

What is going on with ECAs?

IASBO ECA Conference

November 3, 2017

State Board of Accounts



CONTACT INFORMATION

- Phone number – (317) 232-2513

- Address – 302 W. Washington St., RM E418
Indianapolis, IN 46204-2765

- Email – schools.townships@sboa.in.gov

- Website – www.in.gov/sboa



GATEWAY ECA RISK REPORT

Who is responsible for completing and submitting the ECA Risk Report?

The fiscal officer for the school corporation, usually the school corporation treasurer/controller, is responsible for submitting the ECA Risk Report. This is the same person that is responsible for submitting the Annual Financial Report on Gateway for the school corporation. The fiscal officer can assign edit rights to ECA Treasurers or other users to specific ECAs by completing the [ECA Delegation of Authority Form](#) found on our website. Edit rights gives the user access to enter, change and delete data as well as generate the various reports within the ECA Risk Report. However, they will not be able to submit the report. The fiscal officer must submit the report. If changes need to be made after the report is submitted, the fiscal officer must un-submit the report.

What happens if the ECA Risk Report is not submitted via Gateway?

SBOA will only recognize submission of the ECA Risk Reports through Gateway. SBOA will not accept the report in paper form or in any other format. If it is not submitted through Gateway, as prescribed, the extra-curricular account (ECA) will be considered high risk and the Department of Local Government Finance (DLGF) may not approve the budget of the school corporation in accordance with [IC 5-11-1-4](#).



Risk Report Gateway Application

Main Menu - Google Chrome
<https://gateway.ifonline.org/ECA/Menu.aspx>

INDIANA Gateway for government units

ECA Risk Report [Home](#) [About](#) [Account Settings](#) [Help](#) [Logout](#)

Select Unit > Select Year > Main Menu

County: _____
 Unit: Sboa Eca Unit
 School: _____
 Corporation: _____
 Year: 2014 - 2015

Main Menu

The sections below are required to complete your report. To change any of the fields on the report, click on the link option on the menu below.

		Status
Risk Assessment	Complete the Risk Assessment questions.	Completed.
Annual Reporting	Schedule of Balance, Receipts and Expenditures, Cash Reconciliation, Detail of Receipts and Expenditures by Fund and the Report Certificate.	1 Fund(s) have been added.
Report Output	View reports as PDFs or Excel spreadsheets.	
Submit	Review and submit ECA Risk Report to SBOA.	Not Submitted

Indiana Gateway for Government Units is the collection platform for local units of government to submit required data to the State of Indiana, as well as a public access tool for citizens. It represents a unique partnership between the State of Indiana and the [Indiana Business Research Center](#), at IU's Kelley School of Business, with initial support from the Lilly Endowment and sustainable support from the State of Indiana.

Participating state agencies currently include the [Indiana Department of Local Government Finance](#), the [State Board of Accounts](#), the [Indiana Education Employment Relations Board](#) and the [Indiana Gaming Commission](#).

Need Help? Email: [Technical Support](#) or the [State Board of Accounts](#)

POWERED BY [Information for Indiana](#)

https://gateway.ifonline.org/ECA/Risk.aspx - Google Chrome

Corporation: _____
 Year: 2014 - 2015

Risk Assessment

Please answer all questions. Certain questions may require documentation to be uploaded or additional information to be entered.

[Click here to Save Risk Assessment](#)

- How is the ECA's ledger maintained? Yes No
- Was a financial report made within two weeks after the close of the school year and after each semester if your school had two (2) or more semesters in a school year, of all fund activity to the school board and superintendent of schools accordance with IC 20-41-1-3 and IC 20-41-1-8. Yes No
- Was the ECA bank account balance reconciled to the ledger balances on a monthly basis? Yes No
- Does anyone review and approve the completed bank reconciliements? Yes No
- Does the ECA have any investments (certificates of deposit, savings accounts, etc.)? Yes No
- Are any investments accounted for on the ECA ledger? Yes No
- Is a receipt issued for all monies received and at the time the money is received? Yes No
- Please indicate how often deposits are made. Yes No
- When totaling the receipts issued for the day does the classification of the receipts (i.e. cash, checks, etc.) and the classification as shown on the deposit ticket (i.e. currency, checks, etc.) agree? This would include collections for items like textbook rental, fundraisers, ticket sales, etc. Yes No
- Is School Lunch accounted for in the ECA ledgers? Yes No
- Is Textbook rental accounted for in the ECA ledgers? Yes No
- Is a Purchase Order/Accounts Payable Voucher (Form SA-1) and/or Claim for Payment (Form SA-7) used for disbursements? Yes No
- Are the Purchase Order/Accounts Payable Vouchers (Form SA-1) and/or Claim for Payment (Form SA-7) properly itemized? Yes No
- Are the Purchase Order/Accounts Payable Vouchers (Form SA-1) and/or Claim for Payment (Form SA-7) signed by the appropriate officials? Yes No
- Are Ticket Sales (Form SA-4) reports used at events for which an admission price is collected? Yes No
- Are prenumbered tickets used for sporting and other events for which an admission price is collected? Yes No
- Do any school personnel stock vending machines and remove money from the machine? Yes No
- The Summary Collection Form (SA-8) is to be used when a teacher, class sponsor, or other school personnel are in charge of collecting money (for a field trip, fundraiser, etc.) that is later turned over to the ECA treasurer. Was Form SA-8 used to transmit monies collected by teachers, class sponsors, etc. to the ECA treasurer? Yes No
- Are any outside organizations such as booster clubs, 4-H, Girl Scouts, PTO/PTA, etc. accounted for in the ECA ledgers? Yes No
- Have items included as comments in the most recent State Board of Accounts review been adequately corrected? Yes No

