

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

SUPPLEMENTAL COMPLIANCE REPORT
OF
NEW PRAIRIE UNITED SCHOOL CORPORATION
LAPORTE COUNTY, INDIANA
July 1, 2012 to June 30, 2014



FILED
11/20/2015

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Kelley Kitchen	07-01-12 to 06-30-16
Superintendent of Schools	Jim Dermody Paul White	07-01-12 to 06-30-15 07-01-15 to 06-30-16
President of the School Board	Richard Shail	07-01-12 to 12-31-15



STATE OF INDIANA

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TO: THE OFFICIALS OF THE NEW PRAIRIE UNITED SCHOOL
CORPORATION, LAPORTE COUNTY, INDIANA

This report is supplemental to our audit report of the New Prairie United School Corporation (School Corporation), for the period from July 1, 2012 to June 30, 2014. It has been provided as a separate report so that the reader may easily identify any Federal Findings and Audit Results and Comments that pertain to the School Corporation. It should be read in conjunction with our Financial Statement and Federal Single Audit Report of the School Corporation, which provides our opinions on the School Corporation's financial statement and federal program compliance. This report may be found at www.in.gov/sboa/.

The Federal Findings, identified in the above referenced audit report, are included in this report and should be viewed in conjunction with the Audit Results and Comments as described below.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit 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 Corrective Action Plan for the Federal Findings and Official Response to the Audit Results and Comments, incorporated within this report, were not verified for accuracy.

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

May 12, 2015

NEW PRAIRIE UNITED SCHOOL CORPORATION
FEDERAL FINDINGS

FINDING 2014-001 - FINANCIAL TRANSACTIONS AND REPORTING

We noted deficiencies in the internal control system of the School Corporation related to financial transactions and reporting. The failure to establish these controls could enable material misstatements or irregularities to remain undetected. Control activities should be in place to reduce the risks of errors in financial reporting.

The School Corporation has not separated incompatible activities related to cash and investments, receipts, and disbursements. Segregation of duties, such as an oversight, review, or approval process to ensure that the information entered into the financial system is correct was not evidenced for monthly depository reconcilements, recording receipts, and inputting payroll hours. In addition, the accounts payable voucher registers signed by the Treasurer and School Board did not include all disbursements. The failure to establish these controls could enable material misstatements or irregularities to remain undetected. Control activities should be in place to reduce the risks of errors in financial reporting.

The School Corporation does not have adequate internal controls in place to properly record the financial activity of funds which are held in trust. The School Corporation received \$999,999 in energy savings project loan proceeds in February 2013 which were placed in trust at a financial institution. All of the loan proceeds were disbursed for the project during the audit period. A fund was not established by the School Corporation to record any of the activity from the proceeds; therefore, none of the activity was reflected in the official records of the School Corporation. The transactions reported in the financial statement of the School Corporation presented herein were based upon an audit adjustment that was approved by the School Corporation Treasurer.

Due to the omission of the energy savings project activity from the records of the School Corporation, accounts payable vouchers or claims for the project disbursements were not prepared or approved by the School Board. The dollar amounts which bypassed the official records were material to the financial statement.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

Indiana Code 5-11-10-1.6(c) states in part:

"The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is fully itemized invoice or bill for the claim; . . .
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

NEW PRAIRIE UNITED SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Indiana Code 5-11-1-2 states in part:

"The state board of accounts shall formulate, prescribe, and install a system of accounting and reporting in conformity with this chapter, which must comply with the following: . . .

- (2) Exhibit true accounts and detailed statements of funds collected, received, obligated, and expended for or on account of the public for any and every purpose whatever, and by all public officers, employees, or other individuals. . . ."

FINDING 2014-002 - INTERNAL CONTROL OVER SCHOOL BREAKFAST PROGRAM AND NATIONAL SCHOOL LUNCH PROGRAM

Federal Agency: U.S. Department of Agriculture

Federal Programs: School Breakfast Program, National School Lunch Program

CFDA Numbers: 10.553, 10.555

Federal Award Number: FY 2012-13, FY 2013-14

Pass-Through Entity: Indiana Department of Education

Management of the School Corporation has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the Eligibility and Special Tests and Provisions - Verification of Free and Reduced Price Applications compliance requirements. The failure to establish an effective internal control system places the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

The Food Service Director performed all steps for the eligibility determination for free and reduced price meals and the annual verification process. Segregation of duties, such as an oversight, review, or approval process was not established to ensure that eligibility was properly determined and classified in the student's account and that the verifications of free and reduced price meal applications were completed in compliance with program requirements.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement or a compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the programs. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable material noncompliance to go undetected. Noncompliance with the grant agreement or the compliance requirements could result in the loss of federal funds to the School Corporation.

