

WLCSC was audited by the Indiana State Board of Accounts through June 30, 2021, and the audit results found no negligent or fraudulent activity.

The audit was part of a routinely scheduled audit by the Indiana State Board of Accounts every two years. At the start of the audit, there is an opening conference. The auditors, central office staff and school board are invited to attend. In that meeting, the parameters of the audit are set, the workspace and fees for the audit confirmed, and the board president supplies a direct phone number to the auditors should there be any fraud suspected the auditors can directly contact the board leadership. From that point, the audit work progresses on site within the school corporation. WLCSC staff were fully compliant with the audit.

Midway through the audit, an individual who identified themselves as a “concerned community member” contacted the state auditor’s office and reported a concern about fraudulent activity. The state auditor’s office subsequently expanded the scope of the audit and again, WLCSC were fully compliant with the expanded scope. This expanded scope extended the duration to complete the audit and subsequently the expense. Our 2019-2021 audit conducted in the summer of 2022 was billed to the district as 128.8 engagement days. It was at a cost of \$48,990. The auditor indicated that the additional time to expand the scope of the audit to address the concerns of fraudulent activity was at a cost of approximately \$10,000.

At the conclusion of the audit process, there is a closing conference where again the auditors, central office and school board are invited to attend. In this conference, the validity of the audit is discussed, any findings, as well as any corrective action. At this conference, the board president specifically asked the auditors:

1) “Do you have any concerns about any type of fraudulent activity committed with WLCSC finances”

*The auditors responded “NO.” The Audit found there was no fraudulent activity.*

2) “Do you have any concerns about any incompetence among our central office staff or leadership?”

*The auditors responded “NO.”*

In the closing conference, the auditors described the audit as ‘Very Good’ and commended our central office staff and WLCSC leadership for both their competence and cooperation. At no point before, during or after the audit was the board president contacted regarding any suspected fraud. It is important to note that auditors are required by law to report any suspected fraud to the Indiana State Police. There was no fraud found and no report filed with the ISP for further investigation.

There were audit findings. Audit findings come in two categories, “finding” and “material finding”. Both types of audit findings are not uncommon, neither carry any type of legal or financial

penalty, and both are intended as instructional to the school corporation. WLCSC leadership reviewed those findings with the auditors and determined the appropriate corrective actions. The findings and their associated corrective actions are a matter of public record. The board announced them in a public meeting. The school board and corporation made no attempts to obscure them from public view.

The state of Indiana also audits on behalf of the Federal Government for federal funds received by a school corporation. The language for a given type of finding (state or federal) is boilerplate text and cannot be edited by the auditors or change requested by the school corporation. For this reason, both the state and federal government allow the entity being audited (WLCSC) to write their response to the findings and include it immediately following the audit report.

Audit findings are public records.

Patrons can search for and view all audit results from the Indiana State Board of Accounts for any Indiana entity audited by this agency.

<https://secure.in.gov/apps/sboa/audit-reports/#%2F>

Patrons may view the most recent audit results from the State Board of Accounts for the WLCSC by reviewing the three audit reports. At the end of each audit report is the response from the WLCSC on corrective action to address any findings.

<https://www.in.gov/sboa/WebReports/B59286.pdf>

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