

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

SPECIAL INVESTIGATION REPORT
OF

MUNCIE CENTRAL HIGH SCHOOL
ATHLETIC ACCOUNT
MUNCIE COMMUNITY SCHOOLS
DELAWARE COUNTY, INDIANA

July 1, 2011 to October 2, 2013



FILED
09/09/2014

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SCHOOL OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Athletic Secretary	Angela Mock Kay Rankin	07-01-11 to 10-02-13 10-03-13 to 06-30-14
Extra-Curricular Treasurer	Vicki Vorhees Jan Wiese	07-01-11 to 02-28-13 03-01-13 to 06-30-14
Principal	Tom Jarvis	07-01-11 to 06-30-14
Superintendent of Schools	Tim Heller	07-01-11 to 06-30-14
President of the School Board	Michael Long Beverly Kelley Anthony Costello	07-01-11 to 06-30-13 07-01-13 to 01-13-14 01-14-14 to 12-31-14



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE MUNCIE COMMUNITY SCHOOLS, DELAWARE COUNTY, INDIANA

We have audited the records of the Muncie Central High School Athletic Account for the period from July 1, 2011 to October 2, 2013, and certify that the records and accountability for cash and other assets are satisfactory to the best of our knowledge and belief, except as stated in the Audit Result and Comment.

STATE BOARD OF ACCOUNTS

February 13, 2014

MUNCIE CENTRAL HIGH SCHOOL
ATHLETIC ACCOUNT
MUNCIE COMMUNITY SCHOOLS
AUDIT RESULT AND COMMENT

MALFEASANCE

Angela Mock, former Athletic Secretary, failed to remit all collections received from ticket sales to the Extra-Curricular Treasurer. As a part of Angela Mock, former Athletic Secretary's job duties, she was responsible for cash change, ticket inventory, preparing cash boxes and ticket sale reports given to the ticket sellers for all athletic events, verifying the ticket sales reports upon completion of the event (including all voids and complimentary tickets), and remitting ticket sales collections to the Extra-Curricular Treasurer.

On October 1, 2013, Angela Mock, former Athletic Secretary, remitted ticket sales collections from a September 28, 2013 soccer game in the amount of \$345 to the Extra-Curricular Treasurer. This amount agreed with the Ticket Sales Report (SA-4) and the Summary Collection Form (SA-8) prepared by Angela Mock, former Athletic Secretary. However, on the night of the game, ticket sales collections in the amount of \$390 contained in the cash boxes were verified by the Athletic Director and Assistant Principal, who then placed the cash boxes in the safe. According to the Athletic Director, the Ticket Sales Report (SA-4) and the Summary Collection Form (SA-8) were not in the cash boxes on the night of the game. Further review of the Ticket Sales Report (SA-4) submitted by Angela Mock, former Athletic Secretary, indicated five ticket numbers from each of the two-ticket series sold at the game were not listed on the report. The stubs from these 10 tickets were retained, indicating that these tickets had been sold. These ten ticket numbers were not included on previous ticket sales reports. This resulted in the amount remitted being \$45 short. (See schedule below)

Further review of Ticket Sales Reports (SA-4) from August 25, 2013 to October 1, 2013, indicated an additional 434 unaccounted for tickets. These tickets were not listed on a Ticket Sales Report (SA-4) or noted as having been given away as complimentary tickets or voided. We were able to trace 305 of these unaccounted for tickets to stubs that were collected at athletic events. These 434 tickets would have sold for \$5 each. (See schedule below)

We then examined Ticket Sales Reports (SA-4) for 2011-2012 and 2012-2013 and noted an additional 1,334 and 1,865 unaccounted for tickets, respectively. These tickets were not listed on ticket sale reports as sold, void, or complimentary. Ticket stubs collected at athletic events were not retained for audit in 2011-2012 or 2012-2013. The prices of these tickets ranged from \$3 to \$6 each. (See schedule below)

Angela Mock, former Athletic Secretary, also sold All Sport Passes in the Athletic Office. The prenumbered tickets were accounted for on a handwritten log prepared by Angela Mock, former Athletic Secretary. A detailed review of the log for 2013-2014 indicated that passes were sold for adults, high schools students, and middle school students for a calculated total of \$6,845. The amount remitted to the Extra-Curricular Treasurer for All Sport Passes was \$5,455, resulting in \$1,390 of collections not remitted. (See schedule below) We also noted that only checks and no cash were included in the deposits of All Sport Pass collections. There was no log retained for the 2011-2012 or 2012-2013 school years.

