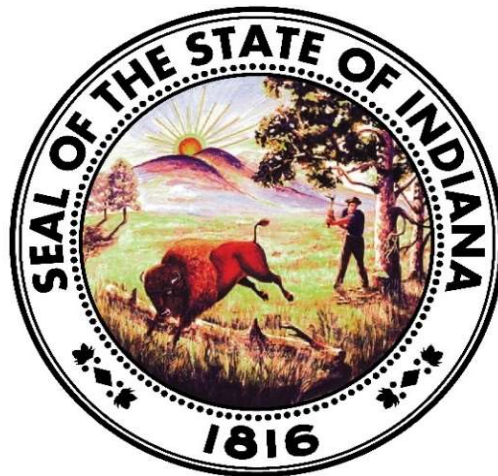


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

SPECIAL INVESTIGATION REPORT
OF
EAST NOBLE SCHOOL CORPORATION
NOBLE COUNTY, INDIANA
July 1, 2018 to October 31, 2023



FILED
08/19/2024

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STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE EAST NOBLE SCHOOL CORPORATION, NOBLE COUNTY, INDIANA

This is a special investigation report for the East Noble School Corporation (School Corporation), for the period July 1, 2018 to October 31, 2023, 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/.

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 associated with mileage claims, credit card receipts/statements, and athletic schedules. 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

April 18, 2024

EAST NOBLE SCHOOL CORPORATION
RESULTS AND COMMENTS

BACKGROUND

In 2014, Nicholas David (David) was hired by the School Corporation as the Athletic Director. Part of his job duties were to attend sporting events, purchase concession stand items, and attend professional meetings. David received mileage reimbursement from the School Corporation once every four months for trips David made to and from: athletic events, Sam's Club, and meetings. School Officials began questioning David over the school related purposes of certain purchases made from Sam's Club, which were subsequently reimbursed by David. After the discussions with David regarding the Sam's Club purchases, Brian Lietch (Lietch), Chief Finance and Operations Officer, began a review of David's mileage claims and a review of camera surveillance footage. Lietch noted seeing David on camera at various locations of the East Noble High School (High School) property, including the gymnasium, hallway, parking lot, and building entrances and exits, during athletic events for which he claimed mileage to other schools for attending athletic events. David was placed on Administrative Leave with pay on October 19, 2023, until he resigned on October 24, 2023.

The Indiana State Board of Accounts (SBOA) was notified by Lietch that camera surveillance footage from the High School showed that David claimed mileage to other schools for events that he did not attend at those schools. The SBOA examined the camera surveillance footage, mileage claims, Sam's Club credit card receipts, credit card statements, and high school athletic schedules. The results of our investigation are documented below.

MILEAGE REIMBURSEMENT

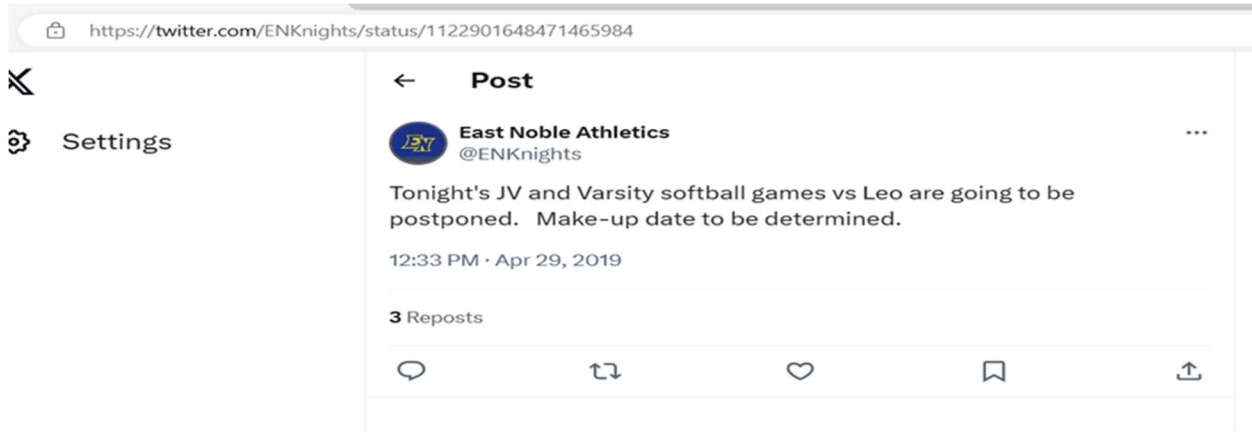
The SBOA reviewed the mileage claims submitted by David for various sporting events, meetings, and trips to Sam's Club. In this review, discrepancies were identified. In this regard, the SBOA determined David was reimbursed for mileage claimed for:

