



SBOA Resources for Superintendents

Chase Lenon, CPA

Jonathan Wineinger

Directors of Schools and Townships

Contact Information



- Website – <https://www.in.gov/sboa/4445.htm>
- Phone – (317) 232-2512
- Email – Schools.Townships@sboa.in.gov

STATE BOARD OF ACCOUNTS



- Created in 1909 in response to widespread public corruption
- Mission Statement
 - We are dedicated to providing the citizens of the State of Indiana with complete confidence in the integrity and financial accountability of state and local government.
- Responsibilities
 - Perform examinations of governments, political subdivisions, and other entities receiving public funds.
 - Various other duties including providing uniform guidelines, training, recounts, and consulting for officials

Financial Reporting



- Annual Financial Report (AFR)
 - Due August 29th
- Extracurricular Accounts (ECA) Risk Report
 - Due August 29th
- Monthly Uploads
 - Due 15th of the 2nd succeeding month
- Annual Uploads
 - Due March 1st



<https://gateway.ifionline.org/default.aspx>

Annual Financial Report (AFR)



- Subpoenas are issued for late submissions
- Schools are audited biennially per IC 5-11-1-25(d)
 - Bond rating agencies have been using Form 9 and AFR information in lieu of annual audit reports.
- *Accuracy is important – these figures will be on your financial statements!*

GAAP Reporting Under State Examiner Directive 2016-1



Required if:

- ADM > 15,000; and are issuing bonds after August 15, 2020

- Gateway AFR (cash basis)
- Automatic 90-day extension to upload GAAP financial statements (Nov. 28)
- Annual Audit

ECA Audits



- Extracurricular engagements
 - ECA with Receipts > \$1,000,000 will be examined **during the School Corporation audit.**
 - ECAs with receipts between \$100,000 - \$1,000,000 will be selected using a **risk-based approach** to determine if a centralized compliance engagement is required.
 - ECA with receipts < \$100,000 and *not having a specific risk identified* will be assessed in a **centralized review process.**
 - Approximately 10% of Statewide Activity
- ECA reviews performed by outside contractors will be considered a management tool.

School Audit Schedules



- **185 Schools** on this audit cycle should be finished by March (if federal).
 - Audit Period: July 1, 2020 to June 30, 2022
 - Scheduled to start **in early October**.
 - 7 Fiscal Year 2021 GAAP schools will remain with CPA firms.
 - 30-40 schools may be contracted-out for this period.
- **68 Schools** on previous audit cycle were contracted out to private examiners.
 - Audit Period: July 1, 2019 to June 30, 2021
 - We contracted out ~1/2 of schools on previous cycle.

SBOA Contracted Audits – What to Expect



- Email from **SBOA Director of Procured Audits - Jennifer Marshall**
- Communication with the audit firm
 - Engagement Letter
 - The audit firm will send this to you - please sign and return as requested.
- List of items needed
- The audit firm will have access to information you entered in Gateway.
- Link to firm's upload portal

SBOA Contracted Audits – What to Expect



- Please be responsive to audit requests.
- If you will not be able to electronically provide requested documents, please contact procuredaudits@sboa.in.gov
- Upon completion of the audit the firm will schedule an exit conference. The report will be reviewed and approved by SBOA prior to being finalized and posted on our website as a public report.
- State Examiner Joyce requests your full cooperation with representatives of the contracted audit firm just as you have always given our field examiners.
- Please feel free to contact Jennifer Marshall or a member of the procured audits team at procuredaudits@sboa.in.gov or schools.townships@sboa.in.gov with any questions you may have at any time.

SBOA Fees – IC 5-11-4-3



- **Taxing Unit Rate: \$175/day** (\$23.33/hour)
- **Full Cost Rate***: \$802.50/day (\$107/hour)
 - *The full cost rate is the amount we would need to bill to each unit of government to be fully funded
- **Processing Fee: \$95 to \$2,990** depending upon unit/engagement
- CPA firm rates are higher than our full-cost.
- **We are subsidizing these audits.**
 - Amount SBOA pays to CPA firm:
 - (CPA firm rate - SBOA Full Cost) = SBOA cost.

Reporting Losses and Frauds State Examiner Directive 2015-6



IC 5-11-1-27(j)

Report to SBOA **immediately** all material:

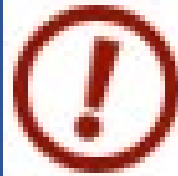
- Variances,
- Losses,
- Shortages, or
- Thefts

of funds or property

(Any suspected theft or fraud should be reported)



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Website Overview



<https://www.in.gov/sboa/>



Questions?