[Click here to Save Risk Assessment](#)

Once the form has been completed and saved, return to the main Menu



[+ Click here to Add a New Fund](#)

	NAME OF FUND	BALANCE BEGINNING OF PERIOD	RECEIPTS DURING PERIOD	EXPENDITURES	BALANCE END OF PERIOD	
Edit	3010 Student Activity	\$75,070.51	\$0.00	\$42,884.71	\$32,185.80	Delete
Edit	3020 Student Trip	\$18,194.86	\$0.00	\$43,652.41	(\$25,457.55)	Delete
Edit	3030 Book Rental	\$216.31	\$0.00	\$8,449.74	(\$8,233.43)	Delete
Edit	3031 Lab Fees	\$0.00	\$0.00	\$122.50	(\$122.50)	Delete
Edit	3032 Technology Fees	\$20.00	\$0.00	\$89.38	(\$69.38)	Delete
Edit	3033 Consumables	\$0.00	\$0.00	\$11,674.77	(\$11,674.77)	Delete
Edit	3034 Curricular Materials	\$0.00	\$0.00	\$5,252.75	(\$5,252.75)	Delete
Edit	3040 Office	\$1,464.68	\$0.00	\$3,407.41	(\$1,942.73)	Delete
Edit	3050 Library	\$3,662.12	\$0.00	\$11,676.36	(\$8,014.24)	Delete
Edit	3080 Investments	\$435.86	\$0.00	\$127.61	\$308.25	Delete
		\$99,812.21	\$0.00	\$127,843.27	(\$28,031.06)	

[Click here to Continue to Cash Reconciliation](#)



Cash Reconciliation

Enter the depository balance, the cash on hand, deposits in transit and any reconciling items below. fund information.

Bank Statement Date:	<input type="text" value="5/31/2017"/>	
Depository Balance:	<input type="text" value="\$5,000.00"/>	
Cash On Hand (ADD):	<input type="text" value="\$110.00"/>	
Deposits In Transit (ADD):	<input type="text" value="\$200.00"/>	
Other Reconciling Items (ADD/DEDUCT):	<input type="text" value="\$0.00"/>	
Total of Outstanding Check (DEDUCT):	\$1,000.00	
Balance:	\$4,310.00	

Save and Calculate Total of Outstanding

Outstanding Checks (optional upload)

+ Add new record				
	Date	Check Number	Amount	Delete
<input type="button" value="Edit"/>	12/28/2016	44444	\$400.00	<input type="button" value="X"/>
<input type="button" value="Edit"/>	12/10/2016	33333	\$300.00	<input type="button" value="X"/>
<input type="button" value="Edit"/>	12/05/2016	22222	\$200.00	<input type="button" value="X"/>
<input type="button" value="Edit"/>	12/01/2016	12345	\$100.00	<input type="button" value="X"/>
			\$1,000.00	
+ Add new record				



Student Activity (SA) 5 Form

- 4 Part form showing:
 - 1. Schedule of Balances, Receipts, Expenditures.
 - 2. Cash Reconciliation with Outstanding Checks.
 - 3. Detail of Receipts and Expenditures by Fund.
 - 4. Bank account and bond information to be certified by Treasurer and Principal.

- Copies of this form are to be filed with the School Board and the Superintendent.

- IC 20-41-1-3(a)(2) – Gateway designed to prevent school from having to report twice
- IC 20-41-1-8(b)



GATEWAY ECA RISK REPORT CONT.

New for 2017

Risk Assessment

The Risk Assessment form can be saved even though it is partially completed. A checkbox will appear at the bottom of the form after all questions have been answered. You will have a submission error if the risk assessment is not completed and the box is not checked.

