

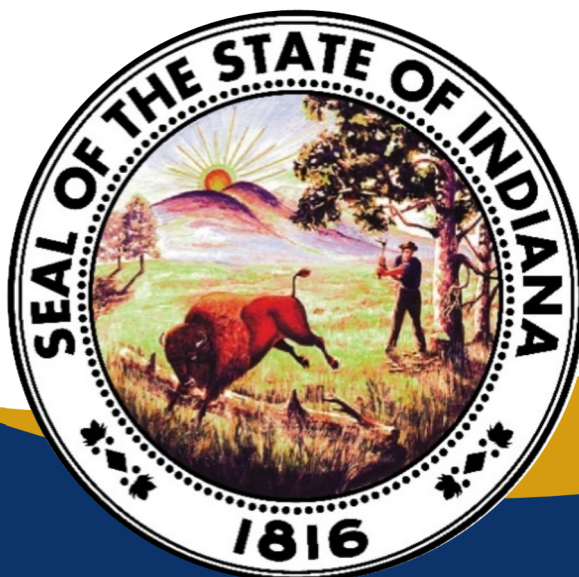
**STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769**

**Paul D. Joyce, CPA
State Examiner**

**SPECIAL COMPLIANCE REPORT
OF**

**SILVER CREEK HIGH SCHOOL BASEBALL
SILVER CREEK SCHOOL CORPORATION
CLARK COUNTY, INDIANA**

January 1, 2021 to December 31, 2023



FILED

07/08/2025

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Paul D. Joyce, CPA
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TO: THE OFFICIALS OF THE SILVER CREEK SCHOOL CORPORATION, CLARK COUNTY, INDIANA

This is a special compliance report for the Silver Creek School Corporation (School Corporation), Clark County, for the period January 1, 2021 to December 31, 2023, and is in addition to any other report for the School Corporation as required under Indiana Code 5-11-1. All reports pertaining to the School Corporation may be found at www.in.gov/sboa/.

We performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts and were limited to records associated with the high school baseball ECA fund. The 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 Results and Comments, incorporated within this report, was not verified for accuracy.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

June 26, 2025

SILVER CREEK HIGH SCHOOL BASEBALL
SILVER CREEK SCHOOL CORPORATION
RESULTS AND COMMENTS

BACKGROUND

Joseph Decker (J. Decker) was the Silver Creek High School baseball coach through the 2023 season. In the summer of 2023, School Corporation officials and employees became concerned after reviewing the transactions of the baseball ECA fund. These concerns were reported to the Indiana State Board of Accounts (SBOA) in accordance with Indiana Code 5-11-1-27. The SBOA examined the records and accounting for the baseball ECA fund for the period of January 1, 2021 to December 31, 2023. The following describes noncompliance with the Indiana Code, the *Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations* and/or the *Accounting and Uniform Compliance Guidelines Manual for Extracurricular Accounts*.

BASEBALL FUNDRAISERS NOT DEPOSITED

The baseball team conducted fundraisers to help pay for its spring break trip, equipment, and supplies for the season. The team participated in a call-a-thon in 2022 and 2023 and sold area retailer discount cards in 2022. These three fundraisers ran through the same company. A company representative provided details of the amounts raised/sold and profits for the team. The following table details the profits compared to the amounts deposited into the baseball ECA fund:

<u>Year</u>	<u>Fundraiser</u>	<u>Profit</u>	<u>Amount Deposited</u>	<u>Difference</u>
2022	Call-a-thon	\$ 15,827.00	\$ 14,668.50	\$ (1,158.50)
2022	Discount cards	6,324.00	-	(6,324.00)
2023	Call-a-thon	<u>13,646.50</u>	<u>11,928.00</u>	<u>(1,718.50)</u>
Totals		<u>\$ 35,797.50</u>	<u>\$ 26,596.50</u>	<u>\$ (9,201.00)</u>

We inquired with the fundraising company about the discrepancies between what they reported as profits and what was deposited. The fundraising company stated the company representative who ran the 2022 fundraisers no longer works for the company, so more detailed information could not be obtained. For the 2023 call-a-thon, the representative stated the players could receive a cash prize for raising funds above a specified threshold. The fundraising company provided details with the player's name and cash prize per player that totaled \$1,718.50, the difference shown in the table above. The representative stated he gave the cash in individual envelopes to J. Decker to distribute to the players. We confirmed with the players and parents, no cash prizes were given to the players in 2023.

