

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

PLYMOUTH COMMUNITY SCHOOL CORPORATION

MARSHALL COUNTY, INDIANA

July 1, 2021 to June 30, 2023



**FILED**

03/19/2024



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Kandi Tinkey	07-01-21 to 12-31-22
	Valerie Moore	01-01-23 to 05-25-23
	(Vacant)	05-26-23 to 08-14-23
	Steven Boyer	08-15-23 to 06-30-24
Superintendent of Schools	Andrew Hartley	07-01-21 to 07-02-21
	Diane Woodworth (interim)	07-03-21 to 08-31-21
	Mitch Mawhorter	09-01-21 to 06-30-24
President of the School Board	Melissa Christiansen	07-01-21 to 12-31-22
	Allison Shook	01-01-23 to 06-30-24



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 PLYMOUTH COMMUNITY SCHOOL  
CORPORATION, MARSHALL 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 Plymouth Community School Corporation (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 March 5, 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, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, as described in the accompanying Schedule of Findings and Questioned Costs as items 2023-001 and 2023-002, that we consider to be material weaknesses.

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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2023-001 and 2023-002.

***Plymouth Community School Corporation's Response to Findings***

*Government Auditing Standards* requires the auditor to perform limited procedures on the School Corporation's response to findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The School Corporation's response to the 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 the financial statement, and, accordingly, we express no opinion on it.

***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

March 5, 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 PLYMOUTH COMMUNITY SCHOOL CORPORATION, MARSHALL COUNTY, INDIANA

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

***Qualified and Unmodified Opinions***

We have audited the Plymouth Community School Corporation'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 COVID-19 - Education Stabilization Fund***

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 COVID-19 - Education Stabilization Fund 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.

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)

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.

*Matter Giving Rise to Qualified Opinion on COVID-19 - Education Stabilization Fund*

As described in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with requirements regarding 84.425 COVID-19 - Education Stabilization Fund, as described in item 2023-004 for Reporting. Compliance with such requirements 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.

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)

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.

**Other 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 2023-003 and 2023-004, 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 March 5, 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

March 5, 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.

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PLYMOUTH COMMUNITY SCHOOL CORPORATION  
 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 Agriculture</b>							
<b>Child Nutrition Cluster</b>							
School Breakfast Program	Indiana Department of Education	10.553					
School Breakfast Program			FY 21-22	\$ -	\$ 338,428	\$ -	\$ -
School Breakfast Program			FY 22-23	-	-	-	306,203
<b>Total - School Breakfast Program</b>				<b>-</b>	<b>338,428</b>	<b>-</b>	<b>306,203</b>
<b>National School Lunch Program</b>							
School Lunch Program	Indiana Department of Education	10.555					
School Lunch Commodities			FY 21-22	-	1,675,457	-	-
School Lunch Program			FY 21-22	-	164,450	-	-
School Lunch Program			FY 22-23	-	-	-	1,443,404
School Lunch Commodities			FY 22-23	-	-	-	152,876
<b>Total - National School Lunch Program</b>				<b>-</b>	<b>1,839,907</b>	<b>-</b>	<b>1,596,280</b>
<b>Summer Food Service Program for Children</b>							
Summer Food Program	Indiana Department of Education	10.559					
Summer Food Program			FY 21-22	-	24,234	-	-
			FY 22-23	-	-	-	36,102
<b>Total - Summer Food Service Program for Children</b>				<b>-</b>	<b>24,234</b>	<b>-</b>	<b>36,102</b>
<b>Fresh Fruit and Vegetable Program</b>							
School Lunch Program	Indiana Department of Education	10.582					
			FY 22-23	-	-	-	57,277
<b>Total - Child Nutrition Cluster</b>				<b>-</b>	<b>2,202,569</b>	<b>-</b>	<b>1,995,862</b>
<b>Pandemic EBT Administrative Costs</b>							
Pandemic EBT Administrative Costs	Indiana Department of Education	10.649					
Pandemic EBT Administrative Costs			FY 21-22	-	3,063	-	-
Pandemic EBT Administrative Costs			FY 22-23	-	-	-	3,135
<b>Total - Pandemic EBT Administrative Costs</b>				<b>-</b>	<b>3,063</b>	<b>-</b>	<b>3,135</b>
<b>Total - Department of Agriculture</b>				<b>-</b>	<b>2,205,632</b>	<b>-</b>	<b>1,998,997</b>
<b>Department of Education</b>							
<b>Special Education Cluster (IDEA)</b>							
Special Education Grants to States	Indiana Department of Education	84.027					
Special Education (611) FY2021			21611-030-PN01 & H027A190084	-	259,890	-	-
Special Education (611) FY2022			22611-030-PN01 & H027A190084	-	575,835	-	248,135
Special Education (611) FY2023			23611-030-PN01 & H027A220084	-	-	-	233,491
<b>Total - Special Education Grants to States</b>				<b>-</b>	<b>835,725</b>	<b>-</b>	<b>481,626</b>
<b>Special Education Preschool Grants</b>							
Special Education Preschool FY2022 (619)	Indiana Department of Education	84.173					
Special Education Preschool FY2023 (619)			21619-030-PN01 & H173A190104	-	5,565	-	-
			22619-030-PN01 & H173A210104	-	26,011	-	3,201
			23619-030-PN01 & H173A220104	-	-	-	9,223
<b>Total - Special Education Preschool Grants</b>				<b>-</b>	<b>31,576</b>	<b>-</b>	<b>12,424</b>
<b>Total - Special Education Cluster (IDEA)</b>				<b>-</b>	<b>867,301</b>	<b>-</b>	<b>494,050</b>

