

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

SUPPLEMENTAL COMPLIANCE REPORT
OF

GREENE-SULLIVAN SPECIAL
EDUCATION COOPERATIVE
GREENE COUNTY, INDIANA

July 1, 2012 to June 30, 2014



FILED
02/15/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director of Cooperative	Judy A. Flowers Sarah M. Sparks	07-01-12 to 06-30-15 07-01-15 to 06-30-16
Treasurer	Carmen L. Hudson Claudia Walker	07-01-12 to 10-02-15 10-03-15 to 12-31-15
President of the Executive Board	Dr. Mark A. Barker Dan Sichting Nick Karazsia Mike Mogan	07-01-12 to 06-30-13 07-01-13 to 06-30-14 07-01-14 to 06-30-15 07-01-15 to 06-30-16



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE GREENE-SULLIVAN SPECIAL EDUCATION
COOPERATIVE, GREENE COUNTY, INDIANA

This report is supplemental to our audit report of the Greene-Sullivan Special Education Cooperative (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 Audit Results and Comments that pertain to the School Corporation. It should be read in conjunction with our Financial Statement Report of the School Corporation, which provides our opinion 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.

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

October 28, 2015

GREENE-SULLIVAN SPECIAL EDUCATION COOPERATIVE
AUDIT RESULTS AND COMMENTS

DEPOSITS

Receipts were deposited later than the next business day in 40 percent of receipts tested.

Indiana Code 5-13-6-1(c) states in part:

" . . . all local officers . . . who collect public funds of their respective political subdivisions, shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the . . . local boards of finance . . ."

COMPENSATION AND BENEFITS

The employment contract of the School Corporation Director does not include all compensation and benefits paid. Payments are received for health, dental, retirement benefit, and cell phone that are not included in the written contract.

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 statute. Compensation should be made 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 9)

CREDIT CARDS

The School Corporation was using credit cards to purchase items without an approved credit card policy.

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

1. The governing board must authorize credit card use through an ordinance or resolution, which has been approved in the minutes.
2. Issuance and use should be handled by an official or employee designated by the board.

GREENE-SULLIVAN SPECIAL EDUCATION COOPERATIVE
AUDIT RESULTS AND COMMENTS
(Continued)

3. The purposes for which the credit card may be used must be specifically stated in the ordinance or resolution.
4. When the purpose for which the credit card has been issued has been accomplished, the card should be returned to the custody of the responsible person.
5. The designated responsible official or employee should 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, etc.
6. Credit cards should 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 board and other officials with timely and accurate accounting information and monitoring of the accounting system.
7. Payment should not be made on the basis of a statement or a credit card slip only. Procedures for payments should 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 should be the responsibility of that officer or employee.
8. If properly authorized, an annual fee may be paid.

(Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

GREENE-SULLIVAN SPECIAL EDUCATION COOPERATIVE
EXIT CONFERENCE

The contents of this report were discussed on October 28, 2015, with Sarah M. Sparks, Director of Cooperative; Mike Mogan, President of the Executive Board; and Claudia Walker, Treasurer.