

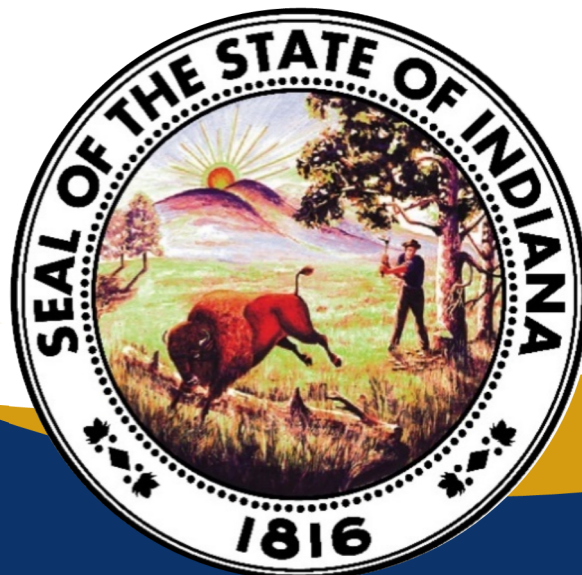
**STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769**

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

COMPLIANCE ENGAGEMENT REPORT
OF

LAKE RIDGE SCHOOLS
EXTRACURRICULAR ACCOUNTS
LAKE COUNTY, INDIANA

July 1, 2021 to June 30, 2023



FILED

04/09/2025

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Compliance Report	3
Comment: Lake Ridge Middle School and Calumet New Tech	4-5

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
School Corporation Treasurer	Christina Akers	07-01-21 to 06-30-25
Superintendent of Schools	Dr. Sharon Johnson-Shirley	07-01-21 to 06-30-25
President of the School Board	Glenn Johnson Kimberly Osteen	07-01-21 to 12-31-21 01-01-22 to 06-30-25



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TO: THE OFFICIALS OF THE LAKE RIDGE SCHOOLS, EXTRACURRICULAR
ACCOUNTS, LAKE COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Lake Ridge Schools, Extracurricular Accounts (School ECAs), for the period of July 1, 2021 to June 30, 2023. The objective of this engagement was to determine compliance with applicable Indiana laws, regulations, and uniform compliance guidelines (Guidelines) established by the Indiana State Board of Accounts pursuant to Indiana Code 5-11-1-24. The objective of this engagement is not to opine on compliance or financial activity of the School ECAs as this engagement was not conducted in accordance with any standards established by an authoritative standard setting body, and, as such, we do not provide any opinions on compliance or financial activity.

Management is responsible for preparing and maintaining its accounting records and related documents in accordance with applicable Indiana laws, regulations, and Guidelines. Management's responsibility also includes, but is not limited to, complying with other applicable Indiana laws, regulations, and Guidelines concerning how it operates: authorized sources and uses of funds and what reports are required to be prepared and filed.

We fulfilled our responsibility as detailed in the first paragraph, by applying procedures over cash, receipts, and disbursements. Expanding the scope and nature of these procedures can and does occur in specific circumstances.

The Comments contained herein, if any, describe the identified reportable instances of noncompliance found during our engagement. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified. Any Official Response to the Comments incorporated within this report was not verified for accuracy.

The Schedule of Officials is informational only.

This report is intended solely for the information and use of management, governance, and others within the organization. This restriction is not intended to limit the distribution of this report, which is a matter of public record. Reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>, and the School ECAs' reports filed by management can be found on the Indiana Gateway for Government Units financial reporting system website: <http://www.gateway.ifionline.org>.

The contents of this report were communicated to Christina Akers, School Corporation Treasurer; Kimberly Osteen, President of the School Board; Dr. Sharon Johnson-Shirley, Superintendent of Schools; and Adrian Wilkerson, CFO, on March 19, 2025.

Beth Kelley, CPA, CFE
Deputy State Examiner

January 29, 2025

LAKE RIDGE MIDDLE AND CALUMET NEW TECH
EXTRACURRICULAR ACCOUNTS
COMMENT

MONTHLY AND ANNUAL UPLOADS

Condition and Context

The Extracurricular Accounts (ECAs) had not properly designed or implemented a system of internal controls, which would include appropriate segregation of duties that would be effective in preventing, or detecting and correcting, noncompliance related to required monthly and annual uploads to the Indiana Gateway for Government Units financial reporting system.

The ECA Treasurers are responsible for completing the required monthly uploads.

For the engagement period, both the Calumet New Tech and the Lake Ridge Middle ECAs did not upload any of the required documents. Required documents consist of monthly bank account reconciliations, bank statements, and outstanding check lists.

Criteria

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. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

LAKE RIDGE MIDDLE AND CALUMET NEW TECH
EXTRACURRICULAR ACCOUNTS
COMMENT
(Continued)

Beginning with July 2018 files, which will be due September 15, 2018, **all** cities, towns, townships, libraries, and special districts will use the Upload App to upload files containing financial and governmental unit information on Gateway to allow the State Board of Accounts (SBOA) to conduct audit planning and audit processes prior to on-site work at a unit. (State Examiner Directiver 2018-1)

All counties, cities, towns, townships, libraries, schools and special districts will use the Engagement Uploads to upload files containing financial and governmental unit information on Gateway to allow the SBOA to conduct audit planning and audit processes prior to on-site work at a unit. This remote process will provide for more efficient data processing and save audit costs for our clients.

The following files and governmental unit information are required to be uploaded MONTHLY by all units except as noted immediately below: . . .

For School Extracurricular Accounts (ECAs):

- Bank Reconcilements, Bank Statements, and Outstanding Check Lists

(Amended State Examiner Directive 2018-1, Updated November 9, 2020, and effective with uploads due February 15, 2021, and Updated October 30, 2023, effective with the December 2023 monthly uploads due February 15, 2024, and the 2023 annual uploads due March 1, 2024)