

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

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

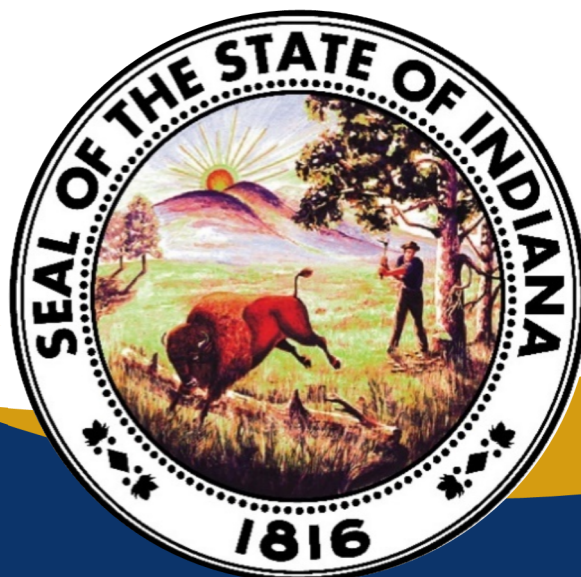
SPECIAL INVESTIGATION REPORT

OF

NEW PRAIRIE UNITED SCHOOL CORPORATION

LAPORTE COUNTY, INDIANA

July 1, 2022 to March 4, 2025



**FILED**

05/22/2025



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Transmittal Letter .....	2
Results and Comments:	
Background.....	3
Compensation and Benefits Overpayment.....	3-11
Special Investigation Costs .....	11-12
Insurance Coverage .....	12
Internal Controls .....	12-13
Exit Conference.....	14
Official Response .....	15
Summary of Charges .....	16
Affidavit.....	17



Paul D. Joyce, CPA  
State Examiner

# INDIANA STATE BOARD OF ACCOUNTS

302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769  
Telephone: (317) 232-2513  
Fax: (317) 232-4711  
[www.in.gov/sboa](http://www.in.gov/sboa)

TO: THE OFFICIALS OF THE NEW PRAIRIE UNITED SCHOOL  
CORPORATION, LAPORTE COUNTY, INDIANA

This is a special investigation report for the New Prairie United School Corporation (School Corporation), for the period July 1, 2022 to March 4, 2025, and is in addition to any other report for the School Corporation as required under Indiana Code 5-11-1. All reports pertaining to the School Corporation may be found at [www.in.gov/sboa/](http://www.in.gov/sboa/).

We performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts and were limited to records related to the overpayment of compensation and benefits. 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

March 26, 2025

NEW PRAIRIE UNITED SCHOOL CORPORATION  
RESULTS AND COMMENTS

**BACKGROUND**

During the Indiana State Board of Accounts' (SBOA) routine biennial audit of the School Corporation for the period of July 1, 2022 to June 30, 2024, the SBOA discovered Tamara Moore (Moore), a teacher at Olive Township Elementary, was paid \$71,458.20 in excess compensation. Moore was due a refund of Anthem medical insurance withholdings totaling \$721.80 but was refunded \$72,180 in error. The erroneous refund was made on Moore's June 23, 2023 paycheck. The excess compensation was included on Moore's Federal Form Wage and Tax Statement (Federal Form W-2) for the calendar year ended December 31, 2023. Moore did not report the overpayment to the School Corporation. The overpayment was not reported to SBOA by the School Corporation pursuant to the provisions of Indiana Code 5-11-1-27(j).

As a result, the SBOA began an investigation of the overpayment of compensation and benefits paid to Moore. The results of our investigation are described in the following comments.

**COMPENSATION AND BENEFITS OVERPAYMENT**

On January 5, 2023, a series of email correspondences began between Moore and Angela Curless (Curless), Human Resources (HR)/Payroll Coordinator, regarding Moore wishing to cancel her health insurance effective February 1, 2023, as follows:

On Thu, Jan 5, 2023 at 1:46 PM Moore, Tamara <tmoore@npusc.k12.in.us> wrote:  
I need to cancel my medical, dental and vision insurance. On January 1st, my husband's insurance started covering me. What do I need to do?

