

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP

MARION COUNTY, INDIANA

July 1, 2021 to June 30, 2023



**FILED**

02/15/2024



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with <i>Government Auditing Standards</i> .....	3-4
Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance .....	5-8
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards .....	10-13
Notes to Schedule of Expenditures of Federal Awards.....	14
Schedule of Findings and Questioned Costs.....	15-22
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings.....	24-29
Corrective Action Plan .....	30-32
Other Reports.....	33

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	W. Kirk Farmer	07-01-21 to 06-30-24
Superintendent of Schools	Dr. Matthew Prusiecki Dr. Stephanie Hofer	07-01-21 to 12-31-23 01-01-24 to 06-30-24
President of the School Board	Estella Vandeventer Dale Henson Judith Collins Larry Taylor	07-01-21 to 12-31-21 01-01-22 to 12-31-22 01-01-23 to 12-31-23 01-01-24 to 12-31-24



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL  
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT  
OF DECATUR TOWNSHIP, MARION COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of the Metropolitan School District of Decatur Township (School Corporation), for the period of July 1, 2021 to June 30, 2023, and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement and have issued our report thereon dated February 8, 2024, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statement, we considered the School Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School Corporation's financial statement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL  
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*  
(Continued)

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Beth Kelley, CPA, CFE  
Deputy State Examiner

February 8, 2024



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT  
OF DECATUR TOWNSHIP, MARION COUNTY, INDIANA

**Report on Compliance for Each Major Federal Program**

***Qualified and Unmodified Opinions***

We have audited the Metropolitan School District of Decatur Township's (School Corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the period of July 1, 2021 to June 30, 2023. The School Corporation's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings and Questioned Costs.

***Qualified Opinion on Emergency Connectivity Fund Program***

In our opinion, except for the noncompliance described in the *Basis for Qualified and Unmodified Opinions* section of our report, the School Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Emergency Connectivity Fund Program for the period of July 1, 2021 to June 30, 2023.

***Unmodified Opinion on Each of the Other Major Federal Programs***

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings and Questioned Costs for the period of July 1, 2021 to June 30, 2023.

**Basis for Qualified and Unmodified Opinions**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the School Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School Corporation's compliance with the compliance requirements referred to above.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE  
(Continued)

*Matter Giving Rise to Qualified Opinion on Emergency Connectivity Fund Program*

As described in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with requirements regarding 32.009 Emergency Connectivity Fund Program, as described in item 2023-003 for Procurement and Suspension and Debarment. Compliance with such requirement is necessary, in our opinion, for the School Corporation to comply with the requirements applicable to that program.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the School Corporation's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School Corporation's compliance based on our audit. Reasonable assurance is a high level of assurance, but is not absolute assurance, and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually, or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School Corporation's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE  
(Continued)

**Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2023-001. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the School Corporation's response to the noncompliance findings identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The School Corporation's response to the noncompliance findings identified in our audit is described in the accompanying Corrective Action Plan. The School Corporation's response was not subjected to the auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on the response.

**Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2023-001, 2023-002, and 2023-003, to be material weaknesses.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* require the auditor to perform limited procedures on the School Corporation's response to the internal control over compliance findings identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The School Corporation's response was not subjected to the other auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE  
(Continued)

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statement of the School Corporation, as of and for the period of July 1, 2021 to June 30, 2023, and the related notes to the financial statement. We issued our report thereon dated February 8, 2024, which contained a dual opinion on the financial statement. An adverse opinion was issued regarding the presentation in accordance with accounting principles generally accepted in the United States of America, and an unmodified opinion was issued regarding the presentation in accordance with the regulatory basis of accounting. Our audit was performed for the purpose of forming an opinion on the financial statement as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement as a whole.



Beth Kelley, CPA, CFE  
Deputy State Examiner

February 8, 2024

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

The Schedule of Expenditures of Federal Awards and accompanying notes presented were approved by management of the School Corporation. The schedule and notes are presented as intended by the School Corporation.

