Jacket Anthracite/White        | 15                           |
| Nike Jordan Warm-Up Pant Anthracite/White          | 17                           |
| Nike Team Club Fleece Hoody DK Heather Grey        | 42                           |
| Nike Team Club Fleece Pant Grey                    | 42                           |
| Nike All Purpose SS Tee Grey                       | 50                           |
| Nike Team League Pant Black/Anthracite             | 37                           |
| Nike Reckoning II LS Polo White                    | 14                           |
| Wilson Evolution HS Game Ball                      | 24                           |
| Wilson Evolution 28.5 NFHS Game Ball               | 12                           |
| Nike Team League Rev Short Black/White             | 14                           |
| Nike Classic Fleece Jacket Grey                    | 7                            |
| Nike All Day Polo Purple                           | 2                            |
| Nike Gung-Ho Polo Dk. Green                        | 7                            |
| Nike Tech Stripe Polo Black/Anthracite             | 23                           |
| Nike Team League Jacket Black/Anthracite           | 23                           |
| Nike Baseline Short White/Scarlet                  | 4                            |
| Nike Baseline Jersey                               | 4                            |

ATHLETIC DEPARTMENT  
RICHMOND HIGH SCHOOL  
RICHMOND COMMUNITY SCHOOLS  
RESULTS AND COMMENTS  
(Continued)

Three of the invoices included on the vendor statement remain unpaid. One unpaid invoice was for 99 NBA logo reversible jerseys ranging in size from youth small to adult large. The amount of this invoice was \$2,543.42. Two of the unpaid invoices had a "Ship To" address that was the home address of an Assistant Richmond Boys' Basketball Coach. One unpaid invoice was for 13 Nike scarlet/white reversible shooting shirts in the amount of \$455 and the other unpaid invoice was for 3 Nike grey/black duffle bags, 6 Nike dark grey pants, 10 black/grey gymsacks, and 30 red/white Nike Elite crew socks in the amount of \$575.

On December 18, 2014, the Richmond High School Extra-Curricular Treasurer was requested to print a check to a vendor for basketball league entry fees in the amount of \$3,450 from the Boys' Basketball Camp account. The documentation attached to the Purchase Order for this payment was a piece of paper with a screen shot of a page from the website of the basketball program which detailed the current available leagues and indicated a price of \$575 per team. Handwritten on the paper was  $575 \times 6 = \$3,450$  with a request to make a check payable in that amount to the basketball program. Upon questioning, officials indicated this was to hold a spot for six teams for a summer 2015 league. This check remained outstanding at the time of our review and has since been voided by the High School.

The Athletic Handbook approved by the Richmond Community Schools School Board states:

**Ordering Equipment p. 12**

- ☐ Coaches should complete an Equipment Request Form and turn it in to the athletic office for approval before any equipment, uniforms, T-shirts, hats, etc. are ordered.
- ☐ Everything must be approved prior to ordering, regardless whether the items are being paid for by athletic department money or your camp money.
- ☐ Any unauthorized purchases will be subject to disciplinary action after review by the athletic director and the principal.

**Uniforms & Warm-ups p.20**

- ☐ Uniform purchase will be purchased as the need arises in each of the programs. Head Coaches of programs will request purchase of uniforms at the end of their season for the following season. After an audit by the athletic director of all teams' requests and need is assessed, recommendation for uniform purchase will be made.
- ☐ Coaches may use camp money to purchase uniforms/warm-ups.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

The Purchase Order and Accounts Payable Voucher (SA-1) is to be used when a purchase is made for delivery at a later date. The form is to be executed in full and signed by the person authorized to purchase for the particular activity concerned. Before the activity is permitted to use the Purchase Order and Accounts Payable Voucher (SA-1), the Extra-Curricular Account Treasurer must determine if there is a sufficient balance in the fund of the activity to make payment upon receipt of the merchandise. The treasurer is required to certify as to the unobligated balance. The sponsor must also know that approval for the purchase has been given by the membership of the activity, as applicable, except in the case of athletic, school lunch, and textbook rental purchases.