Thank you,  
Tammy Moore

Hi Tammy,  
I can cancel the vision and dental insurance for you. For your health insurance, you will need to log in and uncheck that you want insurance. I will receive a notification and approve it. I have to tell everyone that cancels that you will not be able to sign back up for insurance until open enrollment, or a HIPPA qualifying event.  
Do you want these cancelled as of February 1st?

\_\_\_\_\_  
Angela Curless  
HR/Payroll Coordinator  
New Prairie United School Corporation

On Fri, Jan 6, 2023 at 7:07 AM Moore, Tamara <tmoore@npusc.k12.in.us> wrote:  
Yes and thank you!

NEW PRAIRIE UNITED SCHOOL CORPORATION  
RESULTS AND COMMENTS  
(Continued)

On Tue, Jan 10, 2023 at 1:54 PM Curless, Angela <acurless@npsc.k12.in.us> wrote:  
Hi Tammy,  
I just wanted to remind you to log into MASE to cancel your insurance. I have attached the login information if you need it.

---

*Angela Curless*  
*HR/Payroll Coordinator*  
*New Prairie United School Corporation*

On Tue, Jan 17, 2023 at 11:23 AM Moore, Tamara <tmoore@npsc.k12.in.us> wrote:  
I think I finished it correctly. Please let me know if there is anything else I need to do.

Thank you,  
Tammy Moore

On June 9, 2023, Moore emailed Curless again and informed Curless that Moore's health insurance deductions were continuing to be withheld from her paychecks. In response to that email, Curless refunded Moore's health insurance deductions beginning with the payroll covering January 15, 2023 through January 28, 2023, paycheck date February 3, 2023, through the payroll period ending June 3, 2023, paycheck date June 9, 2023. Curless calculated the refund amount for the health insurance withholdings for February 3, 2023 through June 9, 2023 paycheck dates as \$803.50. This \$803.50 was the total of Anthem, dental, and vision of \$721.80, \$3.76, and \$77.94, respectively.

On Fri, Jun 9, 2023 at 9:41 AM Moore, Tamara <tmoore@npsc.k12.in.us> wrote:  
Good morning. I was looking at my paycheck and it looks as though I am still having my medical, vision and health insurance being pulled even though these were all cancelled and should have stopped as of February 1st. Please contact me as soon as possible.

Thank you,  
Tammy Moore

On Mon, Jun 12, 2023 at 9:08 AM Curless, Angela <acurless@npsc.k12.in.us> wrote:  
Hi Tammy,  
You are correct and I am really sorry this happened. I can correct this on the 6/23/23 payroll. I have to correct it through the deductions during payroll. This will be your refund:

Anthem - \$721.80  
Dental - \$3.76  
Vision - \$77.94

Thank you so much for catching this, and my apologies for this mistake. I have this all ready to correct during the next payroll.

The refund was made on the June 23, 2023 paycheck date as "negative" health insurance deductions for Anthem, dental, and vision; however, Curless entered the refund or "negative" Anthem health insurance deduction as \$72,180, instead of \$721.80. The "negative" Anthem health insurance deduction of \$72,180 resulted in an overpayment of compensation, totaling \$71,458.20, as follows:

NEW PRAIRIE UNITED SCHOOL CORPORATION  
RESULTS AND COMMENTS  
(Continued)

Refund Entered by Curless	Refund Due	Overpayment of Compensation
\$ 72,180.00	\$ 721.80	\$ 71,458.20

The School Corporation did not detect the error made by Curless, and Moore did not report the error to Curless or any other school official as she did when the employee share of health insurance premiums continued being withheld from her pay after she canceled on February 1, 2023.

On January 6, 2025, during the routine biennial audit of the financial statements, the SBOA audit team detected an issue within the Payroll Clearing Account, specifically the Anthem PPO 1 S Certified Health Insurance Account (Anthem health insurance) cash balance was overdrawn by \$12,991.68 as of June 30, 2023. The SBOA brought the overdrawn cash balance to the attention of the Director of Finance, as well as documentation of three employees, including Moore, who had "negative" deductions. The Director of Finance and the SBOA determined all three were the result of refunds of withholdings; however, Moore's refund was substantially more than supported and expected. The "negative" Anthem health insurance deduction for Moore resulted in the overpayment of compensation to Moore. On January 7, 2025, in response to the SBOA audit team's discovery of the overpayment, Dr. Paul White (White), Superintendent of Schools, contacted Moore regarding the overpayment of compensation.