PLYMOUTH COMMUNITY SCHOOL CORPORATION  
 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
Adult Education - Basic Grants to States	Indiana Department of Workforce Development	84.002					
Adult Education Federal WEI Program 2020-2021			AE20-836	-	1,374	-	-
Adult Education Federal IET Program 2020-2021			AE20-836	-	14,185	-	-
Adult Education Federal Program 2021-2022			AE21-836	-	74,210	-	-
Adult Education Federal Program IET/WEI 2021-2022			AE21-836	-	27,702	-	50,311
Adult Education Federal Program 2022-2023			AE22-836	-	-	-	6,740
Adult Education Federal Program 2022-2023			AE22-836	-	-	-	25,409
<b>Total - Adult Education - Basic Grants to States</b>				<b>-</b>	<b>117,471</b>	<b>-</b>	<b>82,460</b>
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
Title I School Improvement Grant 2020-2021			S010A200014 & 18611-001-PN01	-	2,500	-	-
Title I Part A 2020-2021			S010A200014 & 18611-001-PN01	-	104,088	-	-
Title I Part D 2020-2021			S010A200014 & 18611-001-PN01	-	21,158	-	-
Title I Part A 2021-2022			S010A210014 & 18611-001-PN01	-	400,380	-	95,178
Title I Part D 2021-2022			S010A210014 & 18611-001-PN01	-	28,945	-	64,703
Title I Part A 2022- 2023			S010A220014 & 18611-001-PN01	-	-	-	185,958
<b>Total - Title I Grants to Local Educational Agencies</b>				<b>-</b>	<b>557,071</b>	<b>-</b>	<b>345,839</b>
Migrant Education State Grant Program	South Bend Community School Corporation	84.011					
Title I Part C Migrant 2020-2021			FY 22-23	-	1,818	-	-
Career and Technical Education -- Basic Grants to States	Indiana Governor's Workforce Cabinet	84.048					
Career and Technical Education Assessment Grant 2020-2021			21-0512-A011	-	7,160	-	-
Career and Technical Education Leadership Grant 2020-2021			21-0512-C011	-	1,023	-	-
Career and Technical Education SY 2020-2021			21-05412-5485	-	11,149	-	-
Career and Technical Education Assessment Grant 2021-2022			22-0512-A011	-	5,142	-	-
Career and Technical Education SY 2021-2022			22-0512-B011	-	210,891	-	18,887
Career & Technical Education CLNA Planning Grant FY2021-2022			22-0512-C011	-	1,146	-	-
Perkins Education Readiness Grant			22-0512-ERG4	-	-	-	37,762
Perkins Assessment Grant			23-0512-A011	-	-	-	4,032
Career and Technical Education SY 2022-2023			23-0512-P011	-	-	-	174,841
Perkins Reserve Grant			23-0512-RE11	-	-	-	6,995
<b>Total - Career and Technical Education -- Basic Grants to States</b>				<b>-</b>	<b>236,511</b>	<b>-</b>	<b>242,517</b>
English Language Acquisition State Grants	Indiana Department of Education	84.365					
Title III English Proficiency 2019-2021			S365A190014 & Proj # 01120-063	-	4,850	-	-
Title III English Proficiency 2020-2022			S365A200014 & Proj # 01121-064	-	18,904	-	6,218
Title III English Proficiency 2021-2023			S365A210014	-	15,489	-	27,149
<b>Total - English Language Acquisition State Grants</b>				<b>-</b>	<b>39,243</b>	<b>-</b>	<b>33,367</b>