The Purchase Order and Accounts Payable Voucher (SA-1) is to be prenumbered in triplicate, printed in single sets and packaged for storage, or padded 60 to 120 sheets to a pad. An original and two carbon copies (1 set) are to be prepared for each transaction. These must either be prepared by the Treasurer of the

ATHLETIC DEPARTMENT  
RICHMOND HIGH SCHOOL  
RICHMOND COMMUNITY SCHOOLS  
RESULTS AND COMMENTS  
(Continued)

extra-curricular account, or issued by pads to the activities, or by set as required for their immediate needs. When the form is prepared, the original is to be given to the vendor. The receiving copy (duplicate) and the file copy (triplicate) shall be retained by the treasurer of the extra-curricular account and filed in an obligation file by fund and serves notice that an expense has been incurred against that particular fund, and also enables the treasurer to see that no further purchase orders are issued against a particular fund if that fund balance is depleted.

When shipment is made, the vendor shall send an invoice to the school. Shipments received by an activity must be verified with the invoice and voucher (duplicate copy) as to quantity and price by the person who made the purchase and received the items. The person receiving the shipment indicates on the voucher that they have received and checked the shipment and the voucher is to be forwarded to the treasurer who makes the payment after signing the certification required on the form SA-1. After payment is made, the check number and date the voucher is paid are entered on the duplicate copy before filing. The duplicate may be filed in a Vendor file if desired. The date and check number must also be entered on the file copy (triplicate). The file copy must then be removed from the obligation file and placed in a numerical file along with the vendor invoice.

A requisition form may be used in conjunction with the Purchase Order and Accounts Payable Voucher (SA-1) if desired. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 2)

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

### ***SUPPORTING DOCUMENTATION FOR DISBURSEMENTS***

During a review of Richmond High School Extra-Curricular fund Athletic disbursements, the following discrepancies were noted:

1. Employees were reimbursed for gasoline purchases with only a gas station receipt. A travel voucher was not submitted detailing dates and addresses of locations driven to and miles driven.

Individuals requesting reimbursement for driving personal vehicles for extra-curricular purposes should properly complete a Mileage Claim, General Form 101, prior to receiving reimbursement. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

2. Payments were made to a credit card company without supporting documentation for individual charges but were based on credit card statement amounts.
3. Payment was made to a vendor for youth camp t-shirts. The invoice provided by the vendor did not detail the number of t-shirts ordered.

Supporting documentation such as receipts, canceled checks, 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, Chapters 7)



## Richmond Community Schools

300 Hub Etchison Parkway · Richmond, IN 47374  
Phone (765) 973-3300

June 9, 2015

State Board of Accounts

302 West Washington Street

Room E 418

Indianapolis, IN 46204

### RE: CORRECTIVE ACTION PLAN

Dear State Board of Accounts:

This letter will serve as an Official Response to the Audit Comments noted in our Exit Conference June 2, 2015.

#### UNAUTHORIZED EXPENSES

Richmond High School Extra-Curricular Account reimbursed Joe Luce, RHS Boys' Basketball Coach for an \$843 expense for awards for the East Central Indiana Youth Basketball League. A league not a part of Richmond High School.

Richmond Community Schools will notify all Richmond High School staff regarding purchasing policies and procedures. Richmond High School will monitor and follow all purchasing requests and processes according to Richmond Community Schools Policies and Guidelines and State Board of Accounts Extra-Curricular Manual. In addition, Richmond Community Schools Corporation Treasurer will meet quarterly with Richmond High School Treasurer to review appropriateness of claims.

#### CASH CHANGE FUNDS

State Board of Accounts conducted cash counts of cash change funds on January 5, 2015. One cash change box taken out over the previous weekend was not yet returned. It was in the possession of the Boys' Basketball Coach.

Richmond High School will require that all cash change boxes be signed in to the Richmond High School Athletic Office by 9:00a.m. on the next business day. No cash change boxes will be issued for events not belonging to Richmond High School Athletics. Richmond High School Treasurer will conduct periodic audits of records and notify Richmond Community Schools Treasurer immediately when audit finds non-compliance.

## FUNDRAISERS

Richmond High School Boys' Basketball conducted a fundraiser without authorization. The same fundraiser was in competition to approved Richmond Community Schools Board of School Trustees ticket sale fees. The fundraiser did not remit information regarding items sold and received. Receipts deposited did not balance division of cost of tickets sold and funds received.