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Years Ended June 30, 2022 and 2023

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listings Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-22	Total Federal Awards Expended 06-30-22	Passed Through to Subrecipient 06-30-23	Total Federal Awards Expended 06-30-23
<u>Department of Agriculture</u>							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553					
School Breakfast Program			FY 2022	\$ -	\$ 1,243,300	\$ -	\$ -
School Breakfast Program			FY 2023	-	-	-	1,404,765
Total - School Breakfast Program				-	1,243,300	-	1,404,765
National School Lunch Program							
21-22 Child Nutrition Commodities	Indiana Department of Education	10.555					
National School Lunch Program			FY 2022	-	428,987	-	-
National School Lunch Program			FY 2022	-	3,206,669	-	-
22-23 Child Nutrition Commodities			FY 2023	-	-	-	349,453
National School Lunch Program			FY 2023	-	-	-	3,615,977
Subtotal - National School Lunch Program				-	3,635,656	-	3,965,430
COVID-19 - National School Lunch Program							
SNP Emergency Fund	Indiana Department of Education	10.555					
			FY 2022	-	269,333	-	-
Total - National School Lunch Program				-	3,904,989	-	3,965,430
Summer Food Service Program for Children							
Summer Food Service Program for Children	Indiana Department of Education	10.559					
Summer Food Service Program for Children			FY 2022	-	133,322	-	-
Summer Food Service Program for Children			FY 2023	-	-	-	116,033
Total - Summer Food Service Program for Children				-	133,322	-	116,033
Total - Child Nutrition Cluster				-	5,281,611	-	5,486,228
Child and Adult Care Food Program							
Child and Adult Care Food Program	Indiana Department of Education	10.558					
Child and Adult Care Food Program			FY 2022	-	251,595	-	-
Child and Adult Care Food Program			FY 2023	-	-	-	265,108
Total - Child and Adult Care Food Program				-	251,595	-	265,108
Pandemic EBT Administrative Costs							
Pandemic EBT Administrative Costs	Indiana Department of Education	10.649					
Pandemic EBT Administrative Costs			FY 2022	-	3,063	-	-
Pandemic EBT Administrative Costs			FY 2023	-	-	-	3,135
Total - Pandemic EBT Administrative Costs				-	3,063	-	3,135
Total - Department of Agriculture				-	5,536,269	-	5,754,471
<u>Federal Communications Commission</u>							
Emergency Connectivity Fund Program	Direct Grant	32.009					
COVID-19 - Emergency Connectivity Fund Program			ECF 222119178	-	-	-	1,570,000
Total - Federal Communications Commission				-	-	-	1,570,000

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Years Ended June 30, 2022 and 2023

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listings Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-22	Total Federal Awards Expended 06-30-22	Passed Through to Subrecipient 06-30-23	Total Federal Awards Expended 06-30-23
<b>Department of Education</b>							
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
Title I 19/20			S010A190014	-	29,700	-	-
Title I 20/21			S010A200014	-	531,348	-	-
Title I Grants to Local Educational Agencies			S010A210014	-	1,085,044	-	646,164
Title I Grants to Local Educational Agencies			S010A220014	-	-	-	1,116,107
Total - Title I Grants to Local Educational Agencies				-	1,646,092	-	1,762,271
<b>Special Education Cluster (IDEA)</b>							
Special Education Grants to States	Indiana Department of Education	84.027					
Special Education Grants to States			FY 2020	-	264,252	-	-
Special Education Grants to States			FY 2021	-	1,284,979	-	26,043
Special Education Grants to States			FY 2022	-	41,427	-	1,596,908
Special Education Grants to States			FY 2023	-	-	-	34,938
Subtotal - Special Education Grants to State				-	1,590,658	-	1,657,889
COVID-19 - Special Education Grants to States	Indiana Department of Education	84.027X					
COVID-19 - Special Education Grants to States			22611-079-ARP	-	114,270	-	254,843
Total - Special Education Grants to States				-	1,704,928	-	1,912,732
<b>Special Education Preschool Grants</b>							
Special Education Preschool Grants	Indiana Department of Education	84.173					
Special Education Preschool Grants			FY 2020	-	11,600	-	-
Special Education Preschool Grants			FY 2021	-	26,205	-	-
Special Education Preschool Grants			FY 2022	-	31,545	-	20,787
Subtotal - Special Education Preschool Grants				-	69,350	-	20,787
COVID-19 - Special Education Preschool Grants	Indiana Department of Education	84.173X					
COVID-19 - Special Education Preschool Grants			22619-079-ARP	-	29,133	-	-
Total - Special Education Preschool Grants				-	98,483	-	20,787
Total - Special Education Cluster (IDEA)				-	1,803,411	-	1,933,519
<b>Education for Homeless Children and Youth</b>							
McKinney Vento	MSD of Warren Township	84.196					
			2020-2022	-	52,180	-	-
Total - Education for Homeless Children and Youth				-	52,180	-	-
<b>English Language Acquisition State Grants</b>							
English Language Acquisition State Grants	Indiana Department of Education	84.365					
English Language Acquisition State Grants			S365A190014	-	5,151	-	-
English Language Acquisition State Grants			S365A200014	-	18,375	-	4,066
English Language Acquisition State Grants			S365A210014	-	54,377	-	35,822
English Language Acquisition State Grants			S365A220014	-	-	-	58,547
Total - English Language Acquisition State Grants				-	77,903	-	98,435

