

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

SUPPLEMENTAL COMPLIANCE REPORT
OF

MISSISSINEWA COMMUNITY
SCHOOL CORPORATION
GRANT COUNTY, INDIANA

July 1, 2013 to June 30, 2015



FILED
09/22/2016

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Transmittal Letter	3
Federal Findings:	
Finding 2015-001 - Preparation of the Schedule of Expenditures of Federal Awards	4-5
Finding 2015-002 - Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Period of Availability, and Reporting	5-6
Finding 2015-003 - Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility, Program Income, and Special Tests and Provisions - Paid Lunch Equity	7-8
Finding 2015-004 - Cash Management.....	8-10
Finding 2015-005 - Reporting.....	10-11
Finding 2015-006 - Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP).....	12-13
Finding 2015-007 - Procurement and Suspension and Debarment.....	13-14
Corrective Action Plan.....	15-21
Audit Result and Comment:	
Prepaid Food Clearing Account.....	22
Exit Conference.....	23

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Jill Townsend	07-01-13 to 06-30-17
Superintendent of Schools	Michael A. Powell Tab McKenzie	07-01-13 to 06-30-15 07-01-15 to 06-30-17
President of the School Board	David Linn Dennis Banks	01-01-13 to 12-31-14 01-01-15 to 12-31-16



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TO: THE OFFICIALS OF THE MISSISSINewa COMMUNITY
SCHOOL CORPORATION, GRANT COUNTY, INDIANA

This report is supplemental to our audit report of the Mississinewa Community School Corporation (School Corporation), for the period from July 1, 2013 to June 30, 2015. It has been provided as a separate report so that the reader may easily identify any Federal Findings and Audit Results and Comments that pertain to the School Corporation. It should be read in conjunction with our Financial Statement and Federal Single Audit Report of the School Corporation, which provides our opinions on the School Corporation's financial statement and federal program compliance. This report may be found at www.in.gov/sboa/.

The Federal Findings, identified in the above referenced audit report, are included in this report and should be viewed in conjunction with the Audit Result and Comment as described below.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit Result and Comment contained herein describes the identified reportable instance of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Corrective Action Plan for the Federal Findings and Official Response to the Audit Result and Comment, incorporated within this report, were not verified for accuracy.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

June 29, 2016

MISSISSINewa COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS

FINDING 2015-001 - PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Condition

The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The Treasurer was the sole person responsible for preparing and submitting the SEFA with no oversight in place.

Total federal expenditures for fiscal years 2014 and 2015 were understated by \$820,263 and overstated by \$28,516, respectively. Net expenditures were understated due to the omission of several Department of Education grants, including the Special Education Cluster (IDEA), Title I Grants to Local Educational Agencies, Improving Teacher Quality State Grants, and Rural Education. Additionally, there were the following errors: program title, pass-through entity, Catalog of Federal Domestic Assistance (CFDA) number, and pass-through identifying number were omitted for some grants.

Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA.

Criteria

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

OMB Circular A-133, Subpart C, section .300 states in part: "The auditee shall: . . . (d) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with section .310. . . ."

OMB Circular A-133, Subpart C, section .310(b) states:

"Schedule of expenditures of Federal awards. The auditee shall also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements. 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 award years, the auditee may list the amount of Federal awards expended for each award year separately. At a minimum, the schedule shall:

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual 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.

MISSISSINewa COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.
- (4) Include notes that describe the significant accounting policies used in preparing the schedule.
- (5) To the extent practical, pass-through entities should identify in the schedule the total amount provided to subrecipients from each Federal program.
- (6) Include, in either the schedule or a note to the schedule, the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the schedule."

Cause

Management had not established a system of internal control that would have ensured proper reporting of the SEFA.

Effect

Without a proper system of internal control in place that operated effectively, misstatements, in addition to the errors identified, could have remained undetected.