Richmond Community Schools will notify all staff regarding fundraiser policies and procedures. In addition, Richmond Community Schools Treasurer will meet separately with District Principals, Administrators, Directors, Secretaries and all Athletic Staff to reiterate policies, guidelines, procedures, and proper procedures for clean accounting of fundraisers.

## PAYMENTS NOT REPORTED ON W-2

An employee of Richmond High School Athletic Department was paid \$1,867.20 from the Richmond High School Concession account. This income was not reported by Richmond High School to the Richmond Community School Corporation for inclusion on W-2 reporting. No withholdings or payroll taxes were made from these payments.

Richmond High School will report all income paid during the prior calendar year to any individual by Richmond High School to Richmond Community School Corporation prior to January 5 of the current year. Reports will be cross-referenced with payroll records and submitted for W-2 or 1099 reporting.

## INTERNAL CONTROLS – CONCESSIONS

Richmond High School Extra-Curricular Account maintains and transacts concessions for events located in the Athletic areas of Richmond High School for numerous Richmond Community Schools and non-Richmond Community Schools events. Concession Inventory and Financial checks and balances were found to be insufficient.

Richmond High School Extra-Curricular Account will require a written inventory check and reconciliation of all concessions product and finances prior to and immediately following events. Payment to any personnel or club for work in concessions duties will be paid only when all financial records have been reconciled and proper request for payment has been submitted to the Richmond High School Treasurer. On no less than a monthly basis a complete detailed copy of inventory records will be provided to the Richmond High School Treasurer. The Richmond Community Schools Corporation Treasurer and the Richmond High School Treasurer will meet on a quarterly basis to review concessions records for completeness and accuracy.

## INTERNAL CONTROLS OVER PURCHASING

A purchase order in the amount of \$14,531.50 was approved by Richmond High School from the Boys' Basketball Camp account for Boys' Basketball expenses. A vendor statement for payment was submitted with total charges to the purchase order in the amount of \$28,560.03. No prior approval was shown for the difference of \$14,028.53.

In addition, a request was made of the Richmond High School Extra-Curricular Treasurer to print a check to a vendor for league entry fees in the amount of \$3,450. A purchase order request for prior approval was not obtained.

Richmond Community Schools will notify all Richmond High School staff regarding purchasing policies and procedures. Richmond High School will monitor and follow all purchasing requests and processes according to Richmond Community Schools Policies and Guidelines and State Board of Accounts Extra-Curricular Manual. In addition, Richmond Community Schools Corporation Treasurer will meet quarterly with Richmond High School Treasurer to review purchase order requests, claims processed, and supporting documentation.

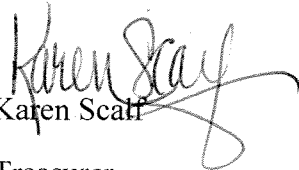
#### SUPPORTING DOCUMENTATION FOR DISBURSEMENTS

Richmond High School Extra-Curricular Account reimbursed or paid vendors or staff without sufficiently detailed paperwork and/or appropriate forms on multiple occasions during the audit period.

Richmond High School Extra-Curricular Account will require appropriate forms set forth by the State Board of Accounts Extra-Curricular and School Manuals and Richmond Community Schools Board of School Trustees policies and guidelines. All requests for payment will include detailed supporting documentation.

Richmond Community Schools Corporation Treasurer will review with all Principals Administrators, and Directors, ECA Treasurers, and Secretaries policies, procedures, expectations, and responsibilities associated with Extra-Curricular Accounts in general including but not limited to, purchasing, fundraising, documentation, and appropriate spending.

Sincerely,



Karen Scalf

Treasurer

Richmond Community Schools

ATHLETIC DEPARTMENT  
RICHMOND HIGH SCHOOL  
RICHMOND COMMUNITY SCHOOLS  
EXIT CONFERENCE

The contents of this report were discussed on June 2, 2015, with Karen Scalf, Treasurer; Dr. Betty Poindexter, former Superintendent of Schools; Todd Terrill, Superintendent of Schools; Frank Carr, Richmond High School Athletic Director; Rae Ferriell-Woolpy, Richmond High School Principal; Robert K. Coddington, former Treasurer; and Jeff Slifer, Vice President of the School Board.