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Years Ended June 30, 2022 and 2023

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listings Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-22	Total Federal Awards Expended 06-30-22	Passed Through to Subrecipient 06-30-23	Total Federal Awards Expended 06-30-23
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367					
Title II Supporting Effective Instruction			S367A200013	-	281,660	-	-
Title II Supporting Effective Instruction			S367A210013	-	-	-	277,434
Total - Supporting Effective Instruction State Grants				-	281,660	-	277,434
Teacher and School Leader Incentive Grants	Direct Grant	84.374					
Empowering Educators to Excel			Year 1	102,230	245,633	2,461,935	3,729,443
Empowering Educators to Excel			Year 2	-	-	1,443,826	2,589,048
Teacher & School Leader Incentive Grant			FY 2021	-	647,400	-	-
Teacher & School Leader Incentive Grant			FY 2022	-	388,995	-	896,609
Total - Teacher and School Leader Incentive Grants				102,230	1,282,028	3,905,761	7,215,100
Student Support and Academic Enrichment Program	Indiana Department of Education	84.424					
Student Support & Academic Enrichment			S424A180015	-	8,001	-	-
Student Support & Academic Enrichment			S424A190015	-	50,343	-	-
Student Support & Academic Enrichment			S424A200015	-	77,675	-	22,875
Student Support & Academic Enrichment			S424A210015	-	-	-	71,254
Total - Student Support and Academic Enrichment Program				-	136,019	-	94,129
COVID-19 - Education Stabilization Fund	Indiana Department of Education	84.425					
Governor's Emergency Education Relief Fund		84.425C	S425C200018	-	-	-	8,454
CARES Act		84.425D	S425D200013	-	357,258	-	10,397
Elementary and Secondary School Emergency Relief Fund II		84.425D	S425D200013	-	1,793,244	-	2,469,392
Elementary and Secondary School Emergency Relief Fund III		84.425U	S425U200013	-	641,010	-	2,229,402
Elementary and Secondary School Emergency Relief Fund Homeless Children & Youth II		84.425W	S425W210015	-	77,418	-	-
Total - COVID-19 - Education Stabilization Fund				-	2,868,930	-	4,717,645
Total - Department of Education				102,230	8,148,223	3,905,761	16,098,533
<b>Department of Health and Human Services</b>							
Drug-Free Communities Support Program Grants	Indiana Department of Health and Human Services	93.276					
Drug Free Community Support Program			1H79SP080128-01	-	116,737	-	134,112
Drug Free Coalition			2NH28CE002583-06-00	-	-	-	46,715
Total - Drug-Free Communities Support Program Grants				-	116,737	-	180,827
CCDF Cluster							
COVID-19 - Child Care and Development Block Grant		93.575					
Supplemental Funds under the Coronavirus Response and Relief Supplemental Appropriations Act	Indiana Department of Health and Human Services		718CCDFCRRS21	-	13,070	-	-
Total - CCDF Cluster				-	13,070	-	-

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Years Ended June 30, 2022 and 2023

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listings Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-22	Total Federal Awards Expended 06-30-22	Passed Through to Subrecipient 06-30-23	Total Federal Awards Expended 06-30-23
Medicaid Cluster							
Medical Assistance Program	Indiana Department of Education	93.778					
Federal Medicaid Reimbursements 21-22 MAC			FY 2022	-	214,706	-	-
Federal Medicaid Reimbursements 22-23 MAC			FY 2023	-	-	-	207,713
Medical Assistance Program	Indiana Family and Social Services Administration	93.778					
Federal Medicaid Reimbursements 21-22 IEP			FY 2022	-	200,896	-	-
Federal Medicaid Reimbursements 22-23 IEP			FY 2023	-	-	-	207,014
Total - Medical Assistance Program				-	415,602	-	414,727
Total - Medicaid Cluster				-	415,602	-	414,727
Total - Department of Health and Human Services				-	545,409	-	595,554
Total federal awards expended				\$ 102,230	\$ 14,229,901	\$ 3,905,761	\$ 24,018,558

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Summary of Significant Accounting Policies**

*A. Basis of Presentation*

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the years ended June 30, 2022, and 2023. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position of the School Corporation.

The Uniform Guidance requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$750,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with Indiana Code (IC 5-11-1-25), audits of school corporations shall be conducted biennially. Such audits shall include both years within the biennial period.

*B. Other Significant Accounting Policies*

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received.

