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For Immediate Release

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RCS shares findings from SBOA

(August 28, 2015) As part of its periodic auditing activities of Richmond Community Schools' financial affairs the Indiana State Board of Accounts performed a supplemental audit of the Richmond High School athletic department's finances. The exit conference with the SBOA field examiner and officials of RCS was held on June 2, 2015. However, until the report had been reviewed, signed and filed by the SBOA's state examiner it and its contents were confidential records that could not be disclosed by either the SBOA or RCS. In this instance that filing occurred on August 6, 2015. The administration of RCS became aware of the filing when a member of the news media brought it to the attention of the Administration office late last week. The report contains several critical findings. However, before addressing the report and its findings, we would like to make a couple of preliminary comments.

Richmond High School enjoys a long and valued tradition of outstanding team and individual accomplishments realized in high quality programmatic offerings in both its boys and girls athletic programs. That tradition and those accomplishments could not have been realized without the consistent and generous financial contributions from RCS's loyal fans and supporters. This administration and the RCS Board of School Trustees are committed to take the critical findings contained in the report and rectify the systemic deficiencies that are identified therein.

Secondly, the high quality and broad spectrum of athletic programmatic offerings at RHS could not be maintained without the unselfish commitment and dedication of countless volunteers who assist behind the scenes in our athletic competitions. From something as simple as membership in *Red Devil Pride* to the active efforts of those who pass out programs, man concessions or sell admission tickets at our athletic events, the support of those individuals is invaluable. It should be noted and, indeed emphasized, that the SBOA report does not find a

single instance of individual wrongdoing on the part of any of those volunteers. The sincerity, integrity and loyalty with which they assist RHS is in no way impugned by the report and that fact needs to be understood by all who would read or hear of the report and its contents.

The report identifies seven critical findings. We think it a fair characterization of the report to say that, with one exception, it focuses on either (i) the failure of RCS to have in place appropriate controls, and accounting procedures or (ii) the failure of certain staff members to have complied with in-place controls and procedures, such that appropriate accounting and reconciliation of the athletic department's financial activities could not always be attained. (The single exception to that generalization involved an improper purchase of recognition awards given to a youth basketball program that had no direct affiliation with the school corporation.) The report contains a three page *Corrective Action Plan* that has been prepared by RCS's administration and presented by the school corporation's treasurer to the SBOA. That plan identifies intended corrective procedures that have already been commenced and will be followed through so as to ensure that those procedures are implemented. There will be periodic internal audits and reviews of RHS athletic department procedures and practices. The results of those reviews will be publicly shared with the Board of School Trustees and, in so doing, with all of our taxpayers, supporters, fans and constituents.

In closing, the deficiencies cited in the report are primarily systemic. Based upon the information that this administration has received to date, there are no pending disciplinary actions that have been initiated against any RCS staff member and none are presently contemplated by SBOA. RCS will focus its efforts on the correction of those systemic deficiencies and the future monitoring of the activities of all involved staff members to assure that the findings of the SBOA supplemental audit report are rectified. In so doing, we hope to restore any loss of confidence that our patrons and supporters might have suffered as a result of the SBOA's findings and thereby build a stronger and more fiscally accountable athletic department at all levels within the school corporation.

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