Views of Responsible Officials

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

FINDING 2015-002 - ACTIVITIES ALLOWED OR UNALLOWED, ALLOWABLE COSTS/COST PRINCIPLES, PERIOD OF AVAILABILITY, AND REPORTING

Federal Agency: Department of Education

Federal Program: Title I Grant to Local Educational Agencies

CFDA Number: 84.010

Federal Award Numbers and Years (or Other Identifying Numbers): 13-2855, 14-2855, 15-2855

Pass-Through Entity: Indiana Department of Education

Condition

An effective internal control system, which would have included segregation of duties, was not in place at the School Corporation to ensure compliance with requirements related to the grant agreement and the following compliance requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Period of Availability, and Reporting.

MISSISSINewa COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Period of Availability

The School Corporation had not established an effective control over the approval of payroll to ensure that only employees performing Title I activities were paid from the program.

Reporting

The School Corporation Treasurer prepared and submitted Final Expenditure Reports at the end of each grant year to the Indiana Department of Education with no oversight in place.

Context

Internal control issues were systemic, occurring throughout the audit period.

Criteria

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs. . . ."

Cause

Management had not developed a system of internal controls that segregated key functions.

Effect

The failure to establish an effective internal control system placed the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirements and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls, including segregation of duties, related to the grant agreement and the compliance requirements listed above.

Views of Responsible Officials

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

MISSISSINewa COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

FINDING 2015-003 - ACTIVITIES ALLOWED OR UNALLOWED, ALLOWABLE COSTS/COST PRINCIPLES, ELIGIBILITY, PROGRAM INCOME, AND SPECIAL TESTS AND PROVISIONS - PAID LUNCH EQUITY

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, National School Lunch Program,
Summer Food Service Program for Children

CFDA Numbers: 10.553, 10.555, 10.559

Federal Award Numbers and Years (or Other Identifying Numbers): FY 2013-14, FY 2014-15

Pass-Through Entity: Indiana Department of Education

Condition

An effective internal control system, which would have included segregation of duties, was not in place at the School Corporation to ensure compliance with requirements related to the grant agreement and the following compliance requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility, Program Income, and Special Tests and Provisions - Paid Lunch Equity.

Activities Allowed or Unallowed and Allowable Costs/Cost Principles

The School Corporation had not established an effective control over the approval of payroll to ensure that only employees performing food service activities were paid from the programs.

Eligibility

The School Corporation had not established an effective control over the determination of eligibility for free and reduced price applications, each building principal was the sole person responsible for determining eligibility of applications filed.

Program Income

The School Corporation had not established an effective control over program income. The School Board approved meal prices, but no verification was made to determine that prices were properly charged.

Special Tests and Provisions - Paid Lunch Equity

Regarding the National School Lunch Program, the School Corporation had not established an effective control over paid lunch equity calculations. The Treasurer was the sole person responsible for the calculation of the paid lunch equity amounts.

Context

Internal control issues were systemic, occurring throughout the audit period.

MISSISSINEWA COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Criteria

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs. . . ."

Cause

Management had not developed a system of internal controls that segregated key functions.

Effect

The failure to establish an effective internal control system placed the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirements and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls, including segregation of duties, related to the grant agreement and the compliance requirements listed above.

Views of Responsible Officials

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

FINDING 2015-004 - CASH MANAGEMENT

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, National School Lunch Program

CFDA Numbers: 10.553, 10.555

Federal Award Numbers and Years (or Other Identifying Numbers): FY 2013-14, FY 2014-15

Pass-Through Entity: Indiana Department of Education

Condition

The School Corporation had not established an effective control over the Cash Management compliance requirement. The School Corporation Treasurer was the sole person responsible for monitoring the School Lunch fund cash balances with no oversight in place.

MISSISSINEWA COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Context

The School Corporation maintained cash balances for 22 of 24 months that exceeded the average expenditures for 3 months.

Criteria

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs. . . ."

7 CFR 210.14(b) states:

"*Net cash resources.* The school food authority shall limit its net cash resources to an amount that does not exceed 3 months average expenditures for its nonprofit school food service or such other amount as may be approved by the State agency in accordance with §210.19(a)."

7 CFR 220.7(e) states in part:

"Each school food authority approved to participate in the program shall . . . , with respect to participating schools under its jurisdiction:

- (iv) Limit its net cash resource to an amount that does not exceed three months average expenditure for its nonprofit school food service or such other amount as may be approved by the State agency;"

Cause

Management had not developed a system of internal controls that segregated key functions.

