

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

SOUTH HARRISON COMMUNITY SCHOOL CORPORATION

HARRISON COUNTY, INDIANA

July 1, 2012 to June 30, 2014



FILED
01/20/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Pamela L. Seipel	01-01-12 to 12-31-15
Superintendent of Schools	Dr. Neyland G. Clark Dr. Mark A. Eastridge	07-01-12 to 06-30-14 07-01-14 to 06-30-17
President of the School Board	Jeffery L. Brown Mary J. Mathes	01-01-12 to 12-31-12 01-01-13 to 12-31-15



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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TO: THE OFFICIALS OF THE SOUTH HARRISON COMMUNITY
SCHOOL CORPORATION, HARRISON COUNTY, INDIANA

This report is supplemental to our audit report of the South Harrison Community School Corporation (School Corporation), for the period from July 1, 2012 to June 30, 2014. It has been provided as a separate report so that the reader may easily identify any Federal Findings and Audit Results and Comments that pertain to the School Corporation. It should be read in conjunction with our Financial Statement and Federal Single Audit Report of the School Corporation, which provides our opinions on the School Corporation's financial statement and federal program compliance. This report may be found at www.in.gov/sboa/.

The Federal Findings, identified in the above referenced audit report, are included in this report and should be viewed in conjunction with the Audit Results and Comments as described below.

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 Corrective Action Plan for the Federal Findings and Official Response to the Audit Results and Comments, incorporated within this report, were not verified for accuracy.

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

June 9, 2015

SOUTH HARRISON COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS

FINDING 2014-001 - PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The School Corporation should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

FINDING 2014-002 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

We noted the following deficiencies in the internal control system of the School Corporation related to financial transactions and reporting.

1. Depository reconciliations of the fund balances to the bank account balances were conducted; however, the reconciliations did not include all of the bank accounts. Three of the bank accounts were not included in the monthly reconciliations until December 2013. These accounts rarely had transactions other than interest income.
2. The payroll deduction clearing bank account is used to disburse employee withholdings to four payroll vendors using an electronic payment method (ACH) that does not require checks. These amounts were set up in the payroll system as payroll direct deductions. The disbursements were not posted to the clearing accounts in the School Corporation's financial records. The deductions do not appear on the School Corporation's vendor history reports, revenue reports, or expense reports, and the deductions were not approved by the School Board. The deposits for the four vendors totaled \$153,424 for 2012-2013 and \$149,751 for 2013-2014.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

Indiana Code 5-11-10-1.6(c) states in part: "The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless: . . . (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. . . ."

SOUTH HARRISON COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Clearing Accounts serve as control accounts for certain areas of the accounting system. Therefore, they must be supported by receipt and disbursement entries in the general ledger and subsidiary ledgers or other supporting records. The clearing accounts are subsidiary records only and should not be used in lieu of proper and prescribed reporting of receipts, disbursements and balances of funds of the school corporation in accordance IC 5-11-1-2. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 6)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

***FINDING 2014-003 - ACTIVITIES ALLOWED OR UNALLOWED
AND ALLOWABLE COSTS/COST PRINCIPLES***

Federal Agency: Department of Education
Federal Program: Title I Grants to Local Educational Agencies, ARRA - Title I
Grants to Local Educational Agencies, Recovery Act
CFDA Number: 84.010, 84.389
Pass-through Entity: Indiana Department of Education
Federal Award Numbers: 12-3190, 13-3190, 14-3190, 11-3190

Management of the School Corporation has not established an effective internal control system related to the grant agreement and the following compliance requirements: Activities Allowed or Unallowed and Allowable Costs/Cost Principles. The School Corporation failed to have the Title I payroll and deductions itemized for the approval of the School Board. Each Title I payroll is presented to the School Board for approval in one lump sum, but the lump sum amount presented does not include FICA. This exclusion of FICA deductions results in the School Board approving a lesser amount than what is actually paid from the Title I funds. However, the reimbursement requests for Title I do include all payroll costs associated with the employees paid with Title I funds. In addition, some payroll deductions are disbursed to the receiving party by ACH instead of by check, are not entered into the School Corporation's ledger, and are not approved by the School Board.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

An internal control system should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement or a compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper oversight, reviews, and approvals take place.

SOUTH HARRISON COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

The failure to establish internal controls could enable material noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal funds to the School Corporation.

We recommended that the School Corporation's management establish and implement controls related to the grant agreement and compliance requirements for Activities Allowed or Unallowed and Allowable Costs/Cost Principles.