- Sporting events that were canceled.
- Sporting events that the High School did not have a team competing.
- Sporting events and meetings that did not occur.
- Home games.
- Sporting events during times that David was at the High School.
- Meetings that were not on record.
- Trips to Sam's Club where no purchases were made.

Sporting Events

David claimed and was reimbursed mileage for attending sporting events that were cancelled. An interview with an Athletic Director from another school corporation within the same division as the School Corporation stated that sporting event cancellations and rescheduled events are posted on social media. Social media platforms, such as X (formally known as Twitter), informs athletes, parents, and spectators of event dates, times, and any changes. Sporting event cancellations and reschedules were posted on the School Corporation's X account. For example, below is a screenshot of canceled Junior Varsity and Varsity softball games against Leo High School, as posted on X (the ENKnights is reference to the High School's team name - East Noble Knights).

EAST NOBLE SCHOOL CORPORATION
RESULTS AND COMMENTS
(Continued)



Events listed on David's mileage claims that were canceled based upon social media postings, schedules, and a reporting of event outcomes by coaches totaling \$1,028.53 were:

From Mileage Claim Documentation									
Trip Date	Description	Location	City or Town	Miles	Mileage Rate	Amount	Cancellation/Reschedule	Event Time	
12-13-18	Wrestling (score boards)	Huntington North	Huntington, IN	110	0.545	\$ 59.95	12-13-18 at 9:29am	Unknown	
04-29-19	Softball	Leo	Leo, IN	50	0.580	29.00	04-29-19 at 12:33pm	5:00PM	
05-01-19	Softball	Norwell	Ossian, IN	110	0.580	63.80	05-01-23 at 1:49pm	5:30PM	
05-02-19	Softball	Concordia	Fort Wayne, IN	55	0.580	31.90	05-02-19 at 2:11pm	5:30PM	
05-13-19	Softball	Bellmont	Decatur, IN	120	0.580	69.60	05-13-19 at 2:13pm	5:00PM	
02-05-20	Unified Basketball	Woodlan	Wooburn, IN	60	0.575	34.50	02-05-20 at 1:06pm	Unknown	
04-19-21	Jv Softball	Wayne	Fort Wayne, IN	70	0.560	39.20	04-19-21 at 1:43pm	5:30PM	
04-20-21	Track	Leo	Leo, IN	55	0.560	30.80	04-20-21 at 9:23am	5:00PM	
04-24-21	Unified Track	Valpo	Valporaiso, IN	200	0.560	112.00	04-24-21 at 7:41am	11:00AM	
04-06-22	Baseball	Central Noble	Albion	35	0.585	20.48	04-06-22 at 1:05pm	5:30PM	
04-09-22	Baseball	Northrop	Fort Wayne, IN	60	0.585	35.10	04-09-22 at 9:49am	10:00AM	
04-13-22	Baseball	Snider	Fort Wayne, IN	65	0.585	38.03	04-13-22 at 1:36pm	5:30PM	
04-25-22	SB	Huntington North	Huntington, IN	110	0.585	64.35	04-25-22 at 1:08pm	5:30PM	
05-18-22	Softball	Concord	Elkhart, IN	95	0.585	55.58	05-18-22 at 1:30pm	5:30PM	
05-19-22	Baseball	Goshen	Goshen, IN	70	0.585	40.95	05-19-22 at 12:20pm	5:30PM	
05-21-22	Baseball	North Side	Fort Wayne, IN	65	0.585	38.03	05-21-22 at 8:37am	10:00AM	
04-05-23	Baseball	Central Noble	Albion	40	0.655	26.20	04-05-23 at 11:13am	5:30PM	
05-01-23	Softball	Leo	Leo, IN	45	0.655	29.48	05-01-23 at 11:37am	5:30PM	
05-02-23	Golf	Norwell	Ossian, IN	110	0.655	72.05	05-02-23 at 11:18am	5:00PM	
05-15-23	Softball	Bellmont	Decatur, IN	120	0.655	78.60	05-15-23 at 12pm	5:30PM	
05-19-23	Baseball	South Side	Fort Wayne, IN	55	0.655	36.03	05-19-23 at 1:59pm	5:30PM	
09-28-23	Tennis Sectional	Dekalb	Waterloo, IN	35	0.655	22.93	09-28-23 at 5:33pm	4:00PM	
Total mileage reimbursed for canceled events						<u>\$ 1,028.53</u>			

