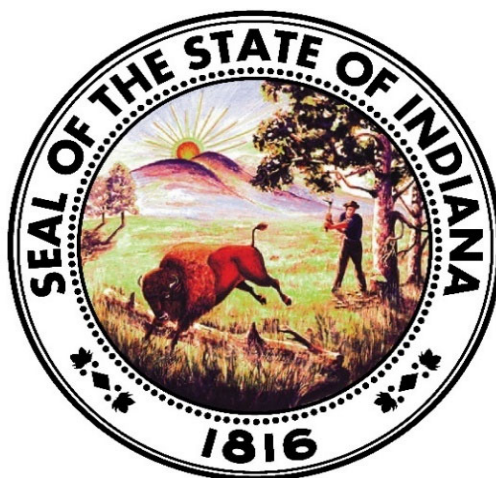


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

COMPLIANCE EXAMINATION REPORT
OF
NORTH WHITE SCHOOL CORPORATION
WHITE COUNTY, INDIANA
July 1, 2021 to June 30, 2023



FILED
03/26/2024



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDIANAPOLIS, INDIANA 46204-2769

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March 26, 2024

To: The Officials of North White School Corporation
North White School Corporation
White County, Indiana

This report is supplemental to the audit report of North White 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/.

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 instance of noncompliance found as a result of these procedures.

We have reviewed the Supplemental Audit Report for North White 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

COMPLIANCE EXAMINATION OF
NORTH WHITE SCHOOL CORPORATION
White County, Indiana
July 1, 2021 through June 30, 2023

NORTH WHITE SCHOOL CORPORATION

White County, Indiana
July 1, 2021 through June 30, 2023

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NORTH WHITE SCHOOL CORPORATION
SCHEDULE OF OFFICIALS
July 1, 2021 through June 30, 2023

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Emma Conwell	07-01-21 to 06-30-23
Superintendent of Schools	Nicholas G. Eccles	07-01-21 to 06-30-23
President of the School Board	James White	01-01-21 to 12-31-23



INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and
Management of the North White School Corporation

We have examined the North White School Corporation'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 July 1, 2021 through 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.

Our examination does not provide a legal determination on the School Corporation's compliance with specified requirements.

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 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 through 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 through June 30, 2023.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 20, 2024

NORTH WHITE SCHOOL CORPORATION
 SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
 July 1, 2021 through June 30, 2023

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 balances, we noted the following funds, which are not grant related funds, with a cash balance below zero as of June 30, 2022 and 2023:

Fund	Amount Overdrawn June 30, 2022	Amount Overdrawn June 30, 2023
Cafeteria Fund	\$ 117,519	\$ -
Extra Cur. Wages	439	364
Soc. Security – Teaching	106	-
Retirement Teachers	497	497
P.E.R.F.	76	-
A/F Dental Ins	59,027	87,455
Texas Life	995	88
AIG Dependent Life	99	250
A/F Cancer	325	903
A/F Disability	529	616
Vol. Non-Cert Retire	10	10
Donations	3,458	3,058

The same finding also appeared in prior Report B60274.

FINDING 2023-002: PREPAID SCHOOL LUNCH CLEARING FUND (8400) RECONCILIATION

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 Fund 8400 be reconciled with the total of the individual meal accounts. (The School Bulletin and Uniform Compliance Guidelines, February 2019).

Condition: The School Corporation's Prepaid School Lunch Accounts fund (fund number 8400) balance at June 30, 2022, and June 30, 2023, did not reconcile to the subsidiary records of student account balances. At June 30, 2022, the Prepaid School Lunch Accounts fund had a fund ledger balance of \$88,842 compared to the subsidiary records which showed a balance of \$1,131. At June 30, 2023, the Prepaid School Lunch Accounts fund had a fund ledger balance of \$157,569 compared to the subsidiary records which showed a balance of \$2,940.

NORTH WHITE SCHOOL CORPORATION
EXIT CONFERENCE
July 1, 2021 through June 30, 2023

The contents of this report were discussed on March 20, 2024, with Emma Conwell, Treasurer, Nicholas G. Eccles, Superintendent, and Scott Denton, School Board Member.