In an interview with Indiana State Police, J. Decker, Stephanie Decker (S. Decker), wife of coach J. Decker, and their attorney, J. Decker stated that he turned in the player cash prizes to the ECA Treasurer. There was no receipt found in the ECA records for the \$1,718.50. In an interview with the ECA Treasurer, she stated she never received the player cash prizes from J. Decker.

Per inquiry with the School Corporation officials, a request for fundraising activity form should be completed by the sponsor and approved by the School Corporation officials. There were no fundraising forms provided to the SBOA indicating J. Decker requested approval for the fundraisers. As baseball coach, J. Decker was responsible for making sure all fundraiser profits were properly accounted for and remitted to the ECA Treasurer to be deposited into the baseball ECA fund.

SILVER CREEK HIGH SCHOOL BASEBALL
SILVER CREEK SCHOOL CORPORATION
RESULTS AND COMMENTS
(Continued)

Units which conduct fund raising events must have the express permission of the governing body for conducting the fund raiser as well as procedures in place concerning the internal controls and the responsibility of employees or officials. The Ghost Employment law [IC 35-44.1-1-3] should be considered when conducting a fundraiser. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

Tickets, goods for sale, billings, and other collections, are considered accountable items for which a corresponding deposit must be made in the bank accounts of the unit. The deposit ticket or attached documentation must provide a detailed listing of the deposit, which includes at a minimum, check numbers and corresponding names of the payers. (Accounting and Uniform Compliance Guidelines Manual for Extracurricular Accounts, Chapter 5)

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 Extracurricular Accounts, Chapter 5)

BASEBALL CONCESSIONS

We reviewed the baseball concessions for 2021, 2022, and 2023. For 2021, items for sale were purchased by S. Decker and reimbursed by the baseball ECA fund. Subsequently, revenue from the concession sales was deposited into the baseball ECA fund. However, in reviewing the items reimbursed to S. Decker, five receipts, totaling \$962.95, were submitted twice and, therefore, reimbursed twice.

For the 2022 season, it was decided that the baseball and softball teams would be in charge of their own concessions. In 2022, items for sale, totaling \$3,286.76, for the baseball concession stand were purchased and reimbursed to J. Decker by the baseball ECA fund. However, no revenue from the concession stand was deposited back into the baseball ECA fund. In reviewing the receipts reimbursed to J. Decker, there were \$291.97 in items, such as pool shock and alcohol, that are not concession stand items.

For the 2023 season, the baseball field was under construction and all home games were played at a local league who handled the concessions.

Indiana Code 20-41-1 sets forth the statutory parameters for the accounting and management of public school extracurricular accounts. In this regard, Indiana Code 20-41-1-5 provides, in part:

"(a) A public school must have a treasurer for purposes of this chapter. The treasurer must be:

- (1) the superintendent or principal of the particular school;
- (2) a clerk of the school corporation; or
- (3) a member of the faculty appointed by the superintendent or principal.

This designation must be made immediately upon the opening of the school term or the vacating of the office of treasurer. Claims shall be filed and paid under sections 7 and 8 of this chapter. The employing or appointing officials of a school may appoint and engage a school treasurer or clerk."

SILVER CREEK HIGH SCHOOL BASEBALL
SILVER CREEK SCHOOL CORPORATION
RESULTS AND COMMENTS
(Continued)

Further, Indiana Code 20-41-1-7 provides:

"(a) The treasurer has charge of the custody and disbursement of any funds collected by a collecting authority and expended to pay expenses:

- (1) approved by the principal or teacher in charge of the school;
- (2) incurred in conducting any athletic, social, or other school function (other than functions conducted solely by any organization of parents and teachers);
- (3) that cost more than twenty-five dollars (\$25) during the school year; and
- (4) that are not paid from public funds.

