

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

SUPPLEMENTAL COMPLIANCE REPORT  
OF

NEW PRAIRIE UNITED  
SCHOOL CORPORATION  
LAPORTE COUNTY, INDIANA

July 1, 2014 to June 30, 2016



**FILED**

01/31/2018



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Kelley Kitchen (Vacant) James Holifield	07-01-14 to 12-01-16 12-02-06 to 01-10-17 01-11-17 to 06-30-18
Superintendent of Schools	Jim Dermody Paul White	07-01-14 to 06-30-15 07-01-15 to 06-30-18
President of the School Board	Richard Shail	07-01-14 to 12-31-17



**STATE OF INDIANA**  
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TO: THE OFFICIALS OF THE NEW PRAIRIE UNITED SCHOOL  
CORPORATION, LAPORTE COUNTY, INDIANA

This report is supplemental to our audit report of the New Prairie United School Corporation (School Corporation), for the period from July 1, 2014 to June 30, 2016. 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/](http://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 Results and Comments 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 Results and Comments contained herein describe the identified reportable instances 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 Results and Comments, incorporated within this report, were not verified for accuracy.

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

December 20, 2017

NEW PRAIRIE UNITED SCHOOL CORPORATION  
FEDERAL FINDINGS

***FINDING 2016-001***

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

*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 School Corporation failed to properly review the federal grant information prepared and submitted in the Indiana Gateway for government units financial reporting system, which was the source of the SEFA. One employee prepared and submitted the federal grant information without an oversight or review process in order to detect and correct errors before submission. The SEFA presented for audit contained the following errors:

1. The School Breakfast Program was overstated by \$25,803 for the 2015-2016 fiscal year.
2. The National School Lunch Program was understated by \$16,300 for the 2014-2015 fiscal year and overstated by \$393,875 for the 2015-2016 fiscal year.
3. The National School Lunch Program commodities were omitted in the amount of \$89,702 for the 2014-2015 fiscal year and \$91,610 for the 2015-2016 fiscal year.
4. The Summer Food Service Program for Children was overstated by \$16,300 for the 2014-2015 fiscal year.
5. The Special Education\_Grants to States program was understated by \$54,584 for the 2014-2015 fiscal year and by \$92,805 for the 2015-2016 fiscal year.
6. The Special Education\_Preschool Grants program was understated by \$9,321 for the 2014-2015 fiscal year and by \$3,389 for the 2015-2016 fiscal year.

*Context*

The lack of internal controls was a systemic issue throughout the audit period. Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA.

*Criteria*

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.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
FEDERAL FINDINGS  
(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. . . .

The Green Book identifies a list of control activity categories that are meant only to illustrate the range and variety of control activities. . . .

- Accurate and timely recording of transactions. . . ."

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 § \_\_\_\_\_.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.
- (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. . . ."

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 Financial statements. . . ."

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 Basis for determining Federal awards expended. 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:

NEW PRAIRIE UNITED SCHOOL CORPORATION  
FEDERAL FINDINGS  
(Continued)

- (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 CFDA number or other identifying number when the CFDA 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 Basis for determining Federal awards expended, paragraph (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 Indirect (F&A) costs."

*Cause*

The School Corporation 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, material misstatements of the SEFA remained undetected. The SEFA contained the errors identified in the *Condition*.

*Views of Responsible Officials*

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

**FINDING 2016-002**

Subject: Financial Transactions and Reporting  
Audit Finding: Material Weakness

*Condition*

The School Corporation had not established and properly implemented an internal control system related to disbursements to ensure proper approval of records and that proper documentation was maintained and made available for audit.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
FEDERAL FINDINGS  
(Continued)

*Context*

The lack of controls was a systemic issue, which occurred throughout the audit period.

*Criteria*

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. . . .

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*

The School Corporation had not established a proper system of internal control.

*Effect*

The failure to establish and properly implement controls could have enabled material misstatements or irregularities to remain undetected.

*Recommendation*

We recommended that the School Corporation's management establish effective controls, including segregation of duties, to ensure the accuracy of the disbursements reported in the financial statement.