Per text screenshots from White to the School Board that White provided to the SBOA, White initially met with Moore on January 7, 2025, and again on January 9, 2025, regarding the overpayment. During an SBOA interview with White on January 13, 2025, regarding his meetings with Moore, the following information was provided:

- Moore claimed to have called the business office (which included HR and Finance staff) but never received an answer.
- Moore did not email the business office about the overpayment.
- Moore waited four (4) to five (5) months for the School Corporation to contact her about the overpayment, then concluded that it was not an error.

White went on to say that he asked Moore how much of the \$70,000 was left, but Moore did not respond to the question.

During an SBOA interview with Curless on January 13, 2025, Curless stated that Moore did not contact her about the overpayment. Curless also confirmed that all communications with Moore regarding the deductions and cancellation of the health insurance were via emails, including the email from June 12, 2023, where Curless informed Moore of the amounts being refunded due to the erroneously withheld health insurance deductions.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
RESULTS AND COMMENTS  
(Continued)

The error that resulted in the overpayment of compensation also caused the School Corporation to overpay employer provided benefits (Social Security and Medicare) totaling \$5,466.55. The SBOA determined the overpaid compensation and employer provided benefits as follows:

	<u>Amounts</u>
Compensation	<u>\$ 71,458.20</u>
Employer Provided Benefits:	
Social Security (FICA)	4,430.41
Medicare	<u>1,036.14</u>
Total Employer Provided Benefits	<u>5,466.55</u>
Total Compensation and Employer Provided Benefits	<u><u>\$ 76,924.75</u></u>

The School Corporation entered into a repayment plan with Moore on January 22, 2025. The following document is the signed repayment plan between the School Corporation and Moore. (Dollar amounts are different than amounts determined by the SBOA).

NEW PRAIRIE UNITED SCHOOL CORPORATION  
RESULTS AND COMMENTS  
(Continued)

## Repayment Plan- NPUSC & Mrs. Tamara Moore

### Payment Plan Details-Total Repayment Owed by Mrs. Moore-\$71,423.51

#### Part One-Down Payment amount by Mrs. Moore

\*\$37,959.56 to be paid to NPUSC in one lump sum by Mrs. Moore by March 14<sup>th</sup>, 2025. Any amount in part one of this agreement not paid by 3/14/25 will be placed into wage garnishment beginning in April 2025 in bi-weekly payroll for a period of at least 4 years or until the balance is paid in full.

Part Two-Amount in personal income taxes to be refunded for federal, state, county to be submitted back to NPUSC upon Mrs. Moore filing an amended tax return for 2023 (NPUSC will provide a corrected W-2 for 2023 to facilitate the amended personal tax return)

\*Total due \$33,463.95; due back to NPUSC no later than 9 months from date of NPUSC issuing a corrected W-2 to Mrs. Moore for 2023. Corrected W-2 for 2023 will be sent to Mrs. Moore by email and receipt acknowledgement to establish a record and to set the 9-month deadline for overtax repayment

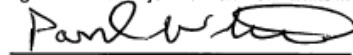
Note-If this portion is not paid back within 9 months of delivery of corrected 2023 W-2 or it is determined the Internal Revenue Service will not refund the tax overpayment, the balance or what is remaining of the Part two balance will be placed in wage garnishment with NPUSC in bi-weekly payroll of at least 4 years or until the balance is paid in full; This portion includes \$27,999.02 in overpayment of personal income taxes at the federal, state, and county level and \$5464.93 overpayment in employee social security and Medicare taxes.

Part Three-NPUSC will recover and take total responsibility for recoupment of employer payroll tax overpayment for social security/Medicare in the amount of \$5467.06. Mrs. Moore is not responsible for this amount as it is above and separate of the \$71,423.51 owed by Mrs. Moore.