FINDING 2014-004 - CASH MANAGEMENT AND REPORTING

Federal Agency: Department of Education
Federal Program: Title I Grants to Local Educational Agencies
Pass-through Entity: Indiana Department of Education
CFDA Number: 84.010
Federal Award Numbers: 12-3190, 13-3190

Management of the School Corporation has not established an effective internal control system related to the grant agreement and the following compliance requirements: Cash Management and Reporting. Deficiencies in the internal control system has allowed noncompliance with compliance requirements for Cash Management and Reporting. It could also allow the misuse and mismanagement of federal funds and assets to go undetected. An effective internal control system will provide proper oversight, reviews, and approvals over the activities of the program.

A reimbursement request for \$62,538 was submitted on January 17, 2013 to reimburse expenses from November 16, 2012 to December 31, 2012. On February 15, 2013, a reimbursement request for \$140,267 was submitted covering the period November 16, 2012 to February 15, 2013. The overlap in dates (November 16, 2012 to December 31, 2012) resulted in the \$62,538 being reimbursed twice. The next reimbursement request submitted on May 15, 2013, was adjusted to compensate for the prior over reimbursement of \$62,538.

34 CFR 80.20(b) states in part:

"The financial management systems of other grantees and subgrantees must meet the following standards:

- (1) *Financial reporting.* Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant. . . ."

34 CFR 80.21(d) states:

Reimbursement. Reimbursement shall be the preferred method when the requirements in paragraph (c) of this section are not met. Grantees and subgrantees may also be paid by reimbursement for any construction grant. Except as otherwise specified in regulation, Federal agencies shall not use the percentage of completion method to pay construction grants. The grantee or subgrantee may use that method to pay its construction contractor, and if it does, the awarding agency's payments to the grantee or subgrantee will be based on the grantee's or subgrantee's actual rate of disbursement."

SOUTH HARRISON COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

Reimbursement requests that are for more than the amount of grant funds disbursed and that are not supported by School Corporation's records indicate noncompliance with the Cash Management and Reporting requirements of the grant. Failure to comply with the Cash Management and Reporting requirements could affect future grant funding.

We recommended that the School Corporation establish and implement control procedures to ensure that reimbursement requests are supported by School Corporation records and are for grant expenses already paid by the School Corporation.

***FINDING 2014-005 - ACTIVITIES ALLOWED OR UNALLOWED,
ALLOWABLE COSTS/COST PRINCIPLES, AND REPORTING***

Federal Agency: Department of Education

Federal Program: Special Education_Grants to States, Special Education_Preschool Grants

CFDA Number: 84.027, 84.173

Pass-through Entity: Indiana Department of Education

Federal Award Numbers: 14211-028-PN01, 14212-028-PN01, 14213-028-PN01, 14214-028-PN01,
99914-028-TA01, A58-3-13DL-1479, 45712-028-PN01, 45713-028-PN01,
45714-028-PN01

Management of the School Corporation has not established an effective internal control system, related to the grant agreement and the following compliance requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Reporting that have a direct and material effect to the programs. The failure to establish an effective internal control system places the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. An effective internal control system will provide proper oversight, reviews, and approvals over the activities of the programs.

The School Corporation failed to have the Special Education payroll and deductions itemized for the School Board's approval. Each Special Education payroll is presented to the School Board for approval in one lump sum, but the lump sum amount presented does not include FICA. This exclusion of FICA deductions results in the School Board approving a lesser amount than what is actually paid from the Special Education funds. However, the reimbursement requests for Special Education included all payroll costs associated with the employees paid with Special Education funds. In addition, some payroll deductions are disbursed to the receiving party by ACH instead of by check and are not entered into the School Corporation's ledger and are not approved by the School Board.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

SOUTH HARRISON COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

The failure to establish internal controls could enable material noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds to the School Corporation.

We recommended that the School Corporation's management establish and implement controls related to the grant agreement and all compliance requirements for Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Reporting.