*Views of Responsible Officials*

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

NEW PRAIRIE UNITED SCHOOL CORPORATION  
FEDERAL FINDINGS  
(Continued)

***FINDING 2016-003***

Subject: Title I Grants to Local Educational Agencies - Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Procurement and Suspension and Debarment  
Federal Agency: U.S. Department of Education  
Federal Program: Title I Grants to Local Educational Agencies  
CFDA Number: 84.010  
Federal Award Numbers and Years (or Other Identifying Numbers): 14-4805, 15-4805, 16-4805  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirements: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Procurement and Suspension and Debarment  
Audit Findings: Material Weakness, Modified Opinion

*Repeat Finding*

This is a repeat finding from the immediate prior audit report. The prior audit finding number was 2014-003.

*Condition*

The School Corporation had not established an effective internal control system related to the grant agreements and the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Procurement and Suspension and Debarment compliance requirements.

The following disbursements charged to the Title I Grants to Local Educational Agencies funds were paid without adequate supporting documentation to ensure compliance with the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Procurement and Suspension and Debarment compliance requirements.

1. The School Corporation paid \$5,200 to renew an agreement for a reading program.
2. The School Corporation paid \$898 for classroom magazines.
3. The School Corporation paid \$156 for Mom's Breakfast event.

When the sample errors noted above were projected to the population as a whole, additional likely errors of \$10,659 were identified.

*Context*

The lack of controls and payments without adequate supporting documentation were systemic issues 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. . . ."

NEW PRAIRIE UNITED SCHOOL CORPORATION  
FEDERAL FINDINGS  
(Continued)

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). . . ."

OMB Circular A-87, Attachment A, Part C. states in part:

"1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:

a. Be necessary and reasonable for proper and efficient performance and administration of Federal awards. . . .

j. be adequately documented. . . ."

2 CFR 200.403 states in part

"Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards:

(a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles. . . .

(g) Be adequately documented. See also §§ 200.300 Statutory and national policy requirements through 200.309 Period of performance of this part."

34 CFR 80.36 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. . . .

(9) Grantees and subgrantees will maintain records sufficient to detail the significant history of a procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price. . . ."

2 CFR 200.318 states in part:

"(a) The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part. . . .

NEW PRAIRIE UNITED SCHOOL CORPORATION  
FEDERAL FINDINGS  
(Continued)

(i) The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price."

*Cause*

Management had not developed a system of internal controls that would have ensured compliance with the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Procurement and Suspension and Debarment compliance requirements.

*Effect*

The failure to establish an effective internal control system enabled noncompliance to go undetected. Noncompliance with the grant agreements and the compliance requirements could have resulted in the loss of federal funds to the School Corporation.

*Questioned Costs*

Known questioned costs of \$6,255 were identified as detailed in the *Condition*.

*Recommendation*

We recommended that the School Corporation establish controls to ensure compliance with the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Procurement and Suspension and Debarment compliance requirements.

*Views of Responsible Officials*

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

**FINDING 2016-004**

Subject: Title I Grants to Local Educational Agencies - Cash Management and Reporting  
Federal Agency: U.S. Department of Education  
Federal Program: Title I Grants to Local Educational Agencies  
CFDA Number: 84.010  
Federal Award Numbers and Years (or Other Identifying Numbers): 14-4805, 15-4805, 16-4805  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirements: Cash Management, Reporting  
Audit Finding: Material Weakness

*Repeat Finding*

This is a repeat finding from the immediate prior audit. The prior audit finding number was 2014-003.

*Condition*

The School Corporation had not established an effective internal control system related to the grant agreement and the Cash Management and Reporting compliance requirements.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
FEDERAL FINDINGS  
(Continued)

One employee prepared and submitted the Reimbursement Requests without documentation of an oversight, review, or approval process.

One employee prepared and submitted the Final Expenditure Report without an oversight, review, or approval process.

*Context*

The lack of internal controls was a systemic issue 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. . . ."

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*

The School Corporation had not developed or implemented a system of internal controls that would have segregated key functions related to the Cash Management and Reporting compliance requirements.