***Notation #1***-if Mrs. Moore's employment with NPUSC ends for any reason PRIOR to full repayment listed in this agreement as her responsibility, the total remaining balance at that time will be due IN FULL no later than 10 business days from the official date of employment separation

***Notation #2***-it is understood if this repayment plan is not followed for any reason the amount owed in overpayment to NPUSC will be turned over to the prosecutor's office of LaPorte County, Indiana, and/or the Attorney General of the state of Indiana.

It is agreed a monthly, updated balance sheet will be kept on file at the NPUSC Business Office and shared with Mrs. Moore reflecting balances owed based on most recent payments, updated each month. Also, this agreement is subject to maximum limits in wage garnishment per week for this situation per Indiana Code.



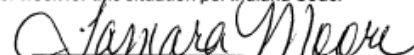
Paul White, NPUSC Superintendent

1-22-25

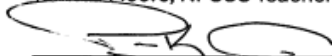
Date of Signature

*Signature reflects acknowledgment of the contents of this document and commitment to the noted repayment plan.*

*Attachment or rebuttal to this document may be included within two weeks or fourteen days from date of signature. It is understood this document will be shared with financial auditors of the state of Indiana for documentation and kept on file in the NPUSC Business Office & in Mrs. Moore's personnel file at the NPUSC Central Office.*



Tamara Moore, NPUSC Teacher



Phil King, NPUSC Board President

- On January 22, 2025, the repayment agreement was entered into by the School Corporation and Moore.
- On February 11, 2025, email correspondence between White and Moore:
  - The School Corporation consulted with the Internal Revenue Service (IRS) and a tax attorney from the law firm Ice Miller, LLP. Both the IRS and the tax attorney confirmed that the School Corporation could not issue a corrected Federal Form W-2 for the following reasons:

NEW PRAIRIE UNITED SCHOOL CORPORATION  
RESULTS AND COMMENTS  
(Continued)

- The type of error made by the School Corporation.
- The School Corporation did overpay the amount to Moore and the Federal Form W-2 for 2023 was technically accurate in relation to what was paid out.
- White inquired if Moore had made any progress towards making a down payment on the net overpayment of \$37,959.56. White stated that if there was no progress towards the down payment, the School Corporation could start wage garnishments in April for the combination of net overpayment (\$37,959.56) and income tax overpayment (\$27,999.02) totaling \$65,958.58.

On Tue, Feb 11, 2025 at 2:34 PM White, Paul <paulwhite@npusc.k12.in.us> wrote:

Hello-I have an update regarding IRS direction and recovering the overpayment related to income and payroll taxes. Below are the basics. We could meet again at your convenience or just correspond via email, let me know. Major questions I need follow up from you about are listed at the end.

IRS Direction Income Tax Overpayment

Both the IRS and a tax attorney from the firm Ice-Miller (out of Indy) we have consulted have confirmed the initial perspective of our auditor; which is that we can not issue a corrected W-2 for 2023 to you because of the type of error we made. Albeit an error and over-payment, we did actually overpay by that amount in 2023 and your W-2 for 2023 was technically accurate in relation to what was paid out. As a result, the overtax amount on the repayment agreement related to personal income taxes will need to go into wage garnishment. Also, the tax attorney for Ice-Miller stated you should be able to receive credits/deductions in your future yearly tax returns, once wage garnishment begins, for the situation but you should consult an accountant or tax attorney about that aspect. NPUSC would be responsible to provide yearly documentation to you accounting for payback amounts for your tax returns.

IRS Direction Payroll Taxes-Social Security/Medicare

The IRS has confirmed both the employer and employee can file documents to reclaim this portion, so this is refundable. NPUSC can also attempt to reclaim the employer overpayment of \$5467.06 AND the employee overpayment of \$5464.93. We were told we need to know from you, in writing, if you want to go through a process to recover the employee overpayment yourself, allow us to pursue this, or leave it overpaid to the government to include in your repayment plan to NPUSC.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
RESULTS AND COMMENTS  
(Continued)

Questions to Answer at this Point

1. Have you made any progress towards securing money to place a down payment on the net overpayment to you of \$37,959.56?
2. IRS Guidance Income Tax-amount owed \$27,999.02  
Our thought would be to start wage garnishment in April on this portion, now that it is determined the IRS will not refund this portion. The amount identified in the repayment agreement listed above, divided by 156 payments or six years would be \$179.48 bi-weekly beginning in April 2025
3. Regarding the employee overpayment for social security/medicare of \$5464.93-do you want to pursue the refunding yourself, allow us to attempt this, or include it in any wage garnishment repayment calculations?