315 South Harrison Drive, Corydon, IN 47112 • Phone (812) 738-2168 • Fax (812) 738-2158

*Dr. Mark A. Eastridge
Superintendent*

Indiana State Board of Accounts
302 West Washington Street
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Indianapolis, IN 46204-2738

Corrective Action Plan – Section II – Finding 2014-001 – Preparation of the Schedule of Expenditures of Federal Awards

Contact Person Responsible for Corrective Action:
Pamela Seipel, Treasurer
Carolyn Wallace, Director of Business Operations

Contact Phone Number:
(812) 738-2168, extensions 1037 & 1032

Description of Corrective Action Plan:

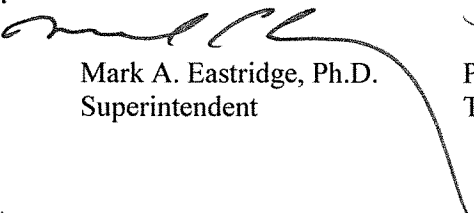
The preparation of the Schedule of Expenditures of Federal Awards will be prepared by the Accounting Specialist and reviewed by the Director of Business Operations beginning June 30, 2015. Further, documentation by preparer and reviewer will be maintained for future auditing purposes.

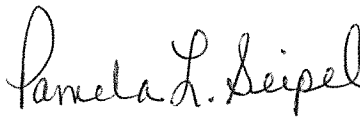
Anticipated Completion Date:
July 15, 2015 for year ended June 30, 2015

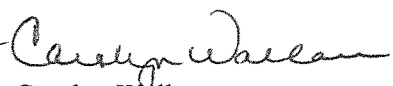
In closing, it is the desire of the South Harrison Community School Corporation to fully comply with all requirements pertaining to the administration of all funds entrusted to the School Corporation.

Respectfully Submitted,

The mission of South Harrison Community School Corporation is to create an environment which develops, nurtures and reinforces the success of students as well as all people served by the corporation. Further, through the shared involvement of home, community and school, our purpose is to develop and provide quality work to prepare each student to think, reason and participate in a diverse society as a lifelong, self-directed learner.


Mark A. Eastridge, Ph.D.
Superintendent


Pamela L. Seipel
Treasurer


Carolyn Wallace
Director of Business Operations

*An Equal Opportunity
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*Dr. Mark A. Eastridge
Superintendent*

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Corrective Action Plan – Section II – Finding 2014-002 – Internal Controls over Financial Transactions and Reporting

Contact Person Responsible for Corrective Action:
Pamela Seipel, Treasurer
Carolyn Wallace, Director of Business Operations

Contact Phone Number:
(812) 738-2168, extensions 1037 & 1032

Description of Corrective Action Plan:

- (1) School Corporation will contact Komputrol (financial software vendor) to include the clearing bank account within the recorded funds.
- (2) School Corporation will and will prepare and review reconciliation of clearing bank account on a monthly basis.
- (3) School Corporation accounting personnel will include appropriate claims on the claim docket for approval by the Board of School Trustees


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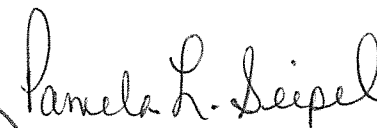
Anticipated Completion Date:


- (1) December 31, 2015
- (2) Immediate
- (3) Immediate

In closing, it is the desire of the South Harrison Community School Corporation to fully comply with all requirements pertaining to the administration of all funds entrusted to the School Corporation.

Respectfully Submitted,


Mark A. Eastridge, Ph.D.
Superintendent


Pamela L. Seipel
Treasurer


Carolyn Wallace
Director of Business Operations

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Superintendent

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Corrective Action Plan – Section III – Finding 2014-003 – Activities Allowed or Unallowed and Allowable Costs

Contact Persons Responsible for Corrective Action:

Pamela Seipel, Treasurer
Carolyn Wallace, Director of Business Operations

Contact Phone Number:

(812) 738-2168, extensions 1037 & 1032

Description of Corrective Action Plan:

School Corporation has designed a claim docket summary for submission to the Board of School Trustees which includes the employer portion of FICA and Medicare for approval.


Anticipated Completion Date:

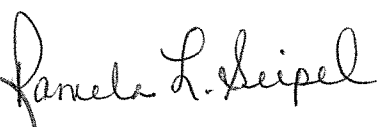
Immediate


The mission of South Harrison Community School Corporation is to create an environment which develops, nurtures and reinforces the success of students as well as all people served by the corporation. Further, through the shared involvement of home, community and school, our purpose is to develop and provide quality work to prepare each student to think, reason and participate in a diverse society as a lifelong, self-directed learner.

In closing, it is the desire of the South Harrison Community School Corporation to fully comply with all requirements pertaining to the administration of all funds entrusted to the School Corporation.