David claimed and was reimbursed mileage for events where the High School did not have a team competing. For example, the East Noble Boys Varsity Soccer team was defeated by Fort Wayne Northrop in the Sectional Semi-Finals on October 9, 2019. The sectional championship occurred on October 12, 2019, between Carroll and Fort Wayne Northrop. The East Noble Boys Varsity Soccer team did not compete on October 12, 2019, so David would not have a reason to attend the sectional championship on October 12, 2019. The total claimed and reimbursed to David for events the High School teams were not competing was \$100.15.

EAST NOBLE SCHOOL CORPORATION
RESULTS AND COMMENTS
(Continued)

From Mileage Claim Documentation

Trip Date	Description	Location	City or Town	Miles	Mileage Rate	Amount
10-12-19	Boys Soccer	Dekalb	Waterloo, IN	35	0.580	\$ 20.30
10-07-20	Soccer	DeKalb	Waterloo, IN	35	0.575	20.13
05-27-21	SB	DeKalb	Waterloo, IN	35	0.560	19.60
05-27-22	Baseball	Dekalb	Waterloo, IN	35	0.585	20.48
10-07-23	Soccer Sectional	Lakeland	LaGrange, IN	30	0.655	<u>19.65</u>

Total mileage reimbursed for events that East Noble did not participate in \$ 100.15

There were sporting events listed on David's mileage claims and reimbursed that were not listed on the High School athletic schedules, their opponent's athletic schedules, or any other sources (such as social media) totaling \$896.35. For example, David included a football event located at Belmont on December 2, 2019; however, the football season ended on November 30, 2019, when the state championship was played.

From Mileage Claim Documentation

Trip Date	Description	Location	City or Town	Miles	Mileage Rate	Amount
01-14-19	Wrestling	Huntington North	Huntington, IN	110	0.580	\$ 63.80
08-25-19	Soccer	Bellmont	Decatur, IN	120	0.580	69.60
12-02-19	Football	Bellmont	Decatur, IN	120	0.580	69.60
01-03-20	Wrestling	Bellmont	Decatur, IN	120	0.575	69.00
01-06-20	Wrestling	Huntington North	Huntington, IN	110	0.575	63.25
11-12-20	GBB	Central Noble	Albion, IN	40	0.575	23.00
11-24-20	Wrestling	New Haven	New Haven, IN	70	0.575	40.25
01-26-21	BBB	cc	Columbia City, IN	65	0.560	36.40
02-23-21	Wrestling scoreboards	Huntington North	Huntington, IN	110	0.560	61.60
10-05-21	XC	Huntington North	Huntington, IN	110	0.56	61.60
01-24-22	BBB	Norwell	Ossian, IN	110	0.585	64.35
05-16-22	Golf	Norwell	Ossian, IN	110	0.585	64.35
09-19-22	Tennis	Penn	Mishawaka, IN	100	0.625	62.50
11-11-22	Wrestling	Bellmont	Decatur, IN	120	0.625	75.00
05-13-23	Tennis	Huntington North	Huntington, IN	110	0.655	<u>72.05</u>