Effect

The failure to establish an effective internal control system placed the School Corporation at risk of noncompliance with the grant agreement and the compliance requirement. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirement and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls, including segregation of duties, related to the grant agreement and the compliance requirement listed above.

MISSISSINewa COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Views of Responsible Officials

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

FINDING 2015-005 - REPORTING

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, National School Lunch Program

CFDA Numbers: 10.553, 10.555

Federal Award Numbers and Years (or Other Identifying Numbers): FY 2013-14, FY 2014-15

Pass-Through Entity: Indiana Department of Education

Condition

The School Corporation had not established an effective control over the Reporting compliance requirement. The Annual Financial Reports and the Sponsor Claims (claims for reimbursement) were prepared and submitted by the Treasurer with no oversight in place. The School Food Authority (SFA) Verification Collection Reports were prepared and submitted by the Director of Child Nutrition with no oversight in place.

Context

The meal count numbers entered into the Indiana Department of Education's (IDOE) system for the Sponsor Claims (claims for reimbursement) were not in agreement with supporting documentation for December 2013, November 2014, and April 2015. Daily Count and Deposit Reports generated by the School Corporation for these months indicated 126,082 meals were served, but the amount reported to the IDOE for the three months was 125,939, an understatement of 143 meals.

Criteria

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs. . . ."

7 CFR 210.7(c) states in part:

"(c) *Reimbursement Limitations.* To be entitled to reimbursement under this part, each school food authority shall ensure that Claims for Reimbursement are limited to the number of free, reduced price and paid lunches and meal supplements that are served to children eligible for free, reduced price and paid lunches and meal supplements, respectively, for each day of operation.

- (1) *Lunch Count System.* To ensure that the Claim for Reimbursement accurately reflects the number of lunches and meal supplements served to eligible children, the school food authority shall, at a minimum: . . .

MISSISSINEWA COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

(iii) Base claims for Reimbursement on lunch counts, taken at the point of service, which correctly identify the number of free, reduced price and paid lunches served to eligible children;

(iv) Correctly record, consolidate and report those lunch and supplement counts on the Claim for Reimbursement; and

(v) Ensure that Claims for Reimbursement not request payment for any excess lunches produced, as prohibited in §210.10(a)(2), or non-Program lunches (i.e., a la carte or adult lunches) or for more than one meal supplement per child per day. . . ."

7 CFR 210.8(a)(2) states:

"Prior to the submission of a monthly Claim for Reimbursement, each school food authority shall review the lunch count data for each school under its jurisdiction to ensure the accuracy of the monthly Claim for Reimbursement. The objective of this review is to ensure that monthly claims include only the number of free, reduced price and paid lunches served on any day of operation to children currently eligible for such lunches."

2 CFR 220.11(b) states in part:

"Claims for Reimbursement shall include data in sufficient detail to justify the reimbursement claimed and to enable the State agency to provide the Reports of School Program Operations required under §220.13(b)(2). . . ."

Cause

Management had not developed a system of internal controls that segregated key functions.

Effect

The failure to establish an effective internal control system placed the School Corporation at risk of noncompliance with the grant agreement and the compliance requirement. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirement and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls, including segregation of duties, related to the grant agreement and the compliance requirement listed above.

Views of Responsible Officials

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

MISSISSINEWA COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

***FINDING 2015-006 - SPECIAL TESTS AND PROVISIONS - VERIFICATION
OF FREE AND REDUCED PRICE APPLICATIONS (NSLP)***

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, National School Lunch Program

CFDA Numbers: 10.553, 10.555

Federal Award Numbers and Years (or Other Identifying Numbers): FY 2013-2014, FY 2014-2015

Pass-Through Entity: Indiana Department of Education

Condition

The School Corporation had not established an effective control over Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP).

Context

There were no controls to ensure the determination of applications and the reviews conducted by the Director of Child Nutrition were accurate and correct. Additionally, verified applications for the fiscal year 2014 and supporting copies and correspondence were not maintained.

Criteria

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs. . . ."

2 CFR 200.333 states in part:

"Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. . . ."

Cause

Management had not developed a system of internal controls that segregated key functions.

