

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

COMPLIANCE EXAMINATION REPORT

OF

GREATER CLARK COUNTY SCHOOLS

CLARK COUNTY, INDIANA

July 1, 2021 to June 30, 2023



FILED

03/27/2024



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

March 27, 2024

To: The Officials of the Greater Clark County Schools
Greater Clark County Schools
Clark County, Indiana

This report is supplemental to the audit report of Greater Clark County Schools (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 instances of noncompliance found as a result of these procedures.

We have reviewed the Supplemental Audit Report for Greater Clark County Schools 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 pages 3 and 4.

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

GREATER CLARK COUNTY SCHOOLS

Clark 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: PREPAID SCHOOL MEAL ACCOUNTS	3
2023-003: AVERAGE DAILY MEMBERSHIP (ADM) TESTING	4
EXIT CONFERENCE	5

GREATER CLARK COUNTY SCHOOLS
SCHEDULE OF OFFICIALS
July 1, 2021 to June 30, 2023

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Laura Hubinger	07-01-21 to 06-30-23
Superintendent of Schools	Mark Laughner	07-01-21 to 06-30-23
President of the School Board	John Buckwalter	07-01-21 to 06-30-23

INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and
Management of the Greater Clark County Schools

We have examined the Greater Clark County Schools ("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, 2023-002, and 2023-003 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

Indianapolis, Indiana
March 12, 2024

GREATER CLARK COUNTY SCHOOLS
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
July 1, 2021 to 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 fund balances, we noted the following fund with a cash balance below zero as of June 30, 2022:

Fund	Amount Overdrawn June 30, 2022	Amount Overdrawn June 30, 2023
Prepaid School Lunch	\$ 23,938	\$ -

This is a repeat finding from report B60688.

FINDING 2023-002: PREPAID SCHOOL MEAL ACCOUNTS

Criteria: Prepaid school meals should not be considered income to the child nutrition program until students are charged a meal to their account. When a student deposits money into their school account the balance of their individual account it should not be included in Fund 800 School Lunch. The school should have a clearing account with the fund number 8400 Prepaid School Lunch Accounts, which is included in Chapter 5 of the State Board of Accounts Uniform Compliance Guidelines for Indiana Public School Corporations. The student deposits for school meals into their account should be recorded to fund 8400 using receipt account 1630 Special Functions. Once the student is charged meals, disburse that amount using expenditure account 31900 Other Food Services from fund 8400 and receipt this into fund 800 using the Food and Serviced receipt accounts 1611-1623 at the time established in a written policy to ensure accurate monthly reporting. The receipt at this point is considered program income and should be reported as such.

It is also a requirement that the balance of fund 8400 to be reconciled on a monthly basis to the individual meal accounts. (The School Bulletin and Uniform Compliance Guidelines, February 2019).

Condition: A monthly reconciliation between Fund 8400, Prepaid Meals fund, and the detailed records by student was not presented for the audit. At June 30, 2022, the detailed records showed an ending balance of \$36,044 and the funds ledger presented a balance of \$(23,938). At June 30, 2023, the detailed records showed an ending balance of \$(10,191) and the funds ledger presented a balance of \$18,517.

This is a repeat finding from report B60688.

(Continued)

GREATER CLARK COUNTY SCHOOLS
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
July 1, 2021 to June 30, 2023

FINDING 2023-003: 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, 2 students in our sample of 60 brick and mortar students selected for testing, were not regularly attending class during the semester selected. The students had over 25 absences and were not reported as habitually truant as required by IC 20-33-2-24 and the School Corporation's policy.

No issues were noted in the sample of 60 virtual students sampled.

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.

GREATER CLARK COUNTY SCHOOLS
EXIT CONFERENCE
July 1, 2021 to June 30, 2023

The contents of this report were discussed on March 11, 2024 with Laura Hubinger, Treasurer, Jennifer Cato, Deputy Treasurer, Mark Laughner, Superintendent, and John Buckwalter, School Board President.