Total mileage reimbursed for events that did not occur \$ 896.35

David claimed and was reimbursed mileage for locally held events, also referred to as "home" games, totaling \$815.15. Football, basketball (BBB or GBB), tennis, and baseball are held on fields and facilities at the High School. Golf home matches are played at Noble Hawk Golf Course, which is just over three miles from the High School. The High School Varsity football team played against Leo High School for the sectional championship on November 8, 2019. The game took place at the High School located at 901 Garden St, Kendallville, IN 46755. David reported that the event occurred at Northwood (Northwood High School in Nappanee, Indiana) on his mileage claim.

EAST NOBLE SCHOOL CORPORATION
RESULTS AND COMMENTS
(Continued)

From Mileage Claim Documentation

Trip Date	Description	Location	City or Town	Miles	Mileage Rate	Amount
11-08-19	Football	Northwood	Nappanee, IN	80	0.580	\$ 46.40
11-25-19	Football	Indy	Indianapolis, IN	250	0.580	145.00
09-09-20	Golf	Carroll	Fort Wayne, IN	40	0.575	23.00
11-21-20	BBB	Busco	Churubusco, IN	45	0.575	25.88
05-04-21	Golf	Norwell	Ossian, IN	110	0.56	61.60
05-15-21	Golf	Leo	Leo, IN	55	0.56	30.80
09-08-21	Golf	Bellmont	Decatur, IN	120	0.56	67.20
09-09-21	Football	Huntington North	Huntington, IN	110	0.56	61.60
09-06-22	Tennis	Huntington North	Huntington, IN	110	0.625	68.75
01-10-23	Gym	Warsaw	Warsaw, IN	95	0.655	62.23
04-18-23	Tennis	Bellmont	Decatur, IN	120	0.655	78.60
05-10-23	Baseball	Norwell	Ossian, IN	110	0.655	72.05
05-31-23	Golf	Norwell	Ossian, IN	110	0.655	<u>72.05</u>

Total mileage reimbursed events held at East Noble \$ 815.15

David claimed and was reimbursed mileage for dates and times where school camera surveillance video footage showed David at the High School totaling \$683.82.

From Mileage Claim Documentation

Trip Date	Description	Location	City or Town	Miles	Mileage Rate	Amount	Event Scheduled Time	School Surveillance Footage of David at
08-09-23	Golf	Garrett	Garrett, IN	38	0.655	\$ 24.89	5:00PM	4:34pm to 8:16pm
08-16-23	Tennis	Fremont	Fremont, IN	60	0.655	39.30	5:00PM	3:35pm to 9pm
08-21-23	Golf	Dekalb	Waterloo, IN	35	0.655	22.93	4:00PM	3:36pm to 7:50pm
08-28-23	Golf	Norwell	Ossian, IN	110	0.655	72.05	4:30PM	4:09pm to 9:19pm
08-31-23	Volleyball	Northridge	Middlebury, IN	67	0.655	43.89	6:00PM	4:17pm to 8:28pm
09-05-23	Tennis	Huntington North	Huntington, IN	110	0.655	72.05	5:00PM	4:02pm to 8:36pm
09-07-23	Unified Football	Elkhart	Elkhart, IN	104	0.655	68.12	7:00PM	4:26pm to 8:17pm
09-11-23	Soccer	Norwell	Ossian, IN	110	0.655	72.05	5:30PM	3:59pm to 9:16pm
09-13-23	UFF	Homestead	Fort Wayne, IN	60	0.655	39.30	5:30PM	4:03pm to 9:15pm
09-14-23	Tennis	Norwell	Ossian, IN	110	0.655	72.05	5:00PM	3:14pm to 10:03pm
09-19-23	Volleyball	Bellmont	Decatur, IN	120	0.655	78.60	6:00PM	3:30pm to 7:17pm
09-20-23	Soccer	Bellmont	Decatur, IN	120	0.655	<u>78.60</u>	5:30PM	4:02pm to 8:47pm