NEW PRAIRIE UNITED SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

We recommended that the School Corporation establish controls, including segregation of duties, related to the grant agreement and compliance requirements listed above.

***FINDING 2014-003 - INTERNAL CONTROL OVER TITLE I
GRANTS TO LOCAL EDUCATIONAL AGENCIES***

Federal Agency: U.S. Department of Education

Federal Program: Title I Grants to Local Educational Agencies

CFDA Number: 84.010

Federal Award Number: 2011/2012 #4103, 2012/2013 #4104, 2013/2014 #4105

Pass-Through Entity: Indiana Department of Education

Management of the School Corporation has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the following compliance requirements: Activities Allowed, Allowable Costs, Cash Management, Equipment Management, Period of Availability, Suspension and Debarment, and Reporting. The failure to establish an effective internal control system places the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

Activities Allowed, Allowable Costs, and Period of Availability

The Title I Fiscal Coordinator is also the School Corporation's Chief Financial Officer and Treasurer. All payroll benefits and non-payroll expenses disbursed from the Title I grant funds are included on the After Checks Accounts Payable Voucher lists showing the detail of each check or electronic funds transfer (EFT). The total of these vouchers are included on the Allowance of Vouchers to be certified and signed by the Treasurer and approved and signed by the members of the Board of School Trustees. There were no controls to ensure that the total amount listed on the Allowance of Vouchers included all of the vouchers to be approved and that the Allowance of Vouchers was available for audit. We could not determine if the Title I Fiscal Coordinator reviewed and approved all of the disbursements in regards to Activities Allowed, Allowable Costs, and Period of Availability.

Cash Management and Reporting

The Title I Fiscal Coordinator prepared, reviewed, approved, and submitted the requests for reimbursement of program expenditures to the Indiana Department of Education. The Title I Fiscal Coordinator also prepared, reviewed, approved, and submitted the Title I Annual Expenditure Report - FINAL for 2012-2013 and 2013-2014. Evidence of segregation of duties, such as an oversight, review, or approval process over cash management and reporting was not provided.

Equipment Management

The School Corporation has not designed or implemented controls to ensure compliance with the Equipment Management requirements of the program. There were no controls to ensure that assets purchased with Title I program funds were properly identified as purchased with federal funds or that the asset records included all of the required information.

Suspension and Debarment

Policies or procedures have not been established to verify that vendors providing goods and services under the grant award have not been suspended or debarred by the Federal Government.

NEW PRAIRIE UNITED SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

An internal control system, including segregation of duties, should be designed and operated effectively to provide reasonable assurance that material noncompliance with the grant agreement or a compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable material noncompliance to go undetected. Noncompliance with the grant agreement or the compliance requirements could result in the loss of federal funds to the School Corporation.

We recommended that the School Corporation establish controls, including segregation of duties, related to the grant agreement and compliance requirements listed above.

FINDING 2014-004 - EQUIPMENT MANAGEMENT

Federal Agency: U.S. Department of Education

Federal Program: Title I Grants to Local Educational Agencies

CFDA Number: 84.010

Federal Award Number: 2011/2012 #4103, 2012/2013 #4104, 2013/2014 #4105

Pass-Through Entity: Indiana Department of Education

The School Corporation did not fully comply with the Equipment Management requirements of the program. The June 30, 2014 capital assets inventory did not properly identify the assets purchased with Title I funds. Title I assets were not separate from the assets purchased with other federal program funds or the assets purchased with local school corporation funds. There is no formal policy on the performance of periodic inventories of capital assets. The School Corporation hired an outside firm to perform an inventory; however, we could not determine if Title I assets were included in the inventory, if the School Corporation reviewed the Title I inventory, or if the Title I inventory was reconciled to the program records.

The Title I asset records maintained for all items other than iPads did not include the serial number, title holder, percentage of federal participation, and use and condition of the asset. The Title I asset records maintained for iPads did include a serial number; however, did not include the title holder, percentage of federal participation, and use and condition of the asset. Serial numbers on the asset records for the iPads did not agree with the serial numbers detailed on the vendor invoices that were posted as disbursed from Title I funds. In addition, two iMac Laptop Computers on the asset records were not purchased with Title I funds; two other Title I iMac computers purchased with Title I funds were not included on the Title I asset records and the location and amount of one of the Ergotron Tablet Carts did not agree with the financial records.