Respectfully Submitted,


Mark A. Eastridge, Ph.D.
Superintendent


Pamela L. Seipel
Treasurer


Carolyn Wallace
Director of Business Operations



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Superintendent

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Indianapolis, IN 46204-2738

Corrective Action Plan – Section III – Finding 2014-004 – Cash Management and Reporting

Contact Persons Responsible for Corrective Action:

Pamela Seipel, Treasurer
Carolyn Wallace, Director of Business Operations

Contact Phone Number:

(812) 738-2168, extensions 1037 & 1032

Description of Corrective Action Plan:


School Corporation has begun a comprehensive realignment of job responsibilities in part due to the retirement of personnel. During the ongoing review, responsibilities for preparation and review of reimbursement requests are being reassigned to assure proper controls and segregation of duties. This multi-faceted review process will be designed to assure appropriate levels of control concerning cash management and reporting.


The mission of South Harrison Community School Corporation is to create an environment which develops, nurtures and reinforces the success of students as well as all people served by the corporation. Further, through the shared involvement of home, community and school, our purpose is to develop and provide quality work to prepare each student to think, reason and participate in a diverse society as a lifelong, self-directed learner.


Anticipated Completion Date:
September 30, 2015

In closing, it is the desire of the South Harrison Community School Corporation to fully comply with all requirements pertaining to the administration of all funds entrusted to the School Corporation.

Respectfully Submitted,


Mark A. Eastridge, Ph.D.
Superintendent


Pamela L. Seipel
Treasurer


Carolyn Wallace
Director of Business Operations

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*Dr. Mark A. Eastridge
Superintendent*

Indiana State Board of Accounts
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Indianapolis, IN 46204-2738

Corrective Action Plan – Section III – Finding 2014-005 – Activities Allowed or Unallowed,
Allowable Costs and Reporting

Contact Persons Responsible for Corrective Action:

Pamela Seipel, Treasurer
Carolyn Wallace, Director of Business Operations

Contact Phone Number:

(812) 738-2168, extensions 1037 & 1032

Description of Corrective Action Plan:

- (1) School Corporation strives to prepare, review and submit cash reimbursement requests and accounting reports for the cooperative on a monthly basis.
- (2) School Corporation has designed a claim docket summary for submission to the Board of School Trustees which includes the employer portion of FICA and Medicare for approval.

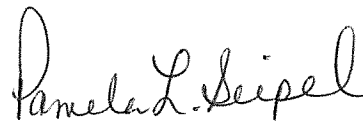
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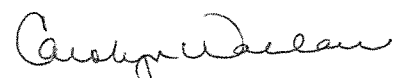
Anticipated Completion Date:
Immediate

In closing, it is the desire of the South Harrison Community School Corporation to fully comply with all requirements pertaining to the administration of all funds entrusted to the School Corporation.

Respectfully Submitted,

Mark A. Eastridge, Ph.D.
Superintendent


Pamela L. Seipel
Treasurer


Carolyn Wallace
Director of Business Operations

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SOUTH HARRISON COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

COLLECTION OF AMOUNTS DUE

The amount of \$7,124.85 was due to the School Corporation as of June 30, 2014, for charges to student and adult lunch accounts. The School Corporation had an informal policy that allowed students to have a credit balance in the lunch account of \$7.50. Letters were sent to parents to notify them of credit balances, but no other action was taken to collect amounts due. There was not a policy for adults to charge meals and there was not a policy to collect amounts due from adults. On June 30, 2014, the totals due from students and adults were \$6,613.40 and \$511.45, respectively.

The South Harrison Community School Corporation (SHCSC) had a Joint Service Agreement with the North Harrison Community School Corporation and the Lanesville Community School Corporation to operate the Harrison County Exceptional Learners Cooperative (Cooperative) to provide special education services. The SHCSC was the administering corporation that handled the finances for the Cooperative. The SHCSC paid the Cooperative's expenses and periodically prepared a bill for each school's share. The Cooperative's revenues and expenses were posted to the HCELC Joint Services fund and the fund had a deficit balance of \$1,032,411 on June 30, 2014. The final billing for the 2013-2014 school year was prepared in August of 2014. On September 1, 2014, the HCELC Joint Services fund was due the following amounts:

The North Harrison Community School Corporation had a balance of \$191,253.50 remaining from the 2012-2013 school year and owed \$309,049.47 for the 2013-2014 school year. The Lanesville Community School Corporation owed \$40,032.93 for the 2013-2014 school year and the SHCSC owed \$577,859.66 for 2013-2014 school year. As of April 28, 2015, the North Harrison Community School Corporation had paid off the balance due from the 2012-2013 school year, but still owed \$259,049.47 from the 2013-2014 school year, the Lanesville Community School Corporation had paid off their balance, and the SHCSC had a remaining balance of \$177,836.72 for the 2013-2014 school year.