Total \$ 683.82

Meetings

David claimed mileage and was reimbursed for meetings held by the Indiana Interscholastic Athletic Administrator's Association (IIAAA), Indiana High School Athletic Association (IHSAA), and the Northeast 8 District Athletic Members. Documentation was obtained documenting meeting dates from the IIAAA, which allowed the SBOA to determine David claimed mileage for IIAAA meetings that did not take place totaling \$533.58. Documentation of meeting dates was not available from the other organizations to enable the SBOA to verify the accuracy of the mileage claimed and reimbursed for the other meetings.

EAST NOBLE SCHOOL CORPORATION
RESULTS AND COMMENTS
(Continued)

Mileage trips claimed for Meetings that did not occur

Trip Date	Description	Location	City or Town	Miles	Mileage Rate	Amount
05-21-19	IIAAA	Warsaw	Warsaw, IN	70	0.580	\$ 40.60
09-28-20	IIAAA	Warsaw	Warsaw, IN	95	0.575	54.63
02-24-21	IIAAA Meeting	Warsaw	Warsaw, IN	95	0.560	53.20
05-12-22	IIAAA Meeting	Bellmont	Decatur, IN	120	0.585	70.20
09-02-22	IIAAA Meeting	Bellmont	Decatur, IN	120	0.625	75.00
10-05-22	IIAAA Meeting	Elkhart	Elkhart, IN	80	0.625	50.00
02-07-23	IIAAA Meeting	Warsaw	Warsaw, IN	95	0.655	62.23
05-30-23	IIAAA Meeting	Warsaw	Warsaw, IN	95	0.655	62.23
08-25-23	IIAAA Meeting	Elkhart	Elkhart, IN	100	0.655	65.50

Total mileage reimbursed for IIAAA Meetings that did not occur \$ 533.58

Trips to Sam's Club Lacking Purchase Documentation

David claimed mileage to Sam's Club during the investigation period for purchases of concessions and other supplies, including purchases made by other staff. We compared Sam's Club invoice purchase dates and Sam's Club purchase dates noted on credit card statements to David's mileage claims for trips to Sam's Club. We noted mileage claimed for dates not supported by either Sam's Club invoices or credit card statement purchases. We also noted mileage was not claimed for dates when invoices or credit card statements indicated trips would have been made by David to Sam's Club. Mileage amounts overclaimed and underclaimed by David by year are as follows:

Sam's Club Summary			
Year	Actual Mileage Reimbursed	Mileage Verified to Records	Amount Over(under)paid
2018	\$ 329.73	\$ 299.75	\$ 29.98
2019	382.80	446.60	(63.80)
2020	284.62	158.13	126.50
2021	542.08	190.96	351.12
2022	873.95	135.30	738.65
2023	540.38	324.23	216.15
Totals	<u>\$ 2,953.56</u>	<u>\$ 1,554.96</u>	<u>\$ 1,398.60</u>

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)

Each unit must adopt a written travel policy in conformity with applicable laws. Reimbursement for lodging and meals must be based upon actual receipts for amounts paid unless otherwise authorized by law. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

EAST NOBLE SCHOOL CORPORATION
RESULTS AND COMMENTS
(Continued)

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 unit. Any personal expenses paid by the unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

The Mileage Claim (General Form 101) is designed to serve as a claim for mileage reimbursement to be presented to the school board for allowance.

Administrators, teachers and other employees may be reimbursed for actual miles traveled in their own motor vehicles on official business of the school corporation at a reasonable rate per mile as fixed by a resolution of the school board. Reimbursement mileage shall not include travel to and from the employee's home and place of employment. If two or more persons ride in the same motor vehicle, only one mileage reimbursement is allowable. The odometer reading columns on the form are to be used only when distance between points cannot be determined by fixed mileage or official state highway map. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 3)

We request that David reimburse the School Corporation for mileage in the amount of \$5,456.18. (See Summary of Charges, page 15)

SPECIAL INVESTIGATION COSTS

The State of Indiana incurred costs in the amount of \$5,448.17 due to the special investigation of the School Corporation.