Effect

The failure to maintain supporting documentation prevented the ability to identify if the School Corporation was in compliance with the requirements for Special Tests and Provisions - Verification of Free and Reduced Lunch Applications (NSLP).

Questioned Costs

There were no questioned costs identified.

MISSISSINewa COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Recommendation

We recommended that the School Corporation's management establish controls, including segregation of duties, related to the grant agreement and compliance requirement listed above.

Views of Responsible Officials

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

FINDING 2015-007 - PROCUREMENT AND SUSPENSION AND DEBARMENT

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, National School Lunch Program

Summer Food Service Program for Children

CFDA Numbers: 10.553, 10.555, 10.559

Federal Award Numbers and Years (or Other Identifying Numbers): FY 2013-2014, FY 2014-2015

Pass-Through Entity: Indiana Department of Education

Condition

The School Corporation had not designed or implemented adequate policies and procedures to ensure compliance with Procurement and Suspension and Debarment. There were no controls in place to ensure that the School Corporation followed the required procedures for all applicable purchases.

Context

The School Corporation had not issued an invitation to bidders, evaluated bids, awarded bids, or approved the contracts for all milk procurements of the program. The School Corporation had not verified that vendors were not suspended or debarred.

Criteria

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs. . . ."

7 CFR 3016.36 states in part:

"(b) *Procurement standards.* (1) Grantees and subgrantees will use their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section."

2 CFR 180.300 Subpart C states:

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

MISSISSINEWA COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

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

Cause

Management had not developed a system of internal controls that segregated key functions.

Effect

The failure to establish an effective internal control system placed the School Corporation at risk of noncompliance with the grant agreement and the compliance requirement. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirements and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls, including segregation of duties, related to the grant agreement and the compliance requirement listed above.

Views of Responsible Officials

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

MISSISSINEWA COMMUNITY SCHOOLS

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LEZLIE A. WINTER, ASSISTANT SUPERINTENDENT
JILL S. TOWNSEND, DIRECTOR OF BUSINESS AFFAIRS

CORRECTIVE ACTION PLAN

FINDING 2015-001

Contact Person Responsible for Corrective Action: Jill Townsend
Contact Phone Number: 765-674-8528

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: Treasurer has received instruction from the auditor on how to complete this form as the SBOA would like it done. Once expenses and receipts are entered, the treasurer will have the deputy treasurer check the accuracy of the financial information and sign off that she has checked it.

The schedule will:

1. List individual federal programs by federal agency;
2. For federal awards received as the sub recipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
3. Provide total Federal awards expended for each individual Federal program and the CFDA number;
4. Include notes that describe the significant accounting policies used in preparing the schedule;
5. To the extent practical, pass-through entities should identify in the schedule the total amount provided to sub recipients from each Federal program.
6. Include the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year and loans or loan guarantees outstanding at year end.

Anticipated Completion Date: July 1, 2016


(Signature)


(Title)

June 29, 2016

(Date)

MISSISSINEWA COMMUNITY SCHOOLS

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LEZLIE A. WINTER, ASSISTANT SUPERINTENDENT
JILL S. TOWNSEND, DIRECTOR OF BUSINESS AFFAIRS

CORRECTIVE ACTION PLAN

FINDING 2015-002

Contact Person Responsible for Corrective Action: Jill Townsend
Contact Phone Number: 765-674-8528

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: Payroll personnel will give a list monthly to Title I director and Treasurer to ensure proper personnel is being paid from the Title I Grant.

Upon completion of the Title I final report, the Treasurer will submit to Deputy Treasurer for accuracy of financial data.

Anticipated Completion Date: July 1, 2016

Jill Townsend
(Signature)

Business Mgr.
(Title)

June 29, 2016
(Date)

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LEZLIE A. WINTER, ASSISTANT SUPERINTENDENT
JILL S. TOWNSEND, DIRECTOR OF BUSINESS AFFAIRS

CORRECTIVE ACTION PLAN

FINDING 2015-003

Contact Person Responsible for Corrective Action: Jill Townsend & Amanda Worrick
Contact Phone Number: 765-674-8528

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: Payroll personnel will give a list monthly to Child Nutrition Director and Treasurer to ensure proper personnel is being paid from the Child Nutrition Grant.