NEW PRAIRIE UNITED SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

34 CFR 80.32(d) states in part:

"Management Requirements. Procedures for managing equipment (including replacement equipment) whether acquired in whole or in part with grant funds, until disposition takes place will, as a minimum, meet the following requirements:

- (1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
- (2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
- (3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated."

The failure to comply with the Equipment Management requirements could result in the loss of federal funds to the School Corporation.

We recommended that the School Corporation comply with the Equipment Management requirements of the program.

NEW PRAIRIE UNITED SCHOOL CORPORATION

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CORRECTIVE ACTION PLAN

FINDING 2014-001 Financial Transactions and Reporting

Contact Person Responsible for Corrective Action: Kelley Kitchen

Contact Phone Number: 574-654-7273

Description of Corrective Action Plan:

Prior to the completion of the audit, New Prairie United School Corporation hired an additional business office staff person. The additional person has allowed the reconfiguration of duties to allow segregation of duties. The Chief Financial Officer/Corporation Treasurer will review and approve the monthly depository reconcilements, receipt postings, and payroll input. In addition, the CFO/Treasurer will ensure that the accounts payable voucher registers presented to the Board of Trustees are accurate.

The School Corporation was unaware that the deposits held by an outside entity must be recorded on the school's financials records. A fund will be established to record all activity for any account held in trust and will be presented to the Board of Trustees for approval of any disbursements.

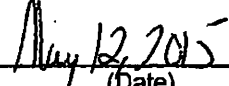
Anticipated Completion Date: June 30, 2015



(Signature)



(Title)



(Date)

"A CULTURE OF EXCELLENCE"

NEW PRAIRIE UNITED SCHOOL CORPORATION

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CORRECTIVE ACTION PLAN

FINDING 2014-002 (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Tammy Watkins, Food Service Director
Contact Phone Number: 574-654-0401

Description of Corrective Action Plan:

An assistant will be hired for the Food Service Director beginning in the 2015-2016 school year. The Food Service Assistant will enter all Free and Reduced Price meal applications into the Free and Reduced price meal software application.

The Food Service Director will review all applications for accuracy and sign for approval.

(This process was done in reverse already with the FSD entering and approving applications and having a helper double check and initial all applications although the USDA Eligibility Manual states that "this requirement is waived if the LEA uses a technology-based system that demonstrates a high level of accuracy in processing an initial eligibility determination" and that the State agency is aware. Our 2014-2015 Indiana State Agency Sponsor information sheet reflects that approval).

A second review of all error-prone applications selected for verification will be completed by a Central Office Staff member and signed.

Verification will be completed by the Food Service Director

Anticipated Completion Date:

July 1, 2015

Tammy M. Watkins
(Signature)

Food Service Director
(Title)

5/11/15
(Date)

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CORRECTIVE ACTION PLAN

***FINDING 2014-003* Internal Control over Title I Grants to Local Education Agencies**

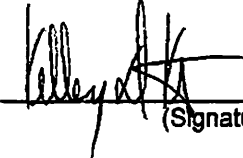
Contact Person Responsible for Corrective Action: Kelley Kitchen

Contact Phone Number: 574-654-7273

Description of Corrective Action Plan:

Prior to the completion of the audit, New Prairie United School Corporation hired an additional business office staff person. The additional person has allowed the reconfiguration of duties to allow segregation of duties. The Chief Financial Officer/Corporation Treasurer will review and approve the monthly depository reconcilements, receipt postings, and payroll input. In addition, the CFO/Treasurer will ensure that the accounts payable voucher registers presented to the Board of Trustees are accurate. All payroll and benefits Allowance of Vouchers will also be reviewed and approved by the CFO/Treasurer who also acts as the Title I Fiscal Coordinator. Upon review, the Vouchers will be presented for both payables and payroll to the Board of Trustees for approval.

Anticipated Completion Date: June 30, 2015


(Signature)

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CORRECTIVE ACTION PLAN

FINDING 2014--004

Contact Person Responsible for Corrective Action: Kelley Kitchen

Contact Phone Number: 574-654-7273

Description of Corrective Action Plan:


Effective Immediately.

NPUSC currently labels all assets purchased and will continue to do so.

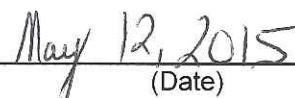
Purchases of equipment or technology will be handled through the Technology Department. Upon receipt, the item will be labeled and logged into Inventory. The Inventory List will include at a minimum: serial number, title holder, percentage of Federal participation, use, and condition of asset.