The investigation involved reviewing 965 trips claimed and reimbursed to David during the investigation period. Comparing each trip on the mileage claim to multiple sources, including surveillance camera footage, event schedules, social media postings, vendor invoices, etc., to determine if the mileage claimed was for a valid and documented school related purpose.

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

"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; . . ."

We request David to reimburse the State of Indiana for special investigation costs in the amount of \$5,448.17. (See Summary of Charges, page 15)

EAST NOBLE SCHOOL CORPORATION
RESULTS AND COMMENTS
(Continued)

CRIME INSURANCE POLICY

The School Corporation has the following insurance policies that include employee theft coverage:

Type	Period	Amount
Employee Theft Coverage	10-01-18 to 09-30-19	\$ 25,000
Employee Theft Coverage	10-01-19 to 09-30-20	25,000
Employee Theft Coverage	10-01-20 to 09-30-21	250,000
Employee Theft Coverage	10-01-21 to 09-30-22	250,000
Employee Theft Coverage	10-01-22 to 09-30-23	250,000
Employee Theft Coverage	10-01-23 to 09-30-24	250,000

CREDIT CARDS

David received mileage reimbursement for trips to Sam's Club for the purchase of concession stand items using a Sam's Club credit card issued in his name. Neither the former Superintendent of Schools nor the current Superintendent of Schools developed administrative guidelines as required by the East Noble School Board Policy 6423 - Use of Credit Cards. The administrative guidelines were to specify authorized users of the cards as well as authorized uses; therefore, we could not determine if David was an authorized credit card user. Additionally, a log was not maintained by the School Corporation tracking purchases made by David as required for use of credit cards per the SBOA compliance guidelines and the East Noble School Board Policy 6423 - Use of Credit Cards.

East Noble School Board Policy 6423 - USE OF CREDIT CARDS states in part:

" . . . The Superintendent shall develop administrative guidelines that specify those authorized to use credit cards, the types of expense which can be paid by credit card, and their proper supervision and use.

The administrative guidelines should also require that a log be kept which includes the names of the individuals using the cards, their position, estimated amounts to be charged and the date the card is issued and returned."

The SBOA will not take exception to the use of credit cards by a unit provided the following criteria are observed:

1. The governing body must authorize credit card use through an ordinance /resolution, which has been approved in a meeting and documented in the minutes.
2. Issuance and use must be handled by an official or employee designated by the governing body.
3. The purposes for which the credit card may be used must be specifically stated in the ordinance/resolution.

EAST NOBLE SCHOOL CORPORATION
RESULTS AND COMMENTS
(Continued)

4. When the purpose for which the credit card has been issued has been accomplished, the card must be returned to the custody of the responsible person.
5. The designated responsible official or employee must maintain an accounting system or log which would include the names of individuals requesting usage of the cards, their position, estimated amounts to be charged, fund and account numbers to be charged, date the card is issued and returned.
6. Credit cards must not be used to bypass the accounting system. One reason that purchase orders are issued is to provide the fiscal officer with the means to encumber and track appropriations to provide the governing body and other officials with timely and accurate accounting information and monitoring of the accounting system.
7. Payment cannot be made on the basis of a statement or a credit card slip only. Procedures for payments must be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee may be the personal obligation of the responsible officer or employee.
8. If authorized, an annual fee may be paid.

(Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

INTERNAL CONTROLS

Internal controls over mileage claim reimbursements were ineffective as follows:

- David was allowed to submit claims once every four months as opposed to monthly to ensure timeliness and accuracy.
- There was not a comparison by the School Corporation Treasurer, or another individual, of trips claimed to any supporting documentation such as event schedules, social media, or vendor invoices for merchandise purchases to validate trips claimed occurred and were supported.