**Note 2. Indirect Cost Rate**

The School Corporation has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I - Summary of Auditor's Results**

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	yes

Identification of Major Programs and type of auditor's report issued on compliance for each:

Assistance Listings Number	Name of Federal Program or Cluster	Opinion Issued
	Child Nutrition Cluster	Unmodified
	Special Education Cluster (IDEA)	Unmodified
32.009	Emergency Connectivity Fund Program	Qualified
84.010	Title I Grants to Local Educational Agencies	Unmodified
84.425	COVID-19 - Education Stabilization Fund	Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: \$1,147,454

Auditee qualified as low-risk auditee? no

**Section II - Financial Statement Findings**

No matters are reportable.

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

**Section III - Federal Award Findings and Questioned Costs**

**FINDING 2023-001**

Subject: COVID-19 - Education Stabilization Fund - Special Tests  
and Provisions - Wage Rate Requirements  
Federal Agency: Department of Education  
Federal Program: COVID-19 - Education Stabilization Fund  
Assistance Listings Number: 84.425U  
Federal Award Number and Year (or Other Identifying Number): S425U200013  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Special Tests and Provisions - Wage Rate Requirements  
Audit Findings: Material Weakness, Other Matters

*Condition and Context*

Construction contracts in excess of \$2,000 financed by federal assistance funds must pay wages not less than those established for the locality of the project (prevailing wage rates) by the Department of Labor (DOL) to its laborers and mechanics. Nonfederal entities are to include in its construction contracts subject to the Wage Rate Requirements a provision that the contractor or subcontractor comply with these requirements and the DOL regulations. This would include a requirement to submit a copy of the payroll and statement of compliance to the entity for each week in which contract work was performed.

The School Corporation's policies and procedures included ensuring that construction contracts in excess of \$2,000 paid from federal grant funds included a prevailing wage rate clause prior to management signing the contract. However, the School Corporation's policies did not include a system of internal controls to ensure that the required certified payrolls were submitted by the contractors.

Two construction contracts, totaling \$8,085,309 were paid from the COVID-19 - Education Stabilization Fund grant funds. Both contracts were tested. One of the two contracts did not contain the required prevailing wage rate clause, but the School Corporation had obtained the required payroll and statements of compliance for both contracts.

The lack of internal controls and noncompliance were systemic issues throughout the audit period.

*Criteria*

2 CFR 200.303 states in part:

"The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

29 CFR 5.5 states in part:

"(a) The Agency head shall cause or require the contracting officer to insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a public building or public work, or building or work financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in § 5.1, the following clauses . . .

(1) *Minimum wages.*

(i) All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. . . .

(3) *Payrolls and basic records.* . . .

(ii)

(A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the (write in name of appropriate federal agency) if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant, sponsor, or owner, as the case may be, for transmission to the (write in name of agency). The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. . . ."

2 CFR 200 Appendix II states in part:

"In addition to other provisions required by the Federal agency or non-Federal entity; all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable. . . .

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, 'Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction'). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. . . ."

*Cause*

A proper system of internal controls was not designed by management of the School Corporation. Embedded within a properly designed and implemented internal control system should be internal controls consisting of policies and procedures. Policies reflect the School Corporation's management statements of what should be done to effect internal controls, and procedures should consist of actions that would implement these policies.

*Effect*

Without the proper implementation of an effectively designed system of internal controls, the internal control system cannot be capable of effectively preventing, or detecting and correcting, material noncompliance. As a result, a construction contract entered into did not contain the required wage rate requirements clause.

Noncompliance with the grant agreement and the compliance requirement could result in the loss of future federal funds to the School Corporation.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation's management establish a system of internal controls over the wage rate requirements, and include the wage rate requirement clause in construction contracts.

*Views of Responsible Officials*

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

**FINDING 2023-002**

Subject: Emergency Connectivity Fund Program - Activities Allowed or Unallowed,  
Allowable Costs/Cost Principles, Period of Performance  
Federal Agency: Federal Communications Commission  
Federal Program: Emergency Connectivity Fund Program  
Assistance Listings Number: 32.009  
Federal Award Number and Year (or Other Identifying Number): ECF 222119178  
Compliance Requirements: Activities Allowed or Unallowed, Allowable Costs/  
Cost Principles, Period of Performance  
Audit Finding: Material Weakness

*Condition and Context*

The School Corporation had not properly designed or implemented a system of internal controls, which would include appropriate segregation of duties that would likely be effective in preventing, or detecting and correcting, noncompliance related to Emergency Connectivity Fund (ECF) Program expenditures.

