



**RISE AND SHINE ACADEMY
LUCAS COUNTY**

**STATE TEACHERS RETIREMENT SYSTEM OF OHIO
CENSUS DATA EXAMINATION**

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT ACCOUNTANT'S REPORT

Rise and Shine Academy
Lucas County
State Teachers Retirement System
Crowe LLP
3248 Warsaw Street
Toledo, Ohio 43608

We have examined the census data, including the demographic data of employees' name and last four digits of the social security number, as well as the pensionable compensation and contributions remitted to the State Teachers Retirement System (STRS) as of June 30, 2024 and for the year then ended. Rise and Shine Academy, Lucas County (the Academy) management is responsible for reporting complete and accurate census data to STRS in accordance with the requirements of Chapter 3307 of the Ohio Revised Code and rules established by STRS.

Our responsibility is to express an opinion on the census data as described above based on our examination. Our examination was conducted in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the census data as described above was reported to STRS in accordance with the requirements of Chapter 3307 of the Ohio Revised Code and rules established by STRS.

An examination involves performing procedures to obtain evidence about whether the census data was reported to STRS in accordance with the requirements of Chapter 3307 of the Ohio Revised Code and rules established by STRS. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the census data reported to STRS, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our adverse opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination identified errors in enrolling employees in the correct retirement system and remitting the correct contributions for four of the Academy's 29 employees (14 percent). The four employees met the definition of a STRS employee but were incorrectly enrolled the School Employees Retirement System (SERS). The Academy incorrectly remitted a total of \$23,404 in employee contributions to SERS instead of contributing \$32,765 to STRS. As a result of these errors, the Academy remitted 47 percent less employee contributions to STRS than necessary, had the employees been correctly enrolled and reported.

In our opinion, because of the significance of the errors described in the preceding paragraph, the census data, including the demographic data of employees' name and last four digits of the social security number, as well as the pensionable compensation and contributions remitted to STRS, were not reported to STRS in accordance with the requirements of Chapter 3307 of the Ohio Revised Code and rules established by STRS in all material respects as of and for the year ended June 30, 2024.

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws, regulations, contracts, or grant agreements that have a material effect on the accuracy and completeness of the census data and pensionable wages; and any other instances that warrant the attention of those charged with governance. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our examination to express an opinion on whether the census data was reported to STRS in accordance with the requirements of Chapter 3307 of the Ohio Revised Code and rules established by the State Teachers Retirement System and not for the purpose of expressing an opinion on the internal control over the accuracy and completeness of the census data provided to the pension system, or on compliance and other matters; accordingly, we express no such opinions. Our examination disclosed certain findings that are required to be reported under *Government Auditing Standards* and those findings, along with the views of responsible officials, are described in the attached Schedule of Findings.

This report is intended solely for the information and use of Rise and Shine Academy's management, those charged with governance, and State Teachers Retirement System management, and plan auditors to provide assurances about whether the census data reported to the State Teachers Retirement System is accurate and complete. This report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

October 24, 2024

**RISE AND SHINE ACADEMY
LUCAS COUNTY**

**SCHEDULE OF FINDINGS
YEAR ENDED JUNE 30, 2024**

FINDING NUMBER 2024-001

Noncompliance Material Weakness

Ohio Rev. Code § 3307.01(B)(1) defines a state teachers retirement system employee as:

- (a) Any person paid from public funds and employed in the public schools of the state under any type of contract described in section 3311.77 or 3319.08 of the Revised Code in a position for which the person is required to have a license or registration issued pursuant to sections 3319.22 to 3319.31 of the Revised Code;
- (b) Except as provided in division (B)(2)(b) or (c) of this section, any person employed as a teacher or faculty member in a community school or a science, technology, engineering, and mathematics school pursuant to Chapter 3314. or 3326. of the Revised Code;
- (c) Any person having a license or registration issued pursuant to sections 3319.22 to 3319.31 of the Revised Code and employed in a public school in this state in an educational position, as determined by the department of education and workforce, under programs provided for by federal acts or regulations and financed in whole or in part from federal funds, but for which no licensure requirements for the position can be made under the provisions of such federal acts or regulations;
- (d) Any other teacher or faculty member employed in any school, college, university, institution, or other agency wholly controlled and managed, and supported in whole or in part, by the state or any political subdivision thereof, including Central state university, Cleveland state university, and the university of Toledo;
- (e) The educational employees of the state board of education, as determined by the state superintendent of public instruction, and the educational employees of the department of education and workforce, as determined by the director of education and workforce;
- (f) Any person having a registration issued pursuant to section 3301.28 of the Revised Code and employed as a tutor by the coordinating service center as defined in that section;
- (g) Any person having a license issued pursuant to Chapter 4732. of the Revised Code and employed as a school psychologist in a public school;
- (h) Any person having a pre-service teacher permit issued pursuant to section 3319.0812 of the Revised Code and employed as a substitute teacher by a school district or school.

The Academy had seven employees enrolled as members of the State Teachers Retirement System (STRS). During the engagements, we identified four of twenty-two (18 percent) employees enrolled in the School Employee Retirement System of Ohio (SERS), meeting the definition of a state teachers retirement system employee, were erroneously enrolled in SERS instead of the State Teachers Retirement System of Ohio (STRS). The Academy incorrectly remitted a total of \$23,404 in employee contributions to SERS instead of contributing \$32,765 to STRS. As a result of these errors, the Academy remitted 47 percent less employee contributions to STRS than necessary, had the employees been correctly enrolled and reported.

Management did not fully understand the requirements related to enrolling employees and reporting information to the applicable retirement system.

Failure to enroll employees in the proper retirement system has resulted in inaccurate and incomplete submissions of census data to the applicable retirement system.

The Academy should design and implement sufficient controls to ensure employees are enrolled in the correct retirement system and earnings and contributions are properly reported and remitted. Additionally, we recommend the Academy contact both SERS and STRS to ensure all employees are enrolled in the correct retirement system and to correct errors in reporting earnings and remitting the related contributions.

Official's Response:

The Academy will ensure requirements are met for enrolling employees into the correct retirement system.

OHIO AUDITOR OF STATE KEITH FABER



**RISE AND SHINE ACADEMY
STATE TEACHERS RETIREMENT SYSTEM CENSUS DATA EXAMINATION**

LUCAS COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 11/7/2024

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This report is a matter of public record and is available online at
www.ohioauditor.gov