

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

COMPLIANCE EXAMINATION REPORT

OF

MONROE CENTRAL SCHOOL CORPORATION

RANDOLPH COUNTY, INDIANA

July 1, 2021 to June 30, 2023



**FILED**

03/26/2024



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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March 26, 2024

To: The Officials of Monroe Central School Corporation  
Monroe Central School Corporation  
Randolph County, Indiana

This report is supplemental to the audit report of Monroe Central School Corporation (School Corporation), for the period July 1, 2021 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 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/](http://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 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 Monroe Central School Corporation prepared by Crowe LLP, Independent Public Accountants, for the period July 1, 2021 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 findings 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

MONROE CENTRAL SCHOOL CORPORATION

Randolph County, Indiana  
July 1, 2021 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
2023-002: PAYROLL – COMPENSATION AND BENEFITS .....	3
EXIT CONFERENCE .....	4

MONROE CENTRAL SCHOOL CORPORATION  
SCHEDULE OF OFFICIALS  
For the period July 1, 2021 to June 30, 2023

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<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Diana Dull Jessica Cheesman	07-01-21 to 12-31-21 01-01-22 to 06-30-23
Superintendent of Schools	Dr. Adrian Moulton	07-01-21 to 06-30-23
President of the School Board	Brad Swallow	07-01-21 to 06-30-23

## INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and  
Management of the Monroe Central School Corporation

We have examined the Monroe Central School Corporation ("School Corporation") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations* during the period July 1, 2021 to June 30, 2023. 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 July 1, 2021 to June 30, 2023, as described in items 2023-001 and 2023-002 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 July 1, 2021 to June 30, 2023.

*Crowe LLP*  
Crowe LLP

Indianapolis, Indiana  
March 8, 2024

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MONROE CENTRAL SCHOOL CORPORATION  
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS  
July 1, 2021 to June 30, 2023

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**FINDING 2023-001: 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, 2022 or June 30, 2023. This a repeat finding from report B59762.

<u>Fund</u>	<u>Amount Overdrawn June 30, 2022</u>	<u>Amount Overdrawn June 30, 2023</u>
Construction	\$ -	\$ 28,846
Curricular Materials Rental	91,833	70,934
Prepaid School Lunch Accounts	-	834
Suppl. Life Insurance Premium	12	588
Clearing - Cancer Ins	-	366
HSA - A/F	-	3,225
Extra-Curricular H.S.	5,302	9,884
Clearing - Miscellaneous	-	15,292
Building Project Exp Paid By C	682	81,100

**FINDING 2023-002: PAYROLL – COMPENSATION & BENEFITS**

**Criteria:** Chapter 1 of the Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations states in part, “*All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution, or salary schedule adopted by the governing body unless otherwise authorized by law. Compensation must be paid in a manner that will facilitate compliance with state and federal reporting requirements.*”

**Condition:** During testing of payroll, we noted one selection, in a sample of ten, for which the employee was not paid for a half hour that was on their approved timecard.

MONROE CENTRAL SCHOOL CORPORATION  
EXIT CONFERENCE  
July 1, 2021 to June 30, 2023

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The contents of this report were discussed on March 8, 2024 with Jessica Cheesman, Treasurer, Adrian Moulton, Superintendent, and Brad Swallow, Board President.