Allowable ECF Program expenditures were devices or services used primarily for off-campus educational purposes by students or school staff with otherwise unmet need. Approved eligible equipment and services requested during the first two application filing windows were to be received or delivered between July 1, 2021 and June 30, 2023.

The School Corporation completed two reimbursement requests and submitted them online; however, there was no evidence of an oversight or review process to ensure that the expenses included on the reimbursement requests were for allowable devices, adequately supported with invoices, and received within the applicable time window.

The lack of internal controls was a systemic issue throughout the audit period.

*Criteria*

2 CFR 200.303 states in part:

"The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

*Cause*

A proper system of internal controls was not designed by management of the School Corporation, which would include segregation of key functions. Embedded within a properly designed and implemented internal control system should be internal controls consisting of policies and procedures. Policies reflect the School Corporation's management of what should be done to effect internal controls, and procedures should consist of actions that would implement these policies.

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Effect*

Without the proper design or implementation of the components of a system of internal controls, including policies and procedures that provide segregation of duties and additional oversight as needed, the internal control system cannot be capable of effectively preventing, or detecting and correcting, material noncompliance.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that management of the School Corporation design and implement a proper system of internal controls, including policies and procedures that would provide segregation of duties to ensure appropriate reviews, approvals, and oversight are taking place.

*Views of Responsible Officials*

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

**FINDING 2023-003**

Subject: Emergency Connectivity Fund Program - Suspension and Debarment  
Federal Agency: Federal Communications Commission  
Federal Program: Emergency Connectivity Fund Program  
Assistance Listings Number: 32.009  
Federal Award Number and Year (or Other Identifying Number): ECF 222119178  
Compliance Requirement: Procurement and Suspension and Debarment  
Audit Findings: Material Weakness, Modified Opinion

*Condition and Context*

Prior to entering into subawards and covered transactions with federal award funds, recipients are required to verify that such contractors and subrecipients are not suspended, debarred, or otherwise excluded. "Covered transactions" include, but are not limited to, contracts for goods and services awarded under a non-procurement transaction (i.e., grant agreement) that are expected to equal or exceed \$25,000. The verification is to be done by checking the SAMs exclusions, collecting a certification from that person, or adding a clause or condition to the covered transaction with that person.

Upon inquiry of the School Corporation in order to review the procedures in place for verifying that a vendor with which it plans to enter into a covered transaction is not suspended, debarred, or otherwise excluded, the School Corporation noted no one was designated to run a SAMs search or verify in any other way that the vendor was not suspended or debarred. Two covered transactions that equaled or exceeded \$25,000 were identified. The two transactions, totaling \$1,570,000, were with the same vendor. The School Corporation did not verify the vendor's suspension and debarment status prior to payment.

The lack of internal controls and noncompliance were systemic issues throughout the audit period.

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Criteria*

2 CFR 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

2 CFR 180.300 states:

"When you enter into a covered transaction with another person as the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by:

- (a) Checking SAM Exclusions; or
- (b) Collecting a certification from that person; or
- (c) Adding a clause or condition to the covered transaction with that person."

47 CFR 54.8(d) states in part: "Effect of suspension and debarment. Unless otherwise ordered, any persons suspended or debarred shall be excluded from activities associated with or related to the schools and libraries support mechanism, . . ."

*Cause*

Management had not designed or implemented a system of internal controls that would have ensured procedures were in place that would comply with the provisions of federal statutes, regulations, and the terms and conditions of the federal award in relation to the suspension and debarment requirements of the Procurement and Suspension and Debarment compliance requirement.

*Effect*

The failure to design and implement an effective internal control system enabled material non-compliance to remain undetected. Noncompliance with the provisions of federal statutes, regulations, and terms and conditions of the federal award could result in the reduction of future federal funding to the School Corporation.

*Questioned Costs*

There were no questioned costs identified.

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Recommendation*

We recommended that the School Corporation's management design and implement a system of internal controls related to suspension and debarment procedures to ensure entities are neither suspended nor debarred, or otherwise excluded or disqualified prior to entering into any covered transactions.

*Views of Responsible Officials*

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

#### AUDITEE-PREPARED DOCUMENTS

The subsequent documents were provided by management of the School Corporation. The documents are presented as intended by the School Corporation.



5275 Kentucky Avenue  
Indianapolis, IN 46221

☎ 317.856.5265

☎ 317.856.2149

[www.decaturnproud.org](http://www.decaturnproud.org)

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### ***FINDING 2021-001***

**Fiscal year in which the finding initially occurred: Fiscal Year 2020**

**Current Audit Period: July 1, 2021, to June 30, 2023**

**Finding Subject: Preparation of the Schedule of Expenditures of Federal Awards**  
**Summary of Finding: Material Weakness, Noncompliance**

The School Corporation failed to properly review the grant information prepared and submitted in Gateway. Although one employee prepared and entered the federal award information into Gateway, and another employee reviewed and approved the information entered, the internal control was not effective and did not detect and allow correction of errors prior to submission.