	Amount
2011-2012:	
Unaccounted for tickets (40 tickets X \$3/ticket)	\$ 120
Unaccounted for tickets (1,294 tickets X \$5/ticket)	6,470
Total 2011-2012	6,590

MUNCIE CENTRAL HIGH SCHOOL
ATHLETIC ACCOUNT
MUNCIE COMMUNITY SCHOOLS
AUDIT RESULT AND COMMENT
(Continued)

	Amount
2012-2013:	
Unaccounted for tickets (65 tickets X \$4/ticket)	260
Unaccounted for tickets (1,784 tickets X \$5/ticket)	8,920
Unaccounted for tickets (16 tickets X \$6/ticket)	96
Total 2012-2013	9,276
2013-2014:	
Unaccounted for tickets (434 tickets X \$5/ticket)	2,170
Unaccounted for tickets (October 1, 2013)	45
Collections not deposited (All Sports Passes)	1,390
Total 2013-2014	3,605
Total	\$ 19,471

Additionally, we examined all 208 Summary Collection Forms (SA-8) received by the Extra-Curricular Treasurer for the period examined for ticket sales. All but 4 of these were signed by Angela Mock, former Athletic Secretary.

The improper procedures being used for ticket sales were communicated to the administration in prior reports B29782, B31744, B35887, and B40153.

Ticket sales conducted by any activity should be accounted for as follows:

The treasurer should be responsible for the proper accounting for all tickets and should keep a record of the number purchased, the number issued for sale, and the number returned. The treasurer should see that proper accounting is made for the cash received from those sold. All tickets shall be prenumbered, with a different ticket color and numerical series for each price group. When cash for ticket sales is deposited with the treasurer, the treasurer's receipt issued therefore should show the number of tickets issued to the seller, the number returned unsold and the balance remitted in cash. All tickets (including free or reduced) must be listed and accounted for on the SA-4 Ticket Sales Form. Tickets for each price group should be different colors and/or different in their series number.

Serially prenumbered tickets by the printing supplier should be used for all athletic and other extra-curricular activities and events for which admission is charged. Part of the prenumbered ticket should be given to the person paying for the ticket upon admission to the event. The other part of the ticket (which should also be prenumbered, referred to as the stub) should be retained. All tickets (unused tickets and stubs) should be retained for audit. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 2)

MUNCIE CENTRAL HIGH SCHOOL
ATHLETIC ACCOUNT
MUNCIE COMMUNITY SCHOOLS
AUDIT RESULT AND COMMENT
(Continued)

IC 5-15-6-3(f) concerning destruction of public records, states in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission." (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

Funds misappropriated, diverted or unaccounted for through malfeasance, misfeasance, or nonfeasance in office of any officer or employee may be the personal obligation of the responsible officer or employee. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

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 Extra-Curricular Accounts, Chapter 7)

We requested repayment of \$19,471 from Angela Mock, former Athletic Secretary. (See Summary of Charges, page 8)

MUNCIE CENTRAL HIGH SCHOOL
ATHLETIC ACCOUNT
MUNCIE COMMUNITY SCHOOLS
EXIT CONFERENCE

The contents of this report were discussed on February 13, 2014, with Tom Jarvis, Principal; Suzanne Crump, Assistant Principal; Chip Mehaffey, Athletic Director; Anthony Costello, President of the School Board, Mark A. Burkhart, School Corporation Treasurer; and Tim Heller, Superintendent of Schools. The officials concurred with our audit findings.

The contents of this report were discussed on November 19, 2013, with Angela Mock, former Athletic Secretary.

MUNCIE CENTRAL HIGH SCHOOL
 ATHLETIC ACCOUNT
 MUNCIE COMMUNITY SCHOOLS
 SUMMARY OF CHARGES

	Charges	Credits	Balance Due
Angela Mock, former Athletic Secretary: Malfeasance, pages 4 through 6	\$ 19,471	\$ -	\$ 19,471

This report was forwarded to the Office of the Indiana Attorney General and the local prosecuting attorney.

AFFIDAVIT

STATE OF INDIANA)
Delaware COUNTY)

We, Stephanie Heath and Theresa J. Alexander, Field Examiners, being duly sworn on our oaths, state that the foregoing report based on the official records of the Muncie Central High School Athletic Account, Muncie Community Schools, Delaware County, Indiana, for the period from July 1, 2011 to October 2, 2013, is true and correct to the best of our knowledge and belief.

Theresa J. Alexander
Stephanie Heath
Field Examiners

Subscribed and sworn to before me this 17th day of July, 2014

Roni A. Craycraft
Notary Public

My Commission Expires: August 23, 2014
County of Residence: Delaware