A physical semi-annual inventory of all assets purchased with Title program funds will be completed and approved by the NPUSC Board of Trustees.

Anticipated Completion Date: First Inventory to be completed by June 30, 2015


(Signature)


(Title)


(Date)

NEW PRAIRIE UNITED SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

OVERDRAWN CASH BALANCES

The financial statement for the School Corporation included the following funds with overdrawn cash balances at June 30, 2013 and 2014:

Fund	Amount Overdrawn	
	06-30-13	06-30-14
Debt Service	\$ 16,173	\$ -
School Transportation	141,249	-
Textbook Rental	30,694	173,594
Lunch Clearing Net Pay	518	-
Payroll Deductions	10,065	3,110

The schedule does not include funds that are overdrawn because a grant reimbursement will be received in a subsequent period.

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

APPROPRIATIONS

The records presented for audit indicated the following expenditures in excess of budgeted appropriations:

Fund	Year Ending	Excess Amount Expended
Exempt Debt	06-30-13	\$ 896,000
Exempt Debt	06-30-14	34,000
School Transportation	06-30-14	1,110

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

PAYROLL REGISTER APPROVAL

The School Corporation's Treasurer does not sign or approve the payroll "allowance of claims" as required by Indiana Code.

NEW PRAIRIE UNITED SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

Indiana Code 5-11-10-1.6(c) states in part:

"The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless: . . .

- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; . . ."

SUPPORTING DOCUMENTATION

We noted several disbursements that did not include itemized supporting documentation such as an invoice of the credit card payments tested; 18 percent were paid without sufficient supporting documentation.

Also, in our tests of disbursements, we found other disbursements to vendors based on a statement from the vendor without full itemization such as an invoice.

Due to the lack of supporting information, we could not verify the business nature of the disbursement.

All claims, invoices, receipts, and accounts payable vouchers, including those presented to the governing body for approval in accordance with IC 5-11-10, should contain adequate detailed documentation. All claims, invoices, receipts, and accounts payable vouchers regarding reimbursement for meals and expenses for individuals must have specific detailed information of the names of all individuals for which amounts are claimed, including the nature, name, and purpose of the business meeting, to enable the governing body to authorize payment. Payments which do not have proper itemization showing the business nature of the claim may be the personal obligation of the responsible official, employee or other person for whom the claim is made. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

GATEWAY ANNUAL FINANCIAL REPORT

The Gateway Annual Financial Report debt schedule for June 30, 2014, did not include all School Corporation debt. Omitted debt included an energy savings loan and two computer purchases. School Corporation officials approved an audit adjustment to the Schedule of Leases and Debt so the schedule would be materially consistent with the financial statement.

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7."

NEW PRAIRIE UNITED SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS
(Continued)

PREPAID FOOD ACCOUNT

The School Corporation accounts for prepaid food within the School Lunch fund. A separate clearing account for the prepaid food account activity has not been established as prescribed.

Clearing Account Number 8400 - Prepaid Food has been established to account for prepaid food. The collections are to be receipted to 8410 with 8420 representing the transfers out of the clearing account and recognition in the appropriate revenue classifications (1611 to 1614 series) in the School Lunch Fund. The transfer should be made periodically and at the end of each month to appropriately classify meals (breakfast, lunch, etc.) when known (charged by student). (The School Administrator and Uniform Compliance Guidelines, Volume 183)

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CORRECTIVE ACTION PLAN

Overdrawn Cash Balances

Contact Person Responsible for Corrective Action: Kelley Kitchen

Contact Phone Number: 574-654-7273

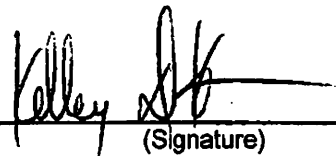
Description of Corrective Action Plan:

The property tax funds that were overdrawn were due to the LaPorte County tax assessment problems and delays. This issue has been resolved.

The Benefit clearing funds were overdrawn due to timing issues on the payment of insurance premiums due for retirees and the receipt of premiums.

The Textbook Rental Fund continues to run a negative balance due to the lack of funding from the State of Indiana to support the purchase of textbooks and supplies for qualified free and reduced students. NPUSC will continue to diligently pursue cost saving measures and collection of qualified balances.