### **Status of Audit Finding:**

Issues related to the CNC Cluster resulted from the USDOA making a change that all program revenue was disbursed from the Summer Food Service Program as a result of the pandemic. This reverted back to being accounted for in each individual program effective July 1, 2021. The Business Department collaborated with the Director of Food Service to ensure that all NSLP Commodities received were accurately reported. The Business Department included revenue receipted for IEP services rendered on the SEFA during the audit period.

### **Response Comments:**

Fully corrected and the original corrective action was implemented.



2

**FINDING 2021-002****Fiscal year in which the finding initially occurred: Fiscal Year 2018****Current Audit Period: July 1, 2021, to June 30, 2023****Finding Subject: Child Nutrition Cluster – Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Special Tests and Provisions – Verification of Free and Reduced-Price Applications (NSLP)****Summary of Finding: Material Weakness**Activities Allowed or Unallowed, Allowable Costs/Cost Principles:

Hourly employees were permitted to sign 24-pay contracts, allowing them to be paid year-round. This caused a slight reduction of their regular hourly rate when the 24-pay calculation was completed using their hourly rate and scheduled hours. Payroll vouchers were not reviewed by anyone other than the preparer and no reconciliation of hours to pay for the school year were prepared.

Special Tests and Provisions – Verification of Free and Reduced-Price Applications (NSLP):

The School Corporation completed the verification process and submitted the results online; however, there was no evidence of oversight or review to ensure the verifications were handled properly.

**Status of Audit Finding:**Activities Allowed or Unallowed, Allowable Costs/Cost Principles:

The school district revised the 24-pay election form to include the following: 1) a summary detailing which days worked correspond to a specific pay period; 2) a documented calculation of pay; and 3) signature of approval of the Chief Financial Officer. A payroll voucher was prepared monthly and reviewed and approved by the CFO and Board of Education. Also, an electronic time management system was been implemented to improve transparency and approval controls during the audit period.

Special Tests and Provisions:

Verification of Free and Reduced-Price Applications (NSLP): Dual control and oversight is completed by the Administrative Assistant and Director of Child Nutrition. All reports are saved to Child Nutrition Admin Drive to monitor the process. The Administrative Assistant is responsible for starting the process. The Director of Child Nutrition will then run the final Verification Collection report. This report allows the Director to review all steps completed in the verification process. SY22-23 Verification was completed through Skyward. This software does not have a complete process and the Child Nutrition Department utilized a tracking spreadsheet. This spreadsheet was accessed and verified by the Administrative Assistant and Director of Child Nutrition. Dual initials are indicated on the spreadsheet. SY23-24 Verification was completed through Titan. Titan's system provides a process showing communication and tracking with dates and time stamps. These reports are saved to the Child Nutrition Admin Drive where the Director of Child Nutrition will review the Verification process started by the Administrative Assistant. The Director of Child Nutrition will complete the Verification process by submitting the Verification Report in CNP Web. This is also timestamped and tied to the login of the Director of Child Nutrition.

**Response Comments:**

Fully corrected and the original corrective action was implemented.

3

**FINDING 2021-003****Fiscal year in which the finding initially occurred: Fiscal Year 2016****Current Audit Period: July 1, 2021, to June 30, 2023****Finding Subject: Childing Nutrition Cluster – Procurement and Suspension and Debarment****Summary of Finding: Material Weakness, Other Matters**Procurement:

The School Corporation did not have effective internal controls in place to ensure that price and rate quotes were obtained from an adequate number of sources for purchases of goods or services that exceed \$10,000 (the small purchase threshold). For 15 of 19 small purchase vendors tested, the School Corporation did not obtain quotes.

Suspension and Debarment:

The School Corporation did not have effective internal controls in place to ensure contracted vendors were not suspended or debarred or otherwise excluded from participation in federal award programs. The School Corporation could not provide evidence of verification for any of the applicable vendors.

**Status of Audit Finding:**Procurement:

The Child Nutrition Department follows the current IDOE procurement guidelines for Micro Purchases (small purchases), Informal Purchases, and Formal Purchases. The Child Nutrition Program Procurement Plan was reviewed on 2/1/22 and submitted to Cynthia Harris with IDOE. The Procurement Plan was approved by IDOE. IDOE approved the Micro Purchase (small purchase) threshold of \$50,000. Adequate numbers of quotes are obtained according to type of purchase and per the procurement plan. This plan is saved to the Child Nutrition Administrative Drive. All Child Nutrition Central Office Staff has access to this plan. Google Drive folder can be shared with those who need access to review.