*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 to ensure compliance with the Cash Management and Reporting compliance requirements.

NEW PRAIRIE UNITED 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 2016-005**

Subject: Title I Grants to Local Educational Agencies - Eligibility, Special Tests and Provisions - Comparability, and Special Tests and Provisions - Schoolwide Programs  
Federal Agency: U.S. Department of Education  
Federal Program: Title I Grants to Local Educational Agencies  
CFDA Number: 84.010  
Federal Award Numbers and Years (or Other Identifying Numbers): 14-4805, 15-4805, 16-4805  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirements: Eligibility, Special Tests and Provisions - Comparability, Special Tests and Provisions - Schoolwide Programs  
Audit Finding: Material Weakness

*Condition*

The School Corporation had not established an effective internal control system related to the grant agreement and the Eligibility, Special Tests and Provisions - Comparability, and Special Tests and Provisions - Schoolwide Programs compliance requirements.

*Eligibility*

The grant application was prepared and submitted by the Title I Director. Evidence of a review or approval over the eligibility summary prepared in the grant application for the 2014-2015 and 2015-2016 fiscal years was not retained or presented for audit.

*Special Tests and Provisions - Comparability*

The School Corporation did not have a review or oversight process to ensure that the comparability report was accurately prepared. One person prepared and submitted the comparability report. There was no segregation of duties, such as an oversight, review, or approval process.

*Special Tests and Provisions - Schoolwide Program*

The School Corporation did not have documentation of a review or oversight to ensure that the Schoolwide Plan was in compliance with the Schoolwide program requirements.

*Context*

The lack of internal controls were systemic issues throughout the audit period.

NEW PRAIRIE UNITED 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. . . ."

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*

The School Corporation had not developed a system of internal controls to ensure compliance with the Eligibility, Special Tests and Provisions - Comparability, and Special Tests and Provisions - Schoolwide Programs compliance requirements.

*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 to ensure compliance with the Eligibility, Special Tests and Provisions - Comparability, and Special Tests and Provisions - Schoolwide Programs compliance requirements.

*Views of Responsible Officials*

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

NEW PRAIRIE UNITED SCHOOL CORPORATION  
FEDERAL FINDINGS  
(Continued)

***FINDING 2016-006***

Subject: Title I Grants to Local Educational Agencies - Special Tests and Provisions - Assessment System Security  
Federal Agency: U.S. Department of Education  
Federal Program: Title I Grants to Local Educational Agencies  
CFDA Number: 84.010  
Federal Award Numbers and Years (or Other Identifying Numbers): 14-4805, 15-4805, 16-4805  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Special Tests and Provisions - Assessment System Security  
Audit Findings: Material Weakness, Modified Opinion

*Condition*

The School Corporation had not established an effective internal control system related to the grant agreement and the Special Tests and Provisions - Assessment System Security compliance requirement. The School Corporation was required to properly implement policies and procedures regarding the security of tests. The School Corporation did not maintain Indiana Testing Security and Integrity Agreements (Agreements) for any individual who administered, handled, or had access to secure test materials at the district or school level in order to verify if the Agreements were reviewed and signed.

*Context*

The lack of controls was a systemic issue throughout the audit period. In addition, Agreements were not retained for audit for the 2014-2015 fiscal year or for the high school for the 2015-2016 fiscal year.

*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 200.303 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 200.207(a) states in part: "The Federal awarding agency or pass-through entity may impose additional specific award conditions as needed. . . ."

NEW PRAIRIE UNITED SCHOOL CORPORATION  
FEDERAL FINDINGS  
(Continued)

The Indiana Assessment Program Manual, Chapter 10, Section 9, Part A states in part:

". . . School corporation, accredited nonpublic school, charter school, and Choice school administrators must develop, implement and assess procedures for the secure storage, administration and delivery of standardized test books back to the IDOE via the test contractor. . . ."

New Prairie United School Corporation 2623.01 - Test Security Provisions for Statewide Assessments states in part:

". . . The Assistant Superintendent or designee is designated as the Corporation Test Coordinator (CTC) and the individual to whom the test materials are to be delivered. Test materials include examiner's manuals, assessment books, answer documents, practice tests, test tickets and online test access codes.