Cash Reconciliation

An option has been added to upload an Excel spreadsheet of the outstanding check list.



AUDIT POSITIONS

Statute requires the ECA Risk report to be reported from July 1st to June 30th.

- We will not take exception to ECAs entering information from June 1st to May 31st if reports are consistent.

IC 20-41-1-4 an ECA fund should be established for a specific organization, class, or group of students.

- Only used for functions NOT educational in nature.
- Outside organizations should NOT be included in the ECA (staff only vending machines, booster clubs, etc...).

Official Pay for sporting events should be ran through the School Corporation's payroll.

- Usually payment run through school corporation and the ECA Athletic fund reimburses school.



Extra-Curricular Account Engagements

SBOA preliminary plan

- ECA with receipts greater than \$1,000,000 will be examined during the school corporation audit by the assigned field examiners
 - For 2016 Report 76 ECAs
- ECA with receipts between \$1,000,000 - \$100,000 will be examined by a centralized compliance process
 - For 2016 Report 682 ECAs
 - Will be done on a 4 year rotation coinciding with the School Corporation audit
- ECA with receipts less than \$100,000 and not having a specific risk identified will have Centralized review process
 - Approximately 10% of total statewide ECA activity



ECA INTERNAL CONTROLS

What are Internal Controls?

- A system designed to provide government reasonable assurance that objectives will be achieved

Why are they important?

- Promote government accountability and transparency
- Essential tool in government's ability to make proper decisions
- Designed to prevent or detect situations in which government has failed to achieve an objective
- Help identify and correct inefficiencies in governments processes

How do you implement them?

- Identify areas of Risk
- Develop policies and procedures to address the areas of risk
- Monitor that policies and procedures are being followed and have addressed the risks identified



ECA INTERNAL CONTROLS
CONT.

Common areas to address:

Collections –

- School Lunch
- Athletic Events
- Curricular Materials Rental
- School Dances
- School Play
- Vending Machines
- Fundraisers

Asset Protection –

- Cash Balances
- Purchase of Goods
- Inventory of Goods
- Information Technology



ECA INTERNAL CONTROLS
CONT.

Risks identified for Athletic Event collections:

- Skimming of cash collections
- Admission without payment
- Charging incorrect admission
- Not depositing collections intact
- Destroying or not retaining accountable items (tickets, lists, deposit ticket, etc.)
- Making cash payments out of collections

ECA INTERNAL CONTROLS
CONT.

Event Ticket Taking Activity



ECA INTERNAL CONTROLS
CONT.

Possible Event Admissions Procedures

- Training for key individuals or individuals that will oversee the application of the internal control activities
- ECA Treasurer provides tickets and cash change box to Athletic Director, document transfer
- Prior to event Athletic Director completes initial portion of Ticket Sale report (SA-4), including starting numbers of all ticket series
- Athletic Director provides ticket taker with tickets, cash change, list for sign-ins, and SA-4 form
- During the event the ticket taker receives payments, retains ticket stubs, documents sport pass attendees and ensures sign-ins list names and organizations
- During the event the Athletic Director completes any established internal control activities; could include observing ticket taker, noting/estimating number of attendees, etc.



ECA INTERNAL CONTROLS
CONT.

Possible Event Admissions Procedures cont.

- After the event the ticket taker will complete the SA-4; include documenting last ticket sold, counting ticket stubs, counting cash change box, documenting any explanations for differences, and finally signing the “Made by” section on the SA-4 form
- After the ticket taker signs the SA-4 form, the Athletic Director would verify the information on the report, include verifying last ticket sold, recounting ticket stubs and cash change box, and finally signing the “Verified and Approved by” section on the SA-4 form
- Within 24 hours the Athletic Director would remit the SA-4 form, ticket stubs, and cash change to the ECA Treasurer
- The ECA Treasurer would review the SA-4 form, retain the ticket stubs, issue an ECA Receipt (SA-3) to the Athletic Director, deposit the funds with the Bank without unreasonable delay, and post the receipt to the Athletic Fund in the ECA records



ECA INTERNAL CONTROLS
CONT.

Other helpful prescribed forms for internal control activities

- SA-6 – fund balance and activity of each ECA fund
- SA-1 and SA-7 – purchases of goods and services
- SA-8 – collections for fundraisers, field trips, etc.
- SA-9 – items sold and inventor remaining; curricular materials, concessions, vending machines
- SF series – School Lunch Activities



CONTACT INFORMATION

Ryan Preston and Chase Lenon

Schools.Townships@sboa.in.gov

(317) 232-2513

www.in.gov/sboa/4449.htm