

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

SUPPLEMENTAL COMPLIANCE REPORT
OF
CROWN POINT COMMUNITY SCHOOL CORPORATION
LAKE COUNTY, INDIANA
July 1, 2019 to June 30, 2021



FILED
06/20/2022

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Kathleen A. Dowling Christine Hazard Laurie Cooper	07-01-19 to 07-15-21 07-16-21 to 12-12-21 12-13-21 to 06-30-22
Superintendent of Schools	Dr. Teresa A. Eineman Dr. Anthony Lux Dr. Todd Terrill	07-01-19 to 05-10-20 05-11-20 to 07-19-20 07-20-20 to 06-30-22
President of the School Board	David Warne	07-01-19 to 06-30-22



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AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE CROWN POINT COMMUNITY
SCHOOL CORPORATION, LAKE COUNTY, INDIANA

This report is supplemental to our audit report of the Crown Point Community School Corporation (School Corporation), for the period from July 1, 2019 to June 30, 2021. 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 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

May 31, 2022

CROWN POINT COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

FINANCIAL REPORTING

Condition and Context

The School Corporation had not separated incompatible activities related to financial reporting. Internal control activities should be in place to reduce the risks of errors in financial reporting.

The financial information for the second year of the audit period was obtained from the School Corporation's Annual Financial Report (AFR) submitted in the Indiana Gateway for Government Units financial reporting system, which was the basis for the financial statement. One person was responsible for preparing and submitting the AFR; however, an oversight or review process was not in place to prevent, or detect and correct, errors.

Criteria

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.

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. . . ."

CROWN POINT COMMUNITY SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

TRANSPARENCY REPORTS

Condition and Context

The School Corporation did not file its financial transparency reports for January to June 2021 as required.

Criteria

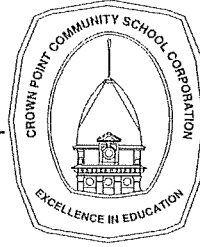
Indiana Code 5-14-3.7-3 states:

"(a) The department, working with the office of technology established by [IC 4-13.1-2-1](#) or another organization that is part of a state educational institution, the state board of accounts established by [IC 5-11-1-1](#), the department of local government finance established under [IC 6-1.1-30-1.1](#), and the office of management and budget established by [IC 4-3-22-3](#), shall post on the Indiana transparency Internet web site a data base that lists expenditures and fund balances, including expenditures for contracts, grants, and leases, for public schools. The web site must be electronically searchable by the public.

(b) The data base must include for public schools:

- (1) the amount, date, payer, and payee of expenditures;
- (2) a listing of expenditures specifically identifying those for:
 - (A) personal services;
 - (B) other operating expenses or total operating expenses; and
 - (C) debt service, including lease payments, related to debt;
- (3) a listing of fund balances, specifically identifying balances in funds that are being used for accumulation of money for future capital needs;
- (4) a listing of real and personal property owned by the public school;
- (5) the report required under [IC 6-1.1-33.5-7](#)."

CROWN POINT COMMUNITY SCHOOL CORPORATION



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BUSINESS OFFICE

Mr. Paul Joyce, CPA
State Examiner
State Board of Accounts
302 W. Washington St., Room E418
Indianapolis, In 46204

June 8, 2022

RE: CPCSC Response

Dear Mr. Joyce:

We had our final exit conference on Tuesday, May 31, 2022 with the State Board of Accounts regarding the audit period of July 1, 2019 through June 30, 2021. We would like to thank the representatives from the State Board of Accounts for their professionalism and thoroughness with which they conducted themselves throughout the process of forming an expression of opinion. A couple of "Comments" were provided for our benefit. We have reviewed our internal procedures for these two items with the following resolutions.

Financial Reporting

Our transition of personnel within the Business Office has given us the opportunity to review our internal controls over our financial reporting and we believe the processes and staff in place will resolve this issue in a satisfactory manner.

Transparency Reports

The Transparency Report while not submitted for the June 2021 Form 9 period, has already been corrected and was submitted for the next reporting period. This was a one-time event given the staff changes we experienced.

Respectfully submitted,

A handwritten signature in black ink that reads "Todd A. Terrill".

Dr. Todd A Terrill
Superintendent of Schools

A handwritten signature in black ink that reads "Laurie Cooper".

Laurie Cooper
Treasurer

CROWN POINT COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on May 31, 2022, with Laurie Cooper, Treasurer; Dr. Todd Terrill, Superintendent of Schools; David Warne, President of the School Board; and Matt Ruess, Consultant.