Suspension and Debarment:

All contracted vendors are reviewed for suspension and debarment through the SAM.gov website. If a vendor is not registered in the system, a request to complete the Suspension and Debarment IDOE form is sent to the vendor. These searches and forms are saved to the Child Nutrition Administrative Drive. All Child Nutrition Central Office Staff has access to these documents. Google Drive folder can be shared with those who need access to review.

**Response Comments:**

Fully corrected and the original corrective action was implemented.

4

**FINDING 2021-004****Fiscal year in which the finding initially occurred: Fiscal Year 2016****Current Audit Period: July 1, 2021, to June 30, 2023****Finding Subject: Title I Grants to Local Educational Agencies – Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Special Tests and Provisions – Annual Report Card, High School Graduation Rate****Summary of Finding: Material Weakness**Activities Allowed or Unallowed, Allowable Costs/Cost Principles:

Detailed disbursement reports were provided to a knowledgeable employee for review. However, the reports did not provide sufficient detail for the employee to effectively review and verify the proper employees were paid at an accurate amount from Title I funds.

Special Tests and Provisions – Verification of Free and Reduced-Price Applications (NSLP):

The School Corporation implemented a procedure to ensure proper documentation was maintained to support the reason students were listed as mobile on the Graduation Cohort Summary Report. The report was generated; however, there was no evidence of review to ensure proper documentation was maintained for all students listed as mobile.

**Status of Audit Finding:**Activities Allowed or Unallowed, Allowable Costs/Cost Principles:

Payroll distribution lists were periodically provided to the Title I grant director from the Payroll Department to review staff members who were listed and being paid through the Title I grant. If a correction was needed the Title I grant director worked with the payroll department and Deputy Treasurer to make the corrections.

Special Tests and Provisions – Verification of Free and Reduced-Price Applications (NSLP):

The Program Administrator and Building Administration implemented procedures and processes to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - High School Graduation Rate compliance requirement. The Data and Testing Coordinator reviewed and passed Moodle Cohort content and assessments to ensure adherence to those processes and procedures. Supporting documentation was consistently maintained for the High School Graduation Rate. The Data and Testing Coordinator reviewed the graduation cohort with administration from the secondary level. Students were tracked and reviewed monthly. Signatures of those who attended meetings were obtained to verify the review for the accuracy of the graduation cohort report.

**Response Comments:**

Fully corrected and the original corrective action was implemented.

5

**FINDING 2021-005**

**Fiscal year in which the finding initially occurred: Fiscal Year 2019**

**Current Audit Period: July 1, 2021, to June 30, 2023**

**Finding Subject: Title I Grants to Local Educational Agencies – Reporting**

**Summary of Finding: Material Weakness, Other Matters**

The Final Expenditure Reports were prepopulated from the reimbursement requests submitted in the Title I Application Center. The School Corporation was responsible for entering the set-aside amounts disbursed from the grant into the final report. For all the reports tested, the School Corporation did not set aside information; therefore, the reports did not match the School Corporation's records.

**Status of Audit Finding:**

The school district established procedures for the Title 1 Director to review and document the review of final expenditure reports to ensure the reports agree with the school corporation's financial records and the grant application with the CFO before submitting to the Title 1 Application Center.

**Response Comments:**

Fully corrected and the original corrective action was implemented.

6

**FINDING 2021-006****Fiscal year in which the finding initially occurred: Fiscal Year 2016****Current Audit Period: July 1, 2021, to June 30, 2023****Finding Subject: Special Education Cluster (IDEA) – Procurement and Suspension and Debarment  
Summary of Finding: Material Weakness, Other Matters**Procurement:

The School Corporation did not follow procurement requirements for purchases which exceeded the simplified acquisition threshold (SAT) of \$150,000. The School Corporation did not solicit bids for purchases that exceed this threshold for one of two vendors that were tested.

Suspension and Debarment:

The School Corporation did not verify that applicable vendors from special education funds were not suspended or debarred.

