

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

SOUTHSIDE SPECIAL SERVICES

OF MARION COUNTY, INDIANA

July 1, 2015 to June 30, 2017



FILED
07/06/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Sally Graybeal (deceased)	07-01-15 to 08-31-15
	Barbara Howe	09-01-15 to 08-18-16
	Terri Vandiver	08-19-16 to 09-05-16
	Andy Carlton	09-06-16 to 06-30-18
Executive Director	Lillian Youngblood	07-01-15 to 01-02-18
	Dr. Scott Carson	01-03-18 to 06-30-18
President of the School Board	Dr. Paul Kaiser	07-01-15 to 06-30-18



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE SOUTHSIDE SPECIAL SERVICES OF MARION COUNTY, INDIANA

This report is supplemental to our audit report of the Southside Special Services of Marion County (School Corporation), for the period from July 1, 2015 to June 30, 2017. 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 Audit 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 Result and Comment contained herein describes the identified reportable instance 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 Result and Comment, incorporated within this report, was not verified for accuracy.

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

June 12, 2018

SOUTHSIDE SPECIAL SERVICES OF MARION COUNTY
AUDIT RESULT AND COMMENT

DEPOSITS AND RECEIPTS

Eight receipts or 13 percent of those tested were not deposited timely. The deposits were made between two and fifteen days late. These transactions were for in the 2015-2016 school year.

Four receipts or 3 percent of those tested were found deposited prior to the receipt date. This occurred in November and December of 2015.

Lastly, there were four receipts in March and April of 2016 where the original receipt number was incorrectly noted when the transaction was recorded in the ledger. There was a net variance of \$2,406.68. We performed other procedures to review the receipt numbers around those tested and determined that the issue was users incorrectly inputting the receipt number. All receipts reviewed were found recorded, but receipt numbers were identified incorrectly in the ledger.

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 . . ."

Receipts shall be issued and recorded at the time of the transaction. (Accounting and Uniform Compliance Guidelines Manual for School Corporations, Chapter 1)

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."

SOUTHSIDE SPECIAL SERVICES OF MARION COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 12, 2018, with Andy Carlton, Treasurer, and Dr. Paul Kaiser, President of the School Board.