PLYMOUTH COMMUNITY SCHOOL CORPORATION  
 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 (formerly Improving Teacher Quality State Grants)	Indiana Department of Education	84.367					
Title II A FFY 2019-2021			S367A190013	-	33,878	-	-
Title II A FFY 2020			S367A200013	-	80,823	-	26,799
Title II-A FFY 2021			S367A210013	-	6,977	-	30,928
Total - Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)				-	121,678	-	57,727
Student Support and Academic Enrichment Program	Indiana Department of Education	84.424					
Title IV Part A 2019-2021			S424A190015	-	1,133	-	13,392
Title IV Part A 2020-2022			S424A200015	-	17,527	-	20,680
Total - Student Support and Academic Enrichment Program				-	18,660	-	34,072
COVID-19 - Education Stabilization Fund	Indiana Department of Education	84.425					
Employability Skills Innovation and Implementation Grant			66504	-	-	-	40,000
CARES Act ESSER II			S425D210013	-	538,688	-	1,144,110
CARES Act ESSER I			S425D200013	-	184,998	-	58,802
CARES Act ESSER III			S425U200013	-	31,554	-	33,153
ESSER			71217	-	-	-	68,418
Total - COVID-19 - Education Stabilization Fund				-	755,240	-	1,344,483
Total - Department of Education				-	2,714,993	-	2,634,515
<b>Department of Health and Human Services</b>							
Medicaid Cluster	Indiana Department of Education	93.778					
Medical Assistance Program							
Medicaid - INMac and IDOE			FY 21-22	-	80,110	-	-
Medicaid - INMac and IDOE			FY 22-23	-	-	-	57,250
Total - Medical Assistance Program				-	80,110	-	57,250
Total - Medicaid Cluster				-	80,110	-	57,250
Total - Department of Health and Human Services				-	80,110	-	57,250
<b>Department of Homeland Security</b>							
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Indiana Department of Homeland Security	97.036					
			FY 21-22	-	22,951	-	-
Total - Department of Homeland Security				-	22,951	-	-
Total federal awards expended				\$ -	\$ 5,023,686	\$ -	\$ 4,690,762

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

PLYMOUTH COMMUNITY SCHOOL CORPORATION  
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.

PLYMOUTH COMMUNITY SCHOOL CORPORATION  
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?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	yes

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
84.425	Child Nutrition Cluster	Unmodified
	Special Education Cluster (IDEA)	Unmodified
	COVID-19 - Education Stabilization Fund	Qualified

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? no

**Section II - Financial Statement Findings**

**FINDING 2023-001**

Subject: Financial Transactions and Reporting  
Audit Findings: Material Weakness, Noncompliance

*Condition and Context*

The School Corporation is required to file Annual Financial Reports after the close of each fiscal year. The reports are to be filed electronically as prescribed.

The School Corporation filed its reports as prescribed; however, the internal controls over the financial information entered into the Indiana Gateway for Government Units (Gateway) financial reporting system, which was the source of the School Corporation's financial statement were not effective.

PLYMOUTH COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

The School Corporation failed to properly review the financial information prepared and submitted in Gateway. Although one employee prepared and entered the financial 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.

Due to the lack of effective internal controls, the financial statement presented for audit contained errors in receipts and disbursements. The errors were a result of the School Corporation incorrectly reporting investment activity during the audit period. As such, receipts and disbursements were each overstated by \$10,000,000 and \$19,000,000 as of June 30, 2022 and 2023, respectively.

Adjustments were proposed, accepted by the School Corporation, and made to the financial statement and to the Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis presented as Other Information in the Financial Statement Audit Report of the School Corporation.