(b) The principal or teacher in charge of the school shall designate a collecting authority to be in charge of the collection of any funds described in this section. Upon collection of any funds, the collecting authority shall deliver the funds, together with an accounting of the funds, to the custody of the school treasurer. The principal may designate different collecting authorities for each separate account of funds described in this section."

Tickets, goods for sale, billings, and other collections, are considered accountable items for which a corresponding deposit must be made in the bank accounts of the unit. The deposit ticket or attached documentation must provide a detailed listing of the deposit, which includes at a minimum, check numbers and corresponding names of the payers. (Accounting and Uniform Compliance Guidelines Manual for Extracurricular Accounts, Chapter 5)

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 Extracurricular Accounts, Chapter 5)

The SBOA considers the five receipts reimbursed twice in 2021 by the baseball ECA fund to J. Decker in the amount of \$962.95, and the concession expenditures in 2022, which included non-concession stand items, reimbursed by the baseball ECA fund to J. Decker in the amount of \$3,286.76, for a total of \$4,249.71 to be Questioned Costs.

BASEBALL AND SOFTBALL BAT PURCHASES

We reviewed items purchased from the baseball ECA fund in 2021, 2022, and 2023. It was noted several bats, including two softball bats, and baseball bat grips were purchased with the baseball ECA fund. One softball bat was purchased from a local vendor, while the other softball bat, baseball bats, and grips were reimbursements to J. Decker. While baseball bats would be a legitimate use of the baseball ECA funds, the bats purchased could not be located at the School Corporation. The two softball bats are not considered a legitimate use of the baseball ECA funds.

The table below details the softball bats, baseball bats, and baseball bat grips purchased:

SILVER CREEK HIGH SCHOOL BASEBALL
SILVER CREEK SCHOOL CORPORATION
RESULTS AND COMMENTS
(Continued)

Check Date	Check	Description	Amount
03-18-21	1127	2021 baseball bat	\$ 484.95
09-21-21	1429	2022 softball bat	399.95
01-14-22	1696	baseball bat	399.95
03-08-22	1781	2022 baseball bat	617.19
01-25-23	2439	2022 softball bat	360.00
04-25-23	2665	Three wooden bats and four grips	640.93
Total			<u>\$ 2,902.97</u>

Public funds may not be used to pay for personal items or for expenses which do not relate to the functions and purposes of the unit. Any personal expenses paid by the unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Extracurricular Accounts, Chapter 5)

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 Extracurricular Accounts, Chapter 5)

The SBOA considers the baseball bat, baseball bat grips, and softball bat purchases totaling \$2,902.97 to be Questioned Costs.

BASEBALL T-SHIRTS

Baseball t-shirts were purchased when the team won sectionals, regionals, and the state finals in the 2023 season. T-shirts were purchased through J. Decker and S. Decker via a cash application. No money, including the payments collected through the cash application, was deposited into the baseball ECA fund. However, the invoices for all three t-shirt orders were paid by the baseball ECA fund. Invoices state t-shirts cost \$18 each. Social media posts advertising the sale of the t-shirts indicate the shirts sold for \$22 each. The table below details the t-shirts ordered and sold, and how much should have been collected and deposited into the baseball ECA fund:

Date	Quantity	Total
06-01-23	39	\$ 858
07-19-23	31	682
07-20-23	122	<u>2,684</u>
Total		<u>\$ 4,224</u>

On December 14, 2023, we met with J. Decker, and he stated he didn't realize the School Corporation wasn't collecting the money for the t-shirts. He agreed the School Corporation should not have paid for the t-shirts. On December 15, 2023, J. Decker reimbursed the baseball ECA fund \$3,203.22 for the cost of the shirts less \$252.78 for an invoice previously paid.

SILVER CREEK HIGH SCHOOL BASEBALL
SILVER CREEK SCHOOL CORPORATION
RESULTS AND COMMENTS
(Continued)

Per inquiry with the School Corporation officials, a request for fundraising activity form should be completed by the sponsor and approved by the School Corporation officials. There was no fundraising form provided to the SBOA indicating J. Decker requested approval for the fundraiser. As baseball coach, J. Decker was responsible for making sure all fundraiser profits were properly accounted for and remitted to the ECA Treasurer to deposit into the baseball ECA fund.