://mail.google.com/mail/u/0/?ik=cf3fa07ce1&view=pt&search=all&permmsgid=msg-a:r-2148243372289022276&dsqt=1&siml=msg-a:r-2148243372289022276 1/2

1/16/2025, 1:14 PM

NPUSC Mail - Follow Up-Repayment & IRS Guidance

4. If you are not making progress towards item #1, do we simply start wage garnishment in April for the combination of the net overpayment and income tax overpayment. That would include the total amount owed minus the employee payroll tax overpayment of \$5464.93. That total amount would be \$65,958.58, which divided by 156 payments over six years would be \$422.81 bi-weekly, just under the maximum amount NPUSC can do wage garnishment for in this situation.

Let me know if you would like to meet to go over this and ask questions or if you just want to reply back. My thought is we should come to common agreement on these aspects by March 1st so you know what portion of your paycheck will see wage garnishment beginning in April 2025.

Thank you

P White

--

Paul White, Ph.D.  
Superintendent, New Prairie United School Corporation  
5327 North Cougar Road  
New Carlisle, In 46552  
574-654-7273

- On February 16, 2025, email correspondence between White and Moore:
  - Moore stated, ". . . For now, we will have to just start payments in April for 422.81 biweekly toward the balance of \$65,958.58. . . ."

----- Forwarded message -----

From: **Moore, Tamara** <[tmoore@npusc.k12.in.us](mailto:tmoore@npusc.k12.in.us)>

Date: Sun, Feb 16, 2025 at 3:39 PM

Subject: Re: Follow Up-Repayment & IRS Guidance

To: White, Paul <[paulwhite@npusc.k12.in.us](mailto:paulwhite@npusc.k12.in.us)>, Heather O'Connell <[heatheroconnell@npusc.k12.in.us](mailto:heatheroconnell@npusc.k12.in.us)>

[REDACTED] For now, we will have to just start payments in April for 422.81 biweekly toward the balance of \$65,958.58. Please let me know if there is anything else I need to do.

Sincerely,  
Tamara Moore

NEW PRAIRIE UNITED SCHOOL CORPORATION  
RESULTS AND COMMENTS  
(Continued)

- Another email was sent to White from Moore on February 17, 2025, as follows:



White, Paul <paulwhite@npsc.k12.in.us>

---

**Follow Up-Repayment & IRS Guidance**

---

**Moore, Tamara** <tmoore@npsc.k12.in.us>  
To: "White, Paul" <paulwhite@npsc.k12.in.us>  
Cc: Heather O'Connell <heatheroconnell@npsc.k12.in.us>

Mon, Feb 17, 2025 at 8:07 AM

I would like NPUSC to pursue the refund of the employee social security/medicare tax overpayment of \$5464.93.

Thank you,  
Tamara Moore

School officials calculated the biweekly wage garnishment. Below is the SBOA's understanding of the calculation based upon the repayment agreement and lack of any repayments by Moore:

Repayment Plan Terms and Descriptions	Amounts
Part One: Downpayment Due by March 14, 2025, by Moore	<u>\$ 37,959.56</u>
Part Two: Total Due after corrected W-2	33,463.95
Less: Employee Social Security and Medicare	<u>(5,464.93)</u>
Total Part Two	<u>27,999.02</u>
Total Used by School Corporation for Garnishment	65,958.58
School Corporation Determined Number of Payments	<u>156</u>
School Corporation Determined Biweekly Garnishment	<u><u>\$ 422.81</u></u>

On March 4, 2025, Curless confirmed the first wage garnishment, totaling \$422.81, will begin with the April 11, 2025 paycheck date. In accordance with the repayment agreement, "Any amount in part one of this agreement not paid by 3/14/25 will be placed into wage garnishments beginning in April 2025 in bi-weekly payroll for a period of at least 4 years or until the balance is paid in full."