*Criteria*

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every audited entity financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner as set forth in the uniform compliance guidelines. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3-8.7](#)."

The Annual Financial Report (AFR) required under IC 5-11-1-4(a) shall be filed with the state examiner not later than sixty (60) days after the close of each fiscal year. (Accounting and Uniform Guidelines Compliance Manual for Indiana Public School Corporations, Chapter 1)

Units are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, court decisions, and filing requirements concerning reports and other procedural matters of federal and state agencies. Units must file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

PLYMOUTH COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

*Cause*

Management of the School Corporation had not established an effective system of internal controls that would have ensured proper reporting of the financial statement.

*Effect*

Without an effective system of internal controls that operated effectively, material misstatements of the financial statement remained undetected. The financial statement contained the errors identified in the *Condition and Context*.

*Views of Responsible Officials*

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

**FINDING 2023-002**

Subject: Preparation of the Schedule of Expenditures of Federal Awards  
Audit Findings: Material Weakness, Noncompliance

*Repeat Finding*

This is a repeat finding from the prior audit. The prior audit finding number was 2021-001.

*Condition and Context*

The School Corporation is required to file financial reports after the close of each fiscal year. The reports are to be filed electronically as prescribed.

The School Corporation filed its reports as prescribed; however, the internal controls over the federal award information entered into the Indiana Gateway for Government Units (Gateway) financial reporting system, which was the source of the School Corporation's Schedule of Expenditures of Federal Awards (SEFA) were not effective.

The School Corporation failed to properly review the federal 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.

Due to the lack of effective internal controls, the SEFA presented for audit contained the following errors:

PLYMOUTH COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

1. The Child Nutrition Cluster expenditures were understated by \$141,793 and \$27,707 for fiscal years 2021-2022 and 2022-2023, respectively.
2. The Special Education Cluster (IDEA) expenditures were overstated by \$79,899 and \$36,429 for 2021-2022 and 2022-2023, respectively.
3. Several additional grants had errors that resulted in misstatements of expenditures totaling \$52,115 and \$125,996 for 2021-2022 and 2022-2023, respectively.

Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA presented in this report.

*Criteria*

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every audited entity financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner as set forth in the uniform compliance guidelines. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3-8.7](#)."

2 CFR 200.303 states in part:

"The non-Federal entity must:

- (a) Establish and maintain effective internal control . . ."

2 CFR 200.1 states in part:

". . . *Internal controls* for non-Federal entities means:

- (1) Processes designed and implemented by non-Federal entities to provide reasonable assurance regarding the achievement of objectives in the following categories:
  - (i) Effectiveness and efficiency of operations;
  - (ii) Reliability of reporting for internal and external use; . . ."

2 CFR 200.508 states in part:

"The auditee must: . . .

- (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with § 200.510. . . ."

PLYMOUTH COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

2 CFR 200.510(b) states:

*"Schedule of expenditures of Federal awards.* The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.
- (3) Provide total Federal awards expended for each individual Federal program and the Assistance Listings Number or other identifying number when the Assistance Listings information is not available. For a cluster of programs also provide the total for the cluster.
- (4) Include the total amount provided to subrecipients from each Federal program.
- (5) For loan or loan guarantee programs described in § 200.502(b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.
- (6) Include notes that describe that significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in § 200.414."

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

PLYMOUTH COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

*Cause*

Management of the School Corporation had not established an effective system of internal controls that would have ensured proper reporting of the SEFA.

*Effect*

Without a proper system of internal controls in place that operated effectively, material misstatements of the SEFA remained undetected. The SEFA contained the errors identified in the *Condition and Context*.

*Views of Responsible Officials*

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

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

**FINDING 2023-003**

Subject: Child Nutrition Cluster - Internal Controls  
Federal Agency: Department of Agriculture  
Federal Programs: School Breakfast Program, National School Lunch Program, Summer Food Service Program for Children, Fresh Fruit and Vegetable Program  
Assistance Listings Numbers: 10.553, 10.555, 10.559, 10.582  
Federal Award Numbers and Years (or Other Identifying Numbers): FY 21-22, FY 22-23  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirements: Eligibility, Procurement and Suspension and Debarment  
Audit Finding: Material Weakness

*Repeat Finding*

This is a repeat finding from the prior audit regarding Internal Controls over Procurement and Suspension and Debarment. The prior audit finding number was 2021-005.

