

## Government Operations and Audit Committee

South Dakota High School Activities Association

John Krogstrand

August 25, 2015

### Legislative Audit

- Conducted on an annual basis since statutorily required in 1976
- All copies of audits are publicly accessible through Department of Legislative Audit office in Pierre and via the DLA website
- Copies of electronic versions that have been provided to the association are published on SDHSAA website for public view

## Legislative Audit

- 2015 Findings & Responses:
  - Finding 2014-001: Cash Flows
    - When changing local financial firms, common business practices were implemented by new accounting firm. Our accounting firm has updated policy in conjunction with SDHSAA Staff & Financial Mgmt firm – policy change meets request of DLA
  - Finding 2014-002: Accounts Receivable
    - Our “official ball” provider, Baden, fell behind on its payment schedule. We have reaffirmed our policy to invoice them for timely payment in the future.

## Legislative Audit

- 2015 Findings & Responses:
  - Finding 2014-003: Policy Manual Expenditures
    - With the help of the Department of Legislative Audit, we have crafted mutually agreeable policy to ensure operation in accordance with outlined expectations of all parties involved
  - Finding 2014-004: Unclaimed Property
    - With the help of the DLA, we have crafted mutually agreeable policy to ensure that uncashed checks from the association to different parties are either claimed or turned over to the State Unclaimed Property Department

SOUTH DAKOTA  
DEPARTMENT OF AGRICULTURE AND FORESTRY



1001 East 10th Street, Pierre, SD 57501-1001  
Phone: 605-224-9261 Fax: 605-224-9262

March 25, 2015

Mr. Martin L. Guindon, CPA  
Auditor General  
427 South Cheyenne  
500 East Capitol  
Pierre, South Dakota 57501

Dear Mr. Guindon:

I am in receipt of the draft copy of the SDHSAA Audit Report dated June 30, 2014. On Monday, March 16, 2015, I reviewed the report with Mr. Dave Schlosser and Mr. Tim Flannery from the SD Department of Legislative Audit, Ms. Amanda Schwarz, representing Stulken Peterson, Lingle, Walli & Jones LLP, and Mr. Brad Reinke representing Reinke-Gary Wealth Management. Also sitting in on a portion of the meeting was Ms. Jeannie Davis, SDHSAA Comptroller. We thoroughly reviewed and discussed the following four Audit Findings:

Finding No. 2014-001

Investment information shall be provided to Amanda at Stulken Peterson, Lingle, Walli & Jones LLP on either a monthly or quarterly basis so accurate financial amounts are reported in the financial statements.

Finding No. 2014-002

A receivable records spread sheet shall be developed which accurately reflects the total dollar value of each corporate contract as well as the amount and date to be invested to each partner as per their current contract.

Finding No. 2014-003

The Association will review and update their current policy manual regarding allowable uses of the corporate credit card. The newly proposed policy will more accurately reflect which staff travel related and Association related meeting expenses are allowed on the Association credit card.

Finding No. 2014-004

The Association will make every effort to follow up and take corrective action related to unclaimed property in the form of outstanding checks, property, tangible or intangible, presumed abandoned, to be in compliance with SDCL 43-1B-20

Should you have any further questions, please do not hesitate to contact the SDHSAA office at 605-224-9261.

Sincerely,

Wayne Conroy  
Executive Director

v/2014 audit report findings

# Questions?

John Krogstrand, SDHSAA  
804 N. Euclid Ave, Suite 102  
Pierre, S.D. 57501  
605-224-9261  
[john.krogstrand@sdhsaa.com](mailto:john.krogstrand@sdhsaa.com)