

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

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

COMPLIANCE EXAMINATION REPORT
OF
WHITE RIVER VALLEY SCHOOL DISTRICT
GREENE COUNTY, INDIANA
July 1, 2022 to June 30, 2024



FILED

04/02/2025



Paul D. Joyce, CPA
State Examiner

INDIANA STATE BOARD OF ACCOUNTS

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April 2, 2025

To: The Officials of the White River Valley School District
White River Valley School District
Greene County, Indiana

This report is supplemental to the audit report of White River Valley School District (School Corporation), for the period July 1, 2022 to June 30, 2024. It has been provided as a separate report so that the reader may easily identify any findings that pertain to the School Corporation. It should be read in conjunction with the financial statement audit report of the School Corporation, which provides an opinion on the School Corporation's financial statements. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the School Corporation and perform procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The findings contained herein describe the identified reportable instances of noncompliance found as a result of these procedures.

We have reviewed the supplemental report for White River Valley School District prepared by Crowe LLP, Independent Public Accountants, for the period July 1, 2022 to June 30, 2024. In our opinion, the supplemental report was prepared in accordance with the guidelines established by the Indiana State Board of Accounts.

We call your attention to the findings in the report on pages 3 through 5.

The report is filed with this letter in our office as a matter of public record.

Tammy R. White, CPA
Deputy State Examiner

COMPLIANCE EXAMINATION OF
WHITE RIVER VALLEY SCHOOL DISTRICT
Greene County, Indiana
July 1, 2022 through June 30, 2024

WHITE RIVER VALLEY SCHOOL DISTRICT

Greene County, Indiana
July 1, 2022 through June 30, 2024

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WHITE RIVER VALLEY SCHOOL DISTRICT
SCHEDULE OF OFFICIALS
July 1, 2022 through June 30, 2024

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Kylie Enochs	07-01-22 to 06-30-24
Superintendent of Schools	Robert Hacker	07-01-22 to 06-30-24
President of the School Board	Brock Hostetter	01-01-22 to 12-31-24

INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and
Management of the White River Valley School District

We have examined the White River Valley School District's ("School Corporation") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations* during the period of July 1, 2022 through June 30, 2024. Management of the School Corporation is responsible for the School Corporation's compliance with the specified requirements. Our responsibility is to express an opinion on the School Corporation's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the School Corporation complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the School Corporation complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our qualified 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 does not provide a legal determination on the School Corporation's compliance with specified requirements.

Our examination disclosed material noncompliance with the *Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations* applicable to the School Corporation during the period of July 1, 2022 to June 30, 2024, as described in items 2024-001, 2024-002, 2024-003, and 2024-004 on the following Schedule of Examination Findings and Results.

In our opinion, except for the material noncompliance described in the preceding paragraph, the School Corporation complied, in all material respects, with the aforementioned requirements during the period of July 1, 2022 through June 30, 2024.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 21, 2025

WHITE RIVER VALLEY SCHOOL DISTRICT
 SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
 July 1, 2022 through June 30, 2024

FINDING 2024-001: OVERDRAWN CASH BALANCES

Criteria: Chapter 1 of the Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations states in part, “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 unit.”

Condition: During testing of cash fund balances, we noted the following funds that were not cost-reimbursement grant based with a cash balance below zero as of June 30, 2023 or June 30, 2024:

<u>Fund</u>	<u>Amount Overdrawn 06-30-2023</u>	<u>Amount Overdrawn 06-30-2024</u>
Closing The Gap (Gccf)	5,193	2,608
Roi #3 Next Level Planning	24,453	-
Isu Tech Fees	118	-
Prepaid School Lunch Accounts	1,310	-
Fica/Medicare Teaching	201,001	221,642
State Tax	22,350	10,593
County Tax	3,033	-
Aflac 125	4,360	4,394
Vision Insurance 125	10,664	9,602
American Fidelity-Disability	28,074	16,645
Additional Life	-	2,262
Health Savings	8,517	42,542
Mutual Of Omaha Ann	737	737
Perf Volunteer	5,405	5,355
American Fidelity Assurance Co	1,097	1,097
Misc. Clearing Account	25,875	30,860
Trf Volunteer Post Tax	5,286	5,886
Principal Add'L Life	1,448	-
Life Ins. Over \$50 000.00	22,284	23,499

This is a repeat finding from report B61174.