*Condition and Context*

The School Corporation had not properly designed or implemented an effective system of internal controls, which would include segregation of duties, that would likely be effective in preventing, or detecting and correcting, material noncompliance.

PLYMOUTH COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Eligibility*

Any child enrolled in a participating school or summer camp, who meets the applicable program's definition of "child," may receive meals under applicable programs. A child belonging to households meeting nationwide income eligibility requirements may receive meals at no charge or at a reduced price. Children that have been determined ineligible for free or reduced-price meals pay the full price for their meals. A child's eligibility for free and reduced-priced meals under a Child Nutrition Cluster program may be established by the submission of an annual application or statement which furnished such information as family income and family size. The School Corporation determines eligibility by comparing the data reported by the child's household to published income eligibility guidelines. Annual eligibility determinations may also be based on the child's household receiving benefits under SNAP, FDPIR, the Head Start Program, or, under most circumstances, the TANF program. A household may furnish documentation if its participation in one of those programs, or the School Corporation may obtain the information directly from the State or local agency that administers those programs. Certain foster, runaway, homeless, and migrant children are categorically eligible for free school lunches and breakfasts. Direct certified households do not need to complete an application.

The School Corporation utilized a software vendor to determine eligibility based on free and reduced applications submitted online by parents. The income guidelines were updated in the software by one employee without an oversight or review process in place to ensure accuracy. Additionally, one employee uploaded the Direct Certification reports from the state into the software system without a documented oversight or review process in place to ensure directly certified students were properly processed.

*Suspension and Debarment*

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 nonprocurement 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 vendor, or adding a clause or condition to the covered transaction with that vendor.

The School Food Service Department and Business office worked together to ensure vendors were properly procured; however, this process did not include ensuring vendors with whom it plans to enter into a covered transaction with are not suspended, debarred, or otherwise excluded from participation in federal programs. While the Food Service Department did obtain a signed certification, there was no oversight or review process in place to ensure vendors were not suspended, debarred, or otherwise excluded from participation in federal programs prior to entering into covered transactions.

The lack of internal controls over eligibility was isolated to the 2022-2023 school year. The lack of internal controls over suspension and debarment was systemic throughout the audit period.

PLYMOUTH COMMUNITY SCHOOL CORPORATION  
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). . . ."

*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 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 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.

PLYMOUTH COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

**FINDING 2023-004**

Subject: COVID-19 - Education Stabilization Fund - Reporting  
Federal Agency: Department of Education  
Federal Program: COVID-19 - Education Stabilization Fund  
Assistance Listings Numbers: 84.425D, 84.425U  
Federal Award Numbers and Years (or Other Identifying Numbers): S425D210013, S425D200013,  
S425U200013  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Reporting  
Audit Findings: Material Weakness, Modified Opinion

*Condition and Context*

The School Corporation had not 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. The School Corporation was to submit an annual data report to the Indiana Department of Education (IDOE) via JotForm, a form/report builder. Data to be submitted included, but was not limited to, current period expenditures, prior period expenditures, and expenditures per activity.

During the audit period the School Corporation was required to submit two ESSER I reports, two ESSER II reports, and two ESSER III reports, for a total of six reports. However, the School Corporation failed to submit all six required reports.

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). . . ."

2 CFR 200.302(b) states in part:

"The financial management system of each non-Federal entity must provide for the following:

. . .

- (2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.328 Financial reporting. . . ."

34 CFR 76.722 states: "A State may require a subgrantee to submit reports in a manner and format that assists the State in complying with the requirements under 34 CFR 76.720 and in carrying out other responsibilities under the program."

PLYMOUTH COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*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, all Annual Data Reports were not submitted to the IDOE.

Noncompliance with the provisions of federal statutes, regulations, and the terms and conditions of the federal award could result in the loss of future federal funding to the School Corporation.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that management of the School Corporation establish a proper system of internal controls and develop policies and procedures to ensure reports are submitted.

*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.