White did not include either the employee or employer share of Social Security and Medicare in determining the repayment of the compensation through wage garnishment.

Using the SBOA's calculation of the overpayment of compensation, including employee and employer shares of Social Security and Medicare, totaling \$76,924.75, the School Corporation would not be repaid in full until March 2032 or at the end of seven years based upon a biweekly garnishment of only \$422.81.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
RESULTS AND COMMENTS  
(Continued)

Indiana Code 35-44.1-1-3 (d) states: "A person employed by a governmental entity who knowingly or intentionally accepts property from the entity for the performance of duties not related to the operation of the entity commits ghost employment, a Level 6 felony."

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution, or salary schedule adopted by the governing body unless otherwise authorized by law. Compensation must be paid in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

Units must collect any overpayments made. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

Funds misappropriated, diverted or unaccounted for through malfeasance, misfeasance, or nonfeasance in office of any official or employee may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

We requested Moore to reimburse the School Corporation for the overpayment of compensation and benefits in the amount of \$76,924.75. (See Summary of Charges, page 16)

**SPECIAL INVESTIGATION COSTS**

The State of Indiana incurred costs in the amount of \$6,947.53 due to the special investigation of the School Corporation.

This investigation involved the following:

- Interviews of the SBOA audit team, the Superintendent of Schools, the HR/Payroll Coordinator, and the Director of Finance;
- Reviews of email correspondences;
- Review of the Repayment Plan;
- Review of payroll disbursements, payroll records, and reports as related to Moore;
- Validating the direct deposit to Moore's account for the June 23, 2023 pay date; and
- Reviewing the Federal Form W-2 for Moore for 2023.

Indiana Code 5-11-1-27(m) states:

"If the attorney general institutes civil proceedings related to this section or under [IC 5-11-5-1](#), the attorney general shall seek, in addition to the recovery of any funds misappropriated, diverted, or unaccounted for, restitution of:

- (1) costs incurred by the state board of accounts; and . . ."

Audit costs incurred because of poor records, nonexistent records, or any other inadequate bookkeeping practices, or because of theft or a shortage may be the personal obligation of the responsible official or employee.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
RESULTS AND COMMENTS  
(Continued)

Any audit costs paid without the prior approval of the SBOA when the SBOA has the statutory requirement to perform the audit of the unit may be considered a duplication of service and an unnecessary expense. These payments may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

We requested Moore reimburse the State of Indiana for special investigation costs in the amount of \$6,947.53. (See Summary of Charges, page 16)

**INSURANCE COVERAGE**

The School Corporation obtained the following insurance policy, which covers employee theft, including faithful performance.

Period	Amount
02-28-23 to 02-28-24	\$ 250,000

**INTERNAL CONTROLS**

There was a lack of segregation of duties over payroll by assigning one person to perform review and validation work without documented review and oversight as follows:

- Prior to processing payroll, Curless runs a "Payroll Validation Report" for the upcoming pay period. The "Payroll Validation Report" will indicate employees who do not have any hours for the pay period and/or if the gross pay (that is anticipated to be paid) is in excess of \$6,000. This report does not flag if an employee's net pay or direct deposit pay exceeds the \$6,000 threshold as in the case with Moore.



**Payroll Validation Report**

Pay Date Range 06/04/23 - 06/17/23  
Pay Batch Corporation Bi-Weekly - R-062323

Employee	Gross Pay	Taxes	Deductions	Net Pay	Direct Deposit	Check Amount	Employer Cost
An Override Payroll Liability Account has been selected for this pay batch in Pay Day Setup.							
Department: OTE Olive Township Elementary							
429 Moore, Tamara L	2,661.53	34,264.89	(72,217.29)	40,613.93	40,613.93	.00	6,184.39

- In an interview with Curless on January 13, 2025, Curless stated that she is the only one that reviews the "Payroll Validation Report."