(Continued)

WHITE RIVER VALLEY SCHOOL DISTRICT
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
July 1, 2022 through June 30, 2024

FINDING 2024-002: AVERAGE DAILY MEMBERSHIP (ADM) TESTING

Criteria: Officials shall maintain records (enrollment cards, records, rosters, reporting forms, etc.) which substantiate the number of students claim for ADM. The building level official (Principal, Assistant Principal, etc.) is responsible for reporting ADM to the School Corporation Central Office, must provide a written certification of ADM to properly document responsibility. The certification must at minimum include a statement detailing the names and location of the records used (these records must be retained for public inspection and audit) to substantiate ADM claimed (Accounting and Uniform Compliance Guidelines Manual for Indiana Public Schools, Part 9).

Condition: During our testing, 1 brick and mortar student in our sample of 28 brick and mortar students selected for testing withdrew prior to the September 16, 2022 count date.

Due to the count date issues reported above, school officials need to contact the Indiana Department of Education, Division of School Finance, to review the issues identified and determine if any steps to need to be taken to correct any attendance reporting or funding issues.

FINDING 2024-003: RECONCILEMENT OF THE PREPAID FOOD ACCOUNT

Criteria: When a student puts money into their individual meal account, it should not be considered income to the child nutrition program until that student goes through the lunch line and charges a meal to their account. Therefore, while money is in the student's individual account, the balance should not be included in Fund 800 School Lunch. A school should set up a clearing account with the fund number of 8400 Prepaid School Lunch Accounts which is included in Chapter 4 of the State Board of Accounts Uniform Compliance Guidelines for Indiana Public School Corporations. When a student brings in a deposit the receipt should be recorded to Fund 8400 using receipt account 1630 Special Functions. After the student has charged meals, you should disburse the amount charged from Fund 8400 using expenditure account 31900 Other Food Services and receipt this into Fund 800 using the Food Services receipt accounts 1611-1623 at the time established in a written school policy to ensure accurate monthly reporting. At this point the receipts are considered program income and should be included on any reports that are required to be completed. Also, on a monthly basis it is required that the balance of the 8400 fund be reconciled with the total of the individual meal accounts. (The School Bulletin and Uniform Compliance Guidelines, February 2019)

Condition: The School Corporation maintains a Prepaid Lunch fund (8400 fund). The School Corporation was unable to provide the June 30, 2023 and June 30, 2024 subsidiary meal reports to compare to the funds ledger balance for fund 8400 as of June 30, 2023 and June 30, 2024.

(Continued)

WHITE RIVER VALLEY SCHOOL DISTRICT
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
July 1, 2022 through June 30, 2024

FINDING 2024-004: SCHEDULES IN ANNUAL FINANCIAL REPORT

Criteria: 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."*

Condition: Financial and other information are required to be entered annually into the Annual Financial Report (AFR) via the Indiana Gateway for Government Units (Gateway) financial reporting system. The information entered into Gateway contained the following errors:

Debt and Leases

- The School Corporation reported the remaining outstanding balance on the Series 2021A, 2021B, and 2023 bonds rather than the annual lease payment due through the building corporation next year.

Capital Assets

- The School Corporation did not have a detail listing of capital assets owned by the School Corporation to support the amount reported in the Schedule of Capital Assets.

Management provided corrections to update the Schedule of Leases and Debt in the financial statement to correct these items.

WHITE RIVER VALLEY SCHOOL DISTRICT
EXIT CONFERENCE
July 1, 2022 through June 30, 2024

The contents of this report were discussed on March 21, 2025, with Carla Gambill, Consultant, Jenny Graves, Treasurer, James Larkin, Interim Superintendent, and Andy Davis, Board Secretary.