The CTC shall: . . .

F. require that principals and all staff involved in the administration of the tests strictly follow all procedures described in the testing manuals and those outlined by the IDOE; . . ."

Indiana Assessment Program Manual, Chapter 10, Section 4, Part D states in part: ". . . Ensure all applicable school and corporation staff review and sign the Indiana Testing Security and Integrity Agreement annually by the end of September as described in the *Code of Ethical Practices and Procedures*. . . ."

*Cause*

The School Corporation had not developed a system of internal controls that would have ensured that supporting documentation was completed and maintained for audit to ensure compliance with the Special Tests and Provisions - Assessment System Security compliance requirement.

*Effect*

The failure to maintain and provide adequate supporting documentation prevented the determination of the School Corporation's compliance with the Special Tests and Provisions - Assessment System Security compliance requirement.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation's management establish controls to ensure that adequate documentation is maintained for audit relating to the Special Tests and Provisions - Assessment System Security compliance requirement.

*Views of Responsible Officials*

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

NEW PRAIRIE UNITED SCHOOL CORPORATION  
FEDERAL FINDINGS  
(Continued)

***FINDING 2016-007***

Subject: Child Nutrition Cluster - Reporting  
Federal Agency: U.S. 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 2014-2015, FY 2015-2016  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Reporting  
Audit Finding: Material Weakness

*Condition*

The School Corporation had not established an effective internal control system related to the grant agreement and the Reporting compliance requirement.

The School Corporation had internal controls in place over the reporting of the monthly Sponsor Claims (claim for reimbursement); however, the controls were not properly implemented.

The Food Service Director prepared the monthly Sponsor Claims (claim for reimbursement) and sent them to the Treasurer for review. There was no documentation that they were reviewed by the Treasurer.

The School Corporation had not established an effective internal control system related to the School Food Authority (SFA) Verification Collection Report. One individual prepared and submitted the report without oversight, review, or approval.

*Context*

The lack of internal controls was a systemic issue 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. . . ."

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). . . ."

NEW PRAIRIE UNITED SCHOOL CORPORATION  
FEDERAL FINDINGS  
(Continued)

*Cause*

The School Corporation had not established an effective internal control structure to ensure compliance with the Reporting compliance requirement.

*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 to ensure compliance with the Reporting compliance requirement.

*Views of Responsible Officials*

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

**FINDING 2016-008**

Subject: Twenty-First Century Community Learning Centers - Period of Performance

Federal Agency: U.S. Department of Education

Federal Program: Twenty-First Century Community Learning Centers

CFDA Number: 84.287

Federal Award Numbers and Years (or Other Identifying Numbers): A58-5-15DL-2139, A58-6-16DL-3059

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Period of Performance

Audit Findings: Material Weakness, Modified Opinion

*Condition*

The School Corporation had not established an effective internal control system related to the grant agreements and the Period of Performance compliance requirement.

The School Corporation failed to comply with the Period of Performance compliance requirement that all obligations for expenditures made from program funds were incurred and expended within the period of performance. The obligation and/or payment of the claims did not occur within the period of performance for transactions charged and recorded in the computerized accounting system subsequent to the period of performance.

The underlying obligations for \$39,073 of disbursements tested did not occur within the period of performance.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
FEDERAL FINDINGS  
(Continued)

*Context*

The School Corporation's failure to comply with the Period of Performance compliance requirement was a systemic issue. Of the payments tested, which were recorded after the period of performance, 14 percent were not obligated within the period of performance.

*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 200.303 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). . . ."

34 CFR 80.23 states:

"(a) *General.* Where a funding period is specified, a grantee may charge to the award only costs resulting from obligations of the funding period unless carryover of unobligated balances is permitted, in which case the carryover balances may be charged for costs resulting from obligations of the subsequent funding period.

(b) *Liquidation of obligations.* A grantee must liquidate all obligations incurred under the award not later than 90 days after the end of the funding period (or as specified in a program regulation) to coincide with the submission of the annual Financial Status Report (SF-269). The Federal agency may extend this deadline at the request of the grantee."