NEW PRAIRIE UNITED SCHOOL CORPORATION  
RESULTS AND COMMENTS  
(Continued)

- The School Board receives only certain pages of a Pay Day Register Report to approve with the claim dockets. For the pay date range of June 4, 2023 to June 17, 2023, only pages 167 through 169 were provided to the School Board. Attached to the end of the report was the signature of the Director of Finance, whereby the Director of Finance certified "that the listed claims and invoices attached thereto are true and correct and I have audited same in accordance with IC 5-11-10-1.6." The School Board members also signed under the statement: "We have examined the claims listed on the forgoing register of claims, consisting of 4 pages, and . . . are hereby allowed in the total amount of . . ." If the Director of Finance and the School Board had been provided the entire report, and if it was reviewed, they may have noticed the large Anthem PPO 1 S Certified 'negative' deduction as well as the resulting large net pay."

Employee 429 - Moore, Tamara L Position 07-2030-002 - 4th Grade Teacher				Check		\$0.00	
Hours Description	Hours	Gross	Withholdings and Deductions	Gross Base	Benefits		Gross Base
CONTRACT - Contract	.0000	2,661.53	Gross	2,661.53	Anthem PPO 1 S Certified	320.80	.00
Total		\$2,661.53	Imputed Income	.00	MNL Long Term Disability Ins	8.57	2,661.53
			Federal Income Tax	24,844.50	MNL Life Insurance 50,000	3.25	.00
			FICA - Certified	4,656.32	TRF Pre 7/95	79.85	2,661.53
			Medicare - Certified	1,088.98	Veba Contribution	26.62	2,661.53
			Indiana State Tax	2,362.56	Total	\$439.09	
			St. Joseph County Tax	1,312.53			
			Amer. Fidelity Annuity 403(b)	100.00	Workers' Comp		Gross Base
			Amer. Fidelity Cancer Ins	21.25			
			Amer. Fidelity Cancer Post Tax	8.80	Direct Deposits		Amount
			Amer. Fidelity Life Insurance	114.36	FIFTH THIRD LAPORTE		40,613.93
			Anthem PPO 1 S Certified	-72,180.00	Total		\$40,613.93
			Dental High Emp 24 pays	-203.76			
			VSP Employee Only 24 pay	-77.94	Check		\$0.00
			Net	\$40,613.93			

Run by Angela Curless on 6/22/2023 8:03:35 AM

Page 98 of 169

The failure to establish these internal controls enabled misstatements or irregularities to go undetected.

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . ."

NEW PRAIRIE UNITED SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on May 5, 2025, with Dr. Paul White, Superintendent of Schools; Tim Scott, Director of Finance; Phillip King, President of the School Board; and Jill L. Smith, School Board member.



OFFICIAL RESPONSE

Date: May 5, 2025

Indiana State Board of Accounts

302 West Washington St. Room E418

Indianapolis, IN 46204-2765

Re: New Prairie United School Corporation Special Investigation

The New Prairie United School Corporation agrees with all of the information presented at its May 5, 2025 exit conference. The district does wish to explain the steps it has taken as a corrective action plan.

1. As of 3/1/2025, the New Prairie United School Corporation has switched financial software vendors. The district moved to an Indiana company that will better allow accurate tracking of all financial transactions with special regards to payroll and all accompanying taxes and deductions.
2. As of 3/3/2025, the New Prairie United School Corporation has split the role of Payroll/HR Coordinator/Benefits Coordinator into two positions. The first position will now be solely focused on accurate payroll calculations and distributions. The second position will serve as the backup to payroll and will provide a second set of eyes that approves payroll every two weeks.
3. The new financial software also provides additional reports for payroll which provide a more detailed explanation of all salaries and benefits distributed every two weeks. The extended reports are now reviewed by the Corporation Treasurer for approval allowing for a third set of eyes for every payroll approval.

Tim Scott

Dr. Paul White

Director of Finance

Superintendent

NEW PRAIRIE UNITED SCHOOL CORPORATION  
SUMMARY OF CHARGES  
(Due to Malfeasance, Misfeasance, or Nonfeasance)

	Charges	Credits	Balance Due
Tamara Moore, Teacher:			
Compensation and Benefits Overpayment, pages 3 through 11	\$ 76,924.75	\$ -	\$ 76,924.75
Special Investigation Costs, pages 11 and 12	6,947.53	-	6,947.53
Totals	\$ 83,872.28	\$ -	\$ 83,872.28

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