March 11, 2024

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**Finding 2021-001 and Finding 2019-001**

**Fiscal Year in which the finding initially occurred:** July 1, 2017 to June 30, 2019

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

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

**Summary of Finding:** The Corporation did not have a proper system of internal controls in place to prevent, detect, or correct errors on the Schedule of Expenditures of Federal Awards (SEFA). The following understatements and overstatements were identified:

1. The Adult Education Basic Grants to States (84.002) expenditures were understated by \$44,355.
2. The Career and Technical Education Basic Grants to States (84.048) expenditures were overstated by \$6,000.
3. The Social Security Disability Insurance Disability Determination (96.001) expenditures were overstated by \$398.
4. The Medicaid Cluster (93.778) expenditures were overstated by \$369,490.

**Status of Finding:** Not corrected. This is a repeat, unresolved finding that continues to result in material misstatements on the Corporation's SEFA. The Business Manager now completes the expenditure reports for the grant administrators to review and approve.

**Response:** The Corporation will establish a formal internal review process of the SEFA to ensure the amounts reported are accurate; the Corporation will also establish a formal secondary review process of the SEFA to ensure the amounts reported are accurate.



March 11, 2024

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**Finding 2021-002**

**Fiscal Year in which the finding initially occurred:** July 1, 2019 to June 30, 2021

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

**Subject of Finding:** Internal Controls for Title I Grants to Local Educational Agencies, Reporting - Significant Deficiency

**Summary of Finding:** The Corporation did not have a proper system of internal controls in place to ensure compliance with requirements related to the grant agreement and the reporting compliance. There were two final expenditure reports required to be submitted for the audit period, and the report that was selected for review was prepared by the Business Manager but did not include a documented, secondary review.

**Status of Finding:** This has been corrected and processes as noted in the corrective action plan were implemented.

**Response:** Corrected as noted in the corrective action plan.



March 11, 2024

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**Finding 2021-003**

**Fiscal Year in which the finding initially occurred:** July 1, 2019 to June 30, 2021

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

**Subject of Finding:** Internal Controls for Title I Grants to Local Educational Agencies, -Earmarking - Significant Deficiency

**Summary of Finding:** The Corporation did not have a proper system of internal controls in place to ensure compliance with requirements related to the grant agreement and the earmarking compliance requirements. The earmarking requirement for Parental Involvement was not met in 2019-2020 or 2020-2021:

1. Per the 2019-2020 agreement, the Corporation was required to disburse \$5,889 for Parental Involvement, and only \$5,302 was disbursed.
2. Per the 2020-2021 agreement, the Corporation was required to disburse \$5,818 for Parental Involvement, and only \$5,435 was disbursed.

**Status of Finding:** This has been corrected and processes as noted in the corrective action plan were implemented.

**Response:** Corrected as noted in the corrective action plan.



**Plymouth Community School Corporation**

611 Berkley Street | Plymouth, IN 46563

P: (574) 936-3115 | F: (574) 936-3160

Office of the Business Manager

March 11, 2024

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**Finding 2021-004**

**Fiscal Year in which the finding initially occurred:** July 1, 2019 to June 30, 2021

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

**Subject of Finding:** Internal Controls for Child Nutrition Cluster, Activities Allowed or Unallowed, and Allowable Costs/Cost Principals - Significant Deficiency

**Summary of Finding:** The Corporation did not have a proper system of internal controls in place to ensure compliance with requirements related to the grant agreement and the Activities Allowed or Unallowed and the Cost Principles for Allowable Costs. A review of two indirect cost transfers for expenditures found that there was no documentation or evidence of a secondary review of the transfers. Additionally, the Corporation did not charge the correct rates established by the IDOE for indirect costs. As a result, the Corporation undercharged its indirect costs.

**Status of Finding:** This has been corrected and processes as noted in the corrective action plan were implemented.

**Response:** Corrected as noted in the corrective action plan. .



March 11, 2024

## **SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

### **Finding 2021-005 and Finding 2019-003**

**Fiscal Year in which the finding initially occurred:** July 1, 2015 to June 30, 2017

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

**Subject of Finding:** Internal Controls for Child Nutrition Cluster, Procurement and Suspension and Debarment - Material Weakness

**Summary of Finding:** The Corporation did not have a proper system of internal controls in place to ensure compliance with requirements related to the grant agreement and the compliance requirements for Procurement. A review of four small procurement purchases found two procurement compliance failures:

1. Three quotes were not obtained for a purchase of \$27,127 worth of services in 2020 and \$22,624 worth of services in 2021.
2. Three quotes were not obtained for the installation of a freezer, which cost the Corporation \$15,418.

