

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

LAFAYETTE SCHOOL CORPORATION

TIPPECANOE COUNTY, INDIANA

July 1, 2021 to June 30, 2023



FILED

03/25/2024

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Eric L. Rody Troy Cloum	07-01-21 to 06-30-23 07-01-23 to 06-30-24
Superintendent of Schools	Les L. Huddle	07-01-21 to 06-30-24
President of the School Board	Robert M. Stwalley III Brent Clemenz Robert M. Stwalley III	07-01-21 to 01-09-22 01-10-22 to 01-07-24 01-08-24 to 06-30-24



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE LAFAYETTE SCHOOL CORPORATION,
TIPPECANOE COUNTY, INDIANA

This report is supplemental to the audit report of the Lafayette School Corporation (School Corporation), for the period from July 1, 2021 to June 30, 2023. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the School Corporation. It should be read in conjunction with the Financial Statement Audit Report of the School Corporation, which provides our opinions on the School Corporation's financial statement. This report may be found at 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 Audit 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 Audit Results and Comments, incorporated within this report, was not verified for accuracy.

Beth Kelley, CPA, CFE
Deputy State Examiner

March 12, 2024

LAFAYETTE SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

ANNUAL FINANCIAL REPORT - OTHER INFORMATION

Condition and Context

Financial and other information are required to be entered annually into the Annual Financial Report (AFR) via the Indiana Gateway for Government Units (Gateway) financial reporting system. The leases and debt information entered into Gateway contained multiple errors. The School Corporation's total ending principal balance of debt was overstated by \$90,575,000, and the total principal due within one year was overstated by \$10,811,500 for fiscal year 2022-2023. The School Corporation's annual lease payments was understated by a total of \$4,710,500 for 2022-2023.

Adjustments were proposed, accepted by the School Corporation, and made to the Schedule of Leases and Debt presented as Other Information in the Financial Statement Audit report of the School Corporation.

Criteria

The Annual Financial Report (AFR) required under IC 5-11-1-4(a) shall be filed with the state examiner not later than sixty (60) days after the close of each fiscal year. (Accounting and Uniform Guidelines Compliance Manual for Indiana Public School Corporations, Chapter 1)

CONTRACT PAYMENTS

Condition and Context

Of the 25 contract payments tested, 3 payments were not approved by the School Board on the allowance of accounts payable vouchers or claims.

LAFAYETTE SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

Criteria

Indiana Code 5-11-10-1.6 states in part:

". . . (b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim. . . ."

Indiana Code 5-11-10-2(a) states in part:

"Claims against a political subdivision of the state must be approved by the officer or person receiving the goods or services, be audited for correctness and approved by the disbursing officer of the political subdivision, and, where applicable, be allowed by the governing body having jurisdiction over allowance of such claims before they are paid. If the claim is against a governmental entity (as defined in section 1.6 of this chapter), the claim must be certified by the fiscal officer. . . ."

LAFAYETTE SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on March 12, 2024, with Troy Cloum, Treasurer; Les Huddle, Superintendent of Schools; Robert M. Stwalley III, President of the School Board; Julie Peretin, School Board member; Deborah Speckman, Assistant Deputy Treasurer; and Eric Rody, former Treasurer.