Internal controls over credit card usage policies were not monitored or effectively communicated. The School Board, per the East Noble School Board Policy 6423 - Use of Credit Cards, directed the Superintendent of Schools to develop administrative guidelines over credit card authority and usage; however, there was not any follow-up by the School Board to ensure the Policy requirements were addressed and communicated to all affected parties.

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. These standards include adequate control activities. According to this manual:

EAST NOBLE SCHOOL CORPORATION
RESULTS AND COMMENTS
(Continued)

"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. . . ."

OFFICIAL RESPONSE

Indiana State Board of Accounts
320 West Washington Street – Room E 418
Indianapolis, IN 46204-2765
officialresponse@sboa.in.gov

RE: SBOA Report Regarding the East Noble School Corporation

August 9, 2024

The East Noble School Corporation (“ENSC”) acknowledges the investigation, and the serious findings detailed in the Indiana State Board of Accounts Report received by us on August 7, 2024. We are deeply dismayed by the actions of former ENSC employee Nicholas David. This breach of trust is unacceptable, and we are committed to taking all necessary measures to address the consequences of it.

Immediate Actions:

- State and Local Investigation: We have fully cooperated with State and Local officials throughout the investigation of this matter and will continue to do so as the process continues.
- Recovery of Funds: We will be working to pursue all avenues for recovering the misappropriated funds.
- Review of Internal Controls and Changes: ENSC has conducted a thorough assessment of our internal financial controls to identify and rectify the weaknesses that allowed Mr. David to misuse ENSC funds as detailed in the report. ENSC has implemented additional safeguards and stricter oversight procedures to prevent any incidents in the future. ENSC will continue to work on safeguards and additional oversight controls.

Additional Facts and Assertions:

- State Board of Accounts Audit: The financial records and practices of ENSC were, and continue to be, regularly audited by the Indiana State Board of Accounts.

Inspire, Engage, Empower!
126 West Rush Street, Kendallville, IN 46755 * 260-347-2502
www.eastnoble.net

Commitment to Transparency:

We understand and embrace our community’s concerns, and we will be fully transparent as this matter progresses, including any developments in the court system. As information becomes available to us and we are permitted by Law to release it, we will provide that information related to:

- The progress of any civil and/or criminal investigations and court proceedings.
- ENSC’s efforts to retrieve stolen funds.
- Implementation of any new internal controls and procedures.
- New accountability protocols.

Protecting Public Trust:

ENSC is committed to responsible financial stewardship. We take the public’s trust very seriously and deeply regret the abuse of our system by Mr. David’s choices and behavior. We resolve to work diligently to restore confidence through our actions and renewed dedication to accountability and transparency.

Sincerely,



Teresa Gremaux, Superintendent



Brian Leitch, Chief Finance & Operations Officer

EAST NOBLE SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on August 7, 2024, with Brian Lietch, Chief Finance and Operations Officer; Teresa Gremaux, Superintendent of Schools; Amy Korus, Assistant Superintendent of Schools; David Pine, President of the School Board; Brad Anderson, School Board member; Jen Blackman, School Board member; and Faye Kline, School Board member.

EAST NOBLE SCHOOL CORPORATION
SUMMARY OF CHARGES
(Due to Malfeasance, Misfeasance, or Nonfeasance)

	Charges	Credits	Balance Due
Nicholas David, former Athletic Director:			
Mileage Reimbursement, pages 3 through 8	\$ 5,456.18	\$ -	\$ 5,456.18
Special Investigation Costs, page 9	5,448.17	-	5,448.17
Totals	\$ 10,904.35	\$ -	\$ 10,904.35

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

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AFFIDAVIT

STATE OF INDIANA)
)
Howard COUNTY)

I, Morris Myers, Field Examiner, being duly sworn on my oath, state that the foregoing report based on the official records of the East Noble School Corporation, Noble County, Indiana, for the period from July 1, 2018 to October 31, 2023, is true and correct to the best of my knowledge and belief.

Morris Myers
Field Examiner

Subscribed and sworn to before me this 19th day of August, 2024

Virginia Hanny
Notary Public

My Commission Expires: 7/17/32

County of Residence: Grant