**Status of Audit Finding:**Procurement:

A Purchase Order Request from is completed by the Special Ed staff member requesting the item. If the amount of the purchase is \$150,000+ the Administrative Assistant will instruct the staff member to obtain at least 3 bids or provide documentation stating that this item/service is only available from this particular vendor. That request along with the quotes/documentation is approved by the Director of Special Services and the Assistant Superintendent. Once approval is obtained the Administrative Assistant orders the items via Purchase Order, Account or Credit Card. The packing slip is initialed by the staff member who requested the items once an inventory has been taken and sent to the Administrative Assistant. The invoice, once received, is then verified with the PO etc. and signed by the Administrative Assistant, Director of Special Services and Assistant Superintendent. A copy of the PO and invoice are maintained in the Special Services Department and originals are given to the Accounts Payable. Dept. Purchase are recorded on a spreadsheet.

Suspension and Debarment:

When a single purchase for a vendor or a combination of all purchases to a vendor during the fiscal year (July 1 – June 30) exceeds \$25,000, the Administrative Assistant, Special Services will search the SAMS website for the vendor's suspension and debarment record. The results of the search were printed, even if no results were found, and given to the Administrative Assistant, Curriculum & Instruction to review. Both Administrative Assistants will initial the printed copy of the results. The printed copy of the SAMS search will be attached to all documents pertaining to the purchase (ie: purchase order, request for purchase, quotes etc.). Those documents will remain together throughout the purchasing and payment process.

**Response Comments:**

Fully corrected and the original corrective action was implemented.



5275 Kentucky Avenue  
Indianapolis, IN 46221

317.856.5265

317.856.2156

[www.decaturproud.org](http://www.decaturproud.org)

## CORRECTIVE ACTION PLAN

### ***FINDING 2023-001***

**Finding Subject:** COVID-19 – Education Stabilization Fund – Special Tests and Provisions – Wage Rate Requirements

**Summary of Finding:** The School Corporation did not have adequate policies or procedures to ensure that contracts in excess of \$2,000 paid from federal grant funds included a prevailing wage rate clause. One of two contracts during the audit period was subject to wage rate requirements; however, the contract did not have the required prevailing wage rate clause included in the contract. Certified payrolls were obtained for both contracts, but there was no evidence the unit had a control in place to ensure the certified payrolls are received timely and in compliance with applicable grant requirements.

**Contact Person Responsible for Corrective Action:** Kirk Farmer, Chief Financial Officer

**Contact Phone Number and Email Address:** (317) 856-5265; [kfarmer@decaturproud.org](mailto:kfarmer@decaturproud.org)

**Views of Responsible Official:** We concur with Audit Finding

**Description of Corrective Action Plan:** The School Corporation will verify all contracts paid for from federal funds include a prevailing wage rate clause. In addition, the Business Department will print off email correspondence to file with future certified payrolls to document receipt and compliance with grant requirements.

**Anticipated Completion Date:** March 1, 2024



***FINDING 2023-002***

**Finding Subject:** Emergency Connectivity Fund – Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Period of Performance

**Summary of Finding:** An effective internal control system was not in place at the School Corporation to ensure compliance with requirements related to the grant agreement and the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Period of Performance compliance requirements. The School Corporation completed reimbursement requests and submitted them online; however, there was no evidence of an oversight or review process to ensure that the reimbursement requests were for allowable activities, allowable costs, and within the period of performance.

**Contact Person Responsible for Corrective Action:** Derek Coulombe, Director of Technology

**Contact Phone Number and Email Address:** (317) 856-5265; dcoulombe@decaturproud.org

**Views of Responsible Official:** We concur with Audit Finding

**Description of Corrective Action Plan:** The School Corporation will develop procedures to ensure disbursement requests are printed out and a representative from the Business Department documents review of them for allowable activity before final submission.

**Anticipated Completion Date:** March 1, 2024

**FINDING 2023-003**

**Finding Subject:** Emergency Connectivity Fund – Suspension and Debarment

**Summary of Finding:** The School Corporation had not implemented a system of internal controls to ensure procedures were in place to verify that the contracted entity selected for the project was not suspended or debarred. The School Corporation did not include the appropriate provisions for suspension and debarment in the contract, require a certification, or check the EPLS to ensure the entity was not suspended or debarred.

**Contact Person Responsible for Corrective Action:** Derek Coulombe, Director of Technology

**Contact Phone Number and Email Address:** (317) 856-5265; dcoulombe@decaturproud.org

**Views of Responsible Official:** We concur with Audit Finding

**Description of Corrective Action Plan:** The School Corporation will develop procedures, including adding contract language when appropriate, to ensure searches verifying vendors paid from federal funds have not been Suspended or Debarred. Documentation of the searches will be printed off then filed with the contract and submitted with the original purchase request.

**Anticipated Completion Date:** March 1, 2024

## OTHER REPORTS

In addition to this report, other reports may have been issued for the School Corporation. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.