Child Nutrition Director will check free/reduced applications for accuracy of income and eligibility of free/reduced meals.

Child Nutrition Director will calculate Paid Lunch Equity test and the Treasurer will check for accuracy.

Anticipated Completion Date: July 1, 2016


(Signature)


(Title)

June 29, 2016

(Date)

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JILL S. TOWNSEND, DIRECTOR OF BUSINESS AFFAIRS

CORRECTIVE ACTION PLAN

FINDING 2015-004

Contact Person Responsible for Corrective Action: Jill Townsend & Amanda Worrick
Contact Phone Number: 765-674-8528

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: Treasurer, along with Child Nutrition Director will check Child Nutrition fund balance monthly for accuracy.

Child Nutrition Director and Treasurer will check to ensure child nutrition fund is not in excess of a three month average expenditure requirement.

Anticipated Completion Date: July 1, 2016

Jill Townsend
(Signature)

Business Mgr
(Title)

June 29, 2016
(Date)

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JILL S. TOWNSEND, DIRECTOR OF BUSINESS AFFAIRS

CORRECTIVE ACTION PLAN

FINDING 2015-005

Contact Person Responsible for Corrective Action: Jill Townsend & Amanda Worrick
Contact Phone Number: 765-674-8528

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: Child Nutrition Director will prepare the Annual Financial report and the claim summary. These reports will be checked for accuracy by the Treasurer.

Anticipated Completion Date: June 1, 2016


(Signature)


(Title)

June 29, 2016
(Date)

MISSISSINEWA COMMUNITY SCHOOLS

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JILL S. TOWNSEND, DIRECTOR OF BUSINESS AFFAIRS

CORRECTIVE ACTION PLAN

FINDING 2015-006

Contact Person Responsible for Corrective Action: Amanda Worrick
Contact Phone Number: 765-674-8528

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: Child Nutrition Director will enter free/reduced applications into our Meal Magic software system for eligibility. Secretary will randomly check for cause and income as an internal control. Child Nutrition Director will maintain supporting copies and correspondence in grant file.

Anticipated Completion Date: July 1, 2016


(Signature)


(Title)

June 29, 2016
(Date)

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TAB H. MCKENZIE, SUPERINTENDENT
LEZLIE A. WINTER, ASSISTANT SUPERINTENDENT
JILL S. TOWNSEND, DIRECTOR OF BUSINESS AFFAIRS

CORRECTIVE ACTION PLAN

FINDING 2015-007

Contact Person Responsible for Corrective Action: Amanda Worrick
Contact Phone Number: 765-674-8528

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: Child Nutrition Director will follow the purchasing policy 6320 which states that we will seek three bids for contracts and purchases exceeding \$50,000. This amount was changed to \$25,000 when policy 6320 was adopted by the Board effective 7/1/2015.

Anticipated Completion Date: July 1, 2016


(Signature)


(Title)

June 29, 2016

(Date)

MISSISSINEWA COMMUNITY SCHOOL CORPORATION
AUDIT RESULT AND COMMENT

PREPAID FOOD CLEARING ACCOUNT

The School Corporation accounts for prepaid food activity within the School Lunch fund. A separate clearing account for the prepaid food activity was not established as prescribed. As a result, the subsidiary records of prepaid lunch balances by student could not be reconciled to an overall balance on a routine basis by officials as required.

Clearing Account Number 8400 - Prepaid Food has been established to account for prepaid food. The collections are to be receipted to 8410 with 8420 representing the transfers out of the clearing account and recognition in the appropriate revenue classifications (1611 to 1614 series) in the School Lunch Fund. The transfer should be made periodically and at the end of each month to appropriately classify meals (breakfast, lunch, etc.) when known (charged by student). Subsidiary records by student should be routinely reconciled to the cash balance and at month end. (The School Administrator and Uniform Compliance Guidelines, Vol. 183)

MISSISSINEWA COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on June 29, 2016, with Jill Townsend, Treasurer; Lezlie Winter, Assistant Superintendent of Schools; Wayne D. Gaskin, Vice President of the School Board; and Amanda Worrick, Director of Child Nutrition.