Anticipated Completion Date: June 30, 2015


(Signature)

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CORRECTIVE ACTION PLAN

FINDING APPROPRIATIONS

Contact Person Responsible for Corrective Action: Kelley Kitchen

Contact Phone Number: 574-654-7273

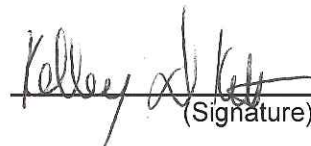
Description of Corrective Action Plan:

Due to the LaPorte County tax situation and the lack of property tax payments including provisional for the 2012 pay 2013 collections for nearly 18 months, there were insufficient funds to pay the Exempt Debt Service when due in December. In collaboration with the bond trustee, it was determined that NPUSC could pay the December debt in January. The debt was not appropriated in the year paid and the current appropriation was not sufficient to cover the debt in either year despite NPUSC advertising a budget sufficient in anticipation of said situation. The Department of Local Government Finance (DLGF) did not certify a budget for Exempt Debt Service at the level requested. The NPUSC Board of Trustees chose not to incur additional expense for another appropriation hearing for a situation beyond the School Corporation's control. The School Corporation had already spent thousands of dollars for interest for Tax Anticipation Warrants due to the LaPorte County tax situation.

Provided LaPorte County stays timely on tax payments to local entities, this situation should be resolved.

Furthermore, the School Corporation entered into a Qualified School Construction Bond whereas the federal government guaranteed the payment of interest on the entire debt. Due to sequestration, that number was reduced. At this time, the DLGF recorded only the principal payment when issuing the certified tax levy for Debt Service which caused a problem if the full interest subsidy was not received. The situation is now corrected because the DLGF records the entire payment when issuing the certified levy and records the subsidy as miscellaneous revenue.

Anticipated Completion Date: Completed


(Signature)

CFO / Corporation Treasurer
(Title)

June 22, 2015
(Date)

NEW PRAIRIE UNITED SCHOOL CORPORATION

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CORRECTIVE ACTION PLAN

AUDIT RESULTS AND COMMENTS – Payroll Register Approval (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Shelley Dettinger, HR/Payroll Coordinator
Contact Phone Number: 574-654-0209

Description of Corrective Action Plan: The New Prairie United School Corporation has enacted procedures in which the School Corporation Treasurer reviews and signs the payroll register before the payroll checks are sent to the bank. The Treasurer will also sign the allowance of claims upon completion of payroll. Once the board has signed the "allowance of claim" it will be included in the appropriate payroll binder.

Anticipated Completion Date: This procedure was implemented starting March 2015.


(Signature)

CFO/Corporation Treasurer
(Title)

May 12, 2015
(Date)

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CORRECTIVE ACTION PLAN

AUDIT RESULTS AND COMMENTS: SUPPORTING DOCUMENTATION

Contact Person Responsible for Corrective Action: Kathy Smith

Contact Phone Number: 574-654-0208

Description of Corrective Action Plan: The New Prairie United Corporation will not pay the credit card without itemized receipts and the person responsible for getting those receipts will also be responsible for paying those charges and any late/finance charges incurred if they aren't turned in, in a timely manner.

Anticipated Completion Date: The procedure will be implemented starting May 2015


(Signature)

CFO / Corporation Treasurer
(Title)

May 12, 2015
(Date)

"A CULTURE OF EXCELLENCE"

NEW PRAIRIE UNITED SCHOOL CORPORATION

Mr. Jim Dermody, Superintendent
5327 N. Cougar Rd.
New Carlisle, IN 46552
574-654-7273, 219-778-2814
FAX 574-654-7274
www.npusc.k12.in.us

CORRECTIVE ACTION PLAN

FINDING: Clearing Account Number 8400 (Auditor Assigned Reference Number)
Contact Person Responsible for Corrective Action: Tammy Watkins, Food Service Director
Contact Phone Number: 574-654-0401

Description of Corrective Action Plan:

Beginning July 1, all Prepaid Food collections balances will be moved from the School Lunch fund 800 and moved into a Clearing Account Number 8400. All collections will be receipted to 8410 and all transfers out will be made from 8420. The transfers will be made at the end of each month.

The transactions will be made by the Food Service Director and overseen and signed by the Chief Financial Officer.

Anticipated Completion Date:

July 1, 2015

Tammy M. Watkins
(Signature)

Food Service Director
(Title)

5/11/15
(Date)

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EXIT CONFERENCE

The contents of this report were discussed on May 12, 2015, with Kelley Kitchen, Treasurer; Jim Dermody, Superintendent of Schools; Allen Williamson, Vice President of the School Board; Kathy Smith, Deputy Treasurer; Shelley Dettinger, Payroll/Human Resources Coordinator; and Ellen Borkowski, Business and Grant Services.