**Status of Finding:** Partially Corrected

**Response:** The Business Manager and Food Services Director work together to ensure compliance with procurement as noted in the corrective action plan but failed to implement controls over suspension and debarment; we are currently working on additional training to ensure proper controls are implemented.



## **CORRECTIVE ACTION PLAN**

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

**Finding Subject:** Financial Transactions and Reporting

**Summary of Finding:** The School Corporation failed to properly review the financial information prepared and submitted in Gateway. Although one employee prepared and entered the financial 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.

**Contact Person Responsible for Corrective Action:** Steven Boyer

**Contact Phone Number and Email Address:** 574-936-3115 sboyer@plymouth.k12.in.us

**Views of Responsible Officials:** The Corporation concurs with the finding.

**Description of Corrective Action Plan:** The Business Manager shall prepare the Annual Financial Report to be submitted in Gateway. Upon completion, the Deputy Treasurer shall review and approve the financial report. The Business Manager shall verify that the report is error free before submission. Given the current Business Manager's hire date, this and his experience will ensure that the Annual Financial Report is submitted without error.

**Anticipated Completion Date:** The Annual Financial Report will be prepared, reviewed by the Deputy Treasurer, and uploaded by August 31, 2024. The Business Manager shall implement the same process in subsequent years so that the Corporation's Annual Financial Reports are submitted without error.

*Per Uniform Guidance:*

2 CFR § 200.511(a) – "The auditee is responsible for follow-up and corrective action on all audit findings. . . The auditee must also prepare a corrective action plan for current year audit findings. . . The corrective action plan and summary schedule of prior audit findings must include findings relating to the financial statements which are required to be reported in accordance with GAGAS."

2 CFR § 200.511(c) – "At the completion of the audit, the auditee must prepare, in a document separate from the auditor's findings described in § 200.516, a corrective action plan to address each audit finding included in the current year auditor's reports. The corrective action plan must provide the name(s) of the contact person(s) responsible for corrective action, the corrective action planned, and the anticipated completion date. If the auditee does not agree with the audit findings or believes corrective action is not required, then the corrective action plan must include an explanation and specific reasons."



## **CORRECTIVE ACTION PLAN**

### ***FINDING 2023 - 002***

**Finding Subject:** Preparation of the Schedule of Expenditures of Federal Awards

**Summary of Finding:** The School Corporation failed to properly review the federal 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.

**Contact Person Responsible for Corrective Action:** Steven Boyer

**Contact Phone Number and Email Address:** 574-936-3115 sboyer@plymouth.k12.in.us

**Views of Responsible Officials:** The Corporation concurs with the finding.

**Description of Corrective Action Plan:** The Business Manager shall prepare the Annual Financial Report to be submitted in Gateway. Upon completion, the Deputy Treasurer shall review and approve the financial report. After the report has been prepared and reviewed, the Business Manager shall review the Federal Grants with the Corporation's Grant Specialist to ensure that revenues and expenditures are entered correctly. After the Business Manager verifies that the Federal Grants are entered correctly, The Business Manager shall submit the Annual Financial Report. Given the current Business Manager's hire date, this and his experience will ensure that the Annual Financial Report is submitted without error.

**Anticipated Completion Date:** The Annual Financial Report will be prepared, reviewed by the Deputy Treasurer, reviewed by the Grant Specialist, and uploaded by August 31, 2024. The Business Manager shall implement the same process in subsequent years so that the Corporation's Annual Financial Reports are submitted without error.

*Per Uniform Guidance:*

2 CFR § 200.511(a) – "The auditee is responsible for follow-up and corrective action on all audit findings. . . The auditee must also prepare a corrective action plan for current year audit findings. . . The corrective action plan and summary schedule of prior audit findings must include findings relating to the financial statements which are required to be reported in accordance with GAGAS."

2 CFR § 200.511(c) – "At the completion of the audit, the auditee must prepare, in a document separate from the auditor's findings described in § 200.516, a corrective action plan to address each audit finding included in the current year auditor's reports. The corrective action plan must provide the name(s) of the contact person(s) responsible for corrective action, the corrective action planned, and the anticipated completion date. If the auditee does not agree with the audit findings or believes corrective action is not required, then the corrective action plan must include an explanation and specific reasons."