Units which conduct fund raising events must have the express permission of the governing body for conducting the fund raiser as well as procedures in place concerning the internal controls and the responsibility of employees or officials. The Ghost Employment law [IC 35-44.1-1-3] should be considered when conducting a fundraiser. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

Tickets, goods for sale, billings, and other collections, are considered accountable items for which a corresponding deposit must be made in the bank accounts of the unit. The deposit ticket or attached documentation must provide a detailed listing of the deposit, which includes at a minimum, check numbers and corresponding names of the payers. (Accounting and Uniform Compliance Guidelines Manual for Extracurricular Accounts, Chapter 5)

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 Extracurricular Accounts, Chapter 5)

INTERNAL CONTROL DEFICIENCIES

We noted the following deficiencies in the internal control system over the baseball ECA fund:

- Internal controls were not in place to ensure fundraisers were approved by the School Board and funds were properly handled and deposited.
- Internal controls were not in place to ensure there was a system of accountability, and that the items purchased and sold for the baseball concession stand were properly deposited.
- Internal controls were not in place to ensure items purchased from the baseball ECA fund were properly accounted for and for baseball purposes.

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. These 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.

SILVER CREEK HIGH SCHOOL BASEBALL
SILVER CREEK SCHOOL CORPORATION
RESULTS AND COMMENTS
(Continued)

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. . . ."

SILVER CREEK HIGH SCHOOL BASEBALL
SILVER CREEK SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on June 23, 2025, with Dr. Chad S. Briggs, Superintendent of Schools; Allison Vanover, School Corporation Treasurer; Dr. Todd Balmer, Assistant Superintendent of Schools/Chief Financial Officer; Chris Rountree, President of the School Board of Trustees; Laurryn P. McDaniel, School Board of Trustees member; and Joseph Basham, School Board of Trustees member.

The contents of this report were discussed on June 26, 2025, with Joseph Decker, former Silver Creek baseball coach, and Marcus M. Burgher IV, Attorney.

SCHOOL BOARD

Chris Rountree, President
Kristy Franklin, Vice President
Scott Groan, Secretary
Joe Basham, Member
Laurryn McDaniel, Member



SILVER CREEK
SCHOOL CORPORATION

ADMINISTRATION

Dr. Chad Briggs, Superintendent
Dr. Todd Balmer, Asst. Supt./CFO

OFFICIAL RESPONSE

Date: June 30, 2025

Indiana State Board of Accounts
302 West Washington St. Room E418
Indianapolis, IN 46204-2765

Re: Official Response
Silver Creek High School Baseball
Silver Creek School Corporation
Results and Comments

Please find below a response to the Report. The comments below are associated with the section on page 7 titled INTERNAL CONTROL DEFICIENCIES. **My comments are in bold.**

The following deficiencies in the internal control system over the baseball ECA fund were noted:

- Controls were not in place to ensure fundraisers were approved by the school board and funds were properly handled and deposited.

Effective the fall of 2023, our fundraiser request form was updated to include a Collecting Authority. This individual is approved by the Principal and is responsible for collecting, and turning in, all money from the approved activity. Approval of fundraisers are not approved by the School Board. Rather, they are approved by the building Principal and the Superintendent or Designee.

- Controls were not in place to ensure there was a system of accountability, and that the items purchased and sold for the baseball concession stand were properly deposited.
Effective the fall of 2021, after the 2021 season had concluded, a system of accountability was implemented where the Athletic Director receives from the School Treasurer cash for the event's concession stand and gate. At the end of the event, the Athletic Director, and the individual responsible for the point of sale, counts the money. The Athletic Director then returns the cash to the School Treasurer. Both confirm the amount is accurate.

- Controls were not in place to ensure items purchased from the baseball ECA fund were properly accounted for and for baseball purposes.
Effective the fall of 2023, only original (not photocopies) receipts are accepted. The School Treasurer reviews each receipt submitted. The Corporation Treasurer will randomly review receipts for auditing purposes as well as any receipts of concern from the School Treasurer.

Thank you!

Chad S. Briggs
Dr. Chad Briggs
Superintendent

Preparing All Dragons for Tomorrow