Governmental units have a responsibility to collect amounts owed to the governmental unit pursuant to procedures authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

PREPAID SCHOOL LUNCH ACCOUNT

The Prepaid School Lunch Account in the financial records is not being reconciled monthly to the subsidiary records by student. At June 30, 2013, and June 30, 2014, the Prepaid School Lunch Account exceeded the detailed student balances by \$2,809 and \$2,576, respectively.

SOUTH HARRISON COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

Subsidiary records by student should be routinely reconciled to the cash balance and at month end. The School Food Prescribed Forms and any approved computerized forms will be required to be maintained in the following manner to accurately account for prepaid items:

A column titled "Prepaid Food" is added to the Daily Record of Cash Received, Form SF-2, for recording prepaid amounts received which have not been identified as to revenue type, i.e., lunch, breakfast, etc. Amounts will be entered both in "Prepaid Food" and "Total Cash Received" for each day because cash has been received.

Another column "Prepaid Food Applied" is also added to Form SF-2, which will show periodic (and monthly) activity whenever prepaid meals are identified (charged to breakfast, lunch, etc.). Amounts in "Prepaid Food Applied" should at all times equal for each day, the amounts charged to various categories, i.e., student lunch, adult breakfast, etc. that were not paid for in cash. Amounts will not be added to "Total Cash Received" because cash has been previously entered and recognized in "Prepaid Food". You are merely transferring "Prepaid Food" to the applicable categories.

The final column added to SF-2 is "Prepaid Food Trust", which is the running balance column which shows the difference between "Prepaid Food" and "Prepaid Food Applied". The amounts in "Prepaid Food Trust" are deducted from the "Balance" column in SF-3 Form, School Food Service Cash Disbursements which then should equal the amount in the new SF-3 Column "Available Cash Balance". Amounts are not entered in "Total Cash Received" because "Prepaid Food Trust" is merely a balance column. Computerized systems should provide a list, by student, of cash balances which should sum to the "Prepaid Food Trust".

The Ledger of Receipt, Disbursement and Balances, SF-4 Form should also show appropriate columns for those transactions. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 3)



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Dr. Mark A. Eastridge
Superintendent

June 9, 2015

Indiana State Board of Accounts
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Indianapolis, IN 46204-2738

Management Response to Audit Results and Comments for
Audit Period July 1, 2013 to June 30, 2014

State Board of Accounts:

This letter communicates the School Corporation's responses to the Audit Results and Comments as were presented in the exit conference as of today's date.

Collection of Amounts Due – Harrison County Exceptional Learners Cooperative

Periodic billings and reconciliations are provided to the cooperative schools representing the Harrison County Exceptional Learners Cooperative. Payments in full through the 2013-14 school year have been received from Lanesville and South Harrison Community School Corporations. North Harrison Community School Corporation is currently making payments towards the 2013-14 liability as full payment has been received for the prior years. Interim billings for the 2014-15 school year have been prepared and distributed to member schools through May 31, 2015.


Collection of Amounts Due – Lunch Accounts/Prepaid School Lunch Account


Efforts by central office personnel are underway to review and collect outstanding accounts from both students and staff members. Further, the Board of School Trustees recently hired a Food Services Coordinator whose responsibilities will include monitoring of pertinent financial records. Processes concerning charging and collection expectations are being created and/or reviewed and will be implemented for the 2015-16 school year. Further, processes to assure reconciliation between the two independent accounting systems are also being created and will be implemented throughout the upcoming months.

As a learning organization, South Harrison Community School Corporation appreciates the oversight and suggestions provided by the field representatives and intend to fully comply with all requirements pertaining to the administration of all funds entrusted to the School Corporation.

Respectfully Submitted,

The mission of South Harrison Community School Corporation is to create an environment which develops, nurtures and reinforces the success of students as well as all people served by the corporation. Further, through the shared involvement of home, community and school, our purpose is to develop and provide quality work to prepare each student to think, reason and participate in a diverse society as a lifelong, self-directed learner.


Mark A. Eastridge, Ph.D.
Superintendent


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The contents of this report were discussed on June 9, 2015, with Dr. Mark A. Eastridge, Superintendent of Schools; Mary J. Mathes, President of the School Board; Carolyn Wallace, Director of Business Operations; and Pamela L. Seipel, Treasurer.