

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

COMPLIANCE EXAMINATION REPORT

OF

ELKHART & ST. JOSEPH COUNTIES HEAD START CONSORTIUM

ST. JOSEPH COUNTY, INDIANA

July 1, 2022 to June 30, 2023



FILED

05/01/2024



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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May 1, 2024

To: The Officials of the Elkhart & St. Joseph Counties Head Start Consortium
Elkhart & St. Joseph Counties Head Start Consortium
St. Joseph County, Indiana

This report is supplemental to the audit report of the Elkhart & St. Joseph Counties Head Start Consortium (Consortium), for the period from July 1, 2022 to June 30, 2023. It has been provided as a separate report so that the reader may easily identify any Examination Findings that pertain to the Consortium. It should be read in conjunction with the financial statement audit report of the Consortium, which provides an opinion on the Consortium'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 Consortium and perform procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Examination Findings and Results contained herein describe the identified reportable instances of noncompliance found as a result of these procedures.

We have reviewed the Supplemental Audit Report for the Elkhart & St. Joseph Counties Head Start Consortium prepared by Crowe LLP, Independent Public Accountants, for the period July 1, 2022 to June 30, 2023. In our opinion, the Supplemental Audit Report was prepared in accordance with the guidelines established by the State Board of Accounts.

We call your attention to the finding in the report on page 3.

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

A handwritten signature in black ink that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

ELKHART AND ST. JOSEPH COUNTIES HEAD START CONSORTIUM

St. Joseph County, Indiana
July 1, 2022 to June 30, 2023

CONTENTS

SCHEDULE OF OFFICIALS	1
INDEPENDENT ACCOUNTANT'S REPORT	2
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS:	
2023-001: OVERDRAWN CASH BALANCES	3
EXIT CONFERENCE	4

ELKHART AND ST. JOSEPH COUNTIES HEAD START CONSORTIUM
SCHEDULE OF OFFICIALS
July 1, 2022 to June 30, 2023

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	Dr. Kathy Guajardo	07-01-22 to 06-30-23
Board President	Jane Allen	07-01-22 to 06-30-23

INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and
Management of Elkhart and St. Joseph Counties Head Start Consortium

We have examined Elkhart and St. Joseph Counties Head Start Consortium's ("Unit") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Special Districts* during the period July 1, 2022 to June 30, 2023. Management of the Unit is responsible for the Unit's compliance with the specified requirements. Our responsibility is to express an opinion on the Unit'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 Unit complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Unit 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 Unit's compliance with specified requirements.

Our examination disclosed material noncompliance with the *Accounting and Uniform Compliance Guidelines Manual For Special Districts* applicable to the Unit during the period July 1, 2022 to June 30, 2023, as described in item 2023-001 on the following Schedule of Examination Findings and Results.

In our opinion, except for the material noncompliance described in the preceding paragraph, the Unit complied, in all material respects, with the aforementioned requirements during the period July 1, 2022 to June 30, 2023.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 27, 2024

ELKHART AND ST. JOSEPH COUNTIES HEAD START CONSORTIUM
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
July 1, 2022 to June 30, 2023

FINDING 2023-001: OVERDRAWN CASH BALANCES

Criteria: Chapter 1 of the Accounting and Uniform Compliance Guidelines Manual For Special Districts 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, we noted the following fund with a cash balance below zero, which is not a grant related fund, as of June 30, 2023. This is a repeat finding from the prior audit report.

Fund	Amount Overdrawn June 30, 2023
Other Program	\$ 103,951

ELKHART AND ST. JOSEPH COUNTIES HEAD START CONSORTIUM
EXIT CONFERENCE
July 1, 2022 to June 30, 2023

The contents of this report were discussed on March 26, 2024 with Kathy Guajardo, Executive Director, Brenda Overton, Accountant, Anthony Harris, Consultant, Perry Davis, Consultant, Amy Fox, Outside Counsel, Scot Croner, Board Member, and Byron Sanders, Board Member.