## **CORRECTIVE ACTION PLAN**

### ***FINDING 2023 - 003***

**Finding Subject:** Child Nutrition Cluster – Internal Controls

**Summary of Finding:** The School Corporation had not properly designed or implemented an effective system of internal controls, which would include segregation of duties, that would likely be effective in preventing, or detecting and correcting, material noncompliance over eligibility and suspension and debarment.

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

**Contact Person Responsible for Corrective Action:** Steven Boyer

**Contact Phone Number and Email Address:** 574-936-3115 sboyer@plymouth.k12.in.us

**Views of Responsible Officials:** The Corporation concurs with the finding.

**Description of Corrective Action Plan:** As part of month-end procedures and the documents sent to the Business Manager, the Food Services Director will include the list of students newly certified for free or reduced meals from CNPweb, Indiana's portal for the Child Nutrition Program. The Food Services Director will also include the list of students newly certified for free or reduced meals from NutriKids. The Business Manager will review and verify the list when balancing the food program's monthly receipts, expenditures, and reimbursements.

Before contracts are awarded to vendors, the Food Services Director shall use SAM.gov to verify that vendors have not been suspended or disbarred from contracting with Indiana public schools. The Business Manager shall review and verify that the vendors have not been suspended or disbarred, and once verified, contracts will be awarded.

**Anticipated Completion Date:** The Food Services Director and Business Manager have collaboratively reviewed and modified the month-end procedures to ensure that they prevent, detect, and correct eligibility errors, and the new procedures were implemented for February 2024 and will be used for subsequent months.

*Per Uniform Guidance:*

2 CFR § 200.511(a) – "The auditee is responsible for follow-up and corrective action on all audit findings. . . The auditee must also prepare a corrective action plan for current year audit findings. . . The corrective action plan and summary schedule of prior audit findings must include findings relating to the financial statements which are required to be reported in accordance with GAGAS."

2 CFR § 200.511(c) – "At the completion of the audit, the auditee must prepare, in a document separate from the auditor's findings described in § 200.516, a corrective action plan to address each audit finding included in the current year auditor's reports. The corrective action plan must provide the name(s) of the contact person(s) responsible for corrective action, the corrective action planned, and the anticipated completion date. If the auditee does not agree with the audit findings or believes corrective action is not required, then the corrective action plan must include an explanation and specific reasons."



## **CORRECTIVE ACTION PLAN**

### **FINDING 2023 - 004**

**Finding Subject:** COVID-19 – Education Stabilization Fund - Reporting

**Summary of Finding:** The School Corporation had not 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. The School Corporation was to submit an annual data report to the Indiana Department of Education (IDOE) via JotForm, a form/report builder. During the audit period the School Corporation was required to submit two ESSER I reports, two ESSER II reports, and two ESSER III reports—a total of six reports. However, the School Corporation failed to submit all six required reports.

We recommended that management of the School Corporation establish a proper system of internal controls and develop policies and procedures to ensure reports are submitted.

**Contact Person Responsible for Corrective Action:** Steven Boyer

**Contact Phone Number and Email Address:** 574-936-3115 sboyer@plymouth.k12.in.us

**Views of Responsible Officials:** The Corporation concurs with the finding.

**Description of Corrective Action Plan:** The transition in the Corporation's Business Manager position resulted in a failure to properly identify and train the person responsible for submitting final expenditure reports for ESSER grants. The Business Manager will prepare the final expenditure reports, and the Grant Specialist will review and compare the report to the ledger to verify that it is correct. After the review, the Business Manager will submit the final expenditures reports. Additionally, the Business Manager and Grant Specialist have developed a shared calendar that includes all report due dates.

**Anticipated Completion Date:** This corrective action plan was implemented beginning February 2024 and will be implemented moving forward.

*Per Uniform Guidance:*

2 CFR § 200.511(a) – "The auditee is responsible for follow-up and corrective action on all audit findings. . . The auditee must also prepare a corrective action plan for current year audit findings. . . The corrective action plan and summary schedule of prior audit findings must include findings relating to the financial statements which are required to be reported in accordance with GAGAS."

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## 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/>.