*Cause*

The School Corporation had not developed a system of internal controls that would have ensured compliance with the grant agreements and the Period of Performance compliance requirement.

*Effect*

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreements or the compliance requirement could have resulted in the loss of federal funds to the School Corporation.

*Questioned Costs*

Questioned costs of \$39,073 were identified as noted in the *Condition*.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
FEDERAL FINDINGS  
(Continued)

*Recommendation*

We recommended that the School Corporation's management establish controls to ensure compliance and comply with the Period of Performance compliance requirement.

*Views of Responsible Officials*

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

**FINDING 2016-009**

Subject: Twenty-First Century Community Learning Centers - Activities  
Allowed or Unallowed and Allowable Costs/Cost Principles

Federal Agency: U.S. Department of Education

Federal Program: Twenty-First Century Community Learning Centers

CFDA Number: 84.287

Federal Award Numbers and Years (or Other Identifying Numbers): A58-5-15DL-2139, A58-6-16DL-3059

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles

Audit Findings: Material Weakness, Other Matters

*Condition*

The School Corporation had not established an effective internal control system related to the grant agreements and the Activities Allowed or Unallowed and Allowable Costs/Cost Principles compliance requirements.

The following vendor disbursements charged to the Twenty-First Century Community Learning Centers grant funds were paid without adequate supporting documentation to ensure compliance with the Activities Allowed or Unallowed and Allowable Costs/Cost Principles compliance requirements.

1. One claim of \$1,563 for robotics supplies was paid by the School Corporation. The supporting invoice of \$1,919 indicated that it was paid with the School Corporation credit card. We could not determine if the School Corporation had previously paid for that purchase because that credit card accounts payable voucher with supporting documentation could not be located.
2. There were two payroll adjustments which totaled \$1,632 that did not have supporting documentation.

*Context*

The lack of controls was a systemic issue throughout the audit period. The payments without supporting documentation were isolated incidents. Of the adjustments tested, 40 percent did not include supporting documentation in compliance with the requirements for Activities Allowed or Unallowed and Allowable Costs/Cost Principles.

NEW PRAIRIE UNITED 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. . . ."

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). . . ."

OMB Circular A-87, Attachment A, Part C. states in part:

"1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:

a. Be necessary and reasonable for proper and efficient performance and administration of Federal awards. . . .

j. be adequately documented. . . ."

2 CFR 200.403 states in part:

"Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards:

(a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles. . . .

(g) Be adequately documented. See also §§ 200.300 Statutory and national policy requirements through 200.309 Period of performance of this part. . . ."

*Cause*

The School Corporation had not developed or implemented a system of internal controls that would have ensured that adequate supporting documentation was maintained to ensure compliance with the Activities Allowed or Unallowed and Allowable Costs/Cost Principles compliance requirements.

*Effect*

The failure to establish an effective internal control system enabled noncompliance to go undetected. Noncompliance with the grant agreements and the compliance requirements could have resulted in the loss of federal funds to the School Corporation.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
FEDERAL FINDINGS  
(Continued)

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation's management establish controls to ensure compliance and comply with the Activities Allowed or Unallowed and Allowable Costs/Cost Principles compliance requirements.

*Views of Responsible Officials*

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



CORRECTIVE ACTION PLAN

***FINDING 2016-001***

Contact Person Responsible for Corrective Action: Jim Holifield  
Contact Phone Number: 574-654-0206

Description of Corrective Action Plan:

The Schedule of Expenditures for Federal Awards will be completed by the Director of Finance and then reviewed and approved by Grant Management prior to submission to Indiana Gateway for Governmental Units financial reporting system.

This corrective action is in place as of November, 2017.

Anticipated Completion Date: Currently in place, as of November, 2017

James N. Holifield  
(Signature)

Director of Finance  
(Title)

12-20-17  
(Date)



CORRECTIVE ACTION PLAN

**FINDING 2016-002**

Contact Person Responsible for Corrective Action: Jim Holifield  
Contact Phone Number: 574-654-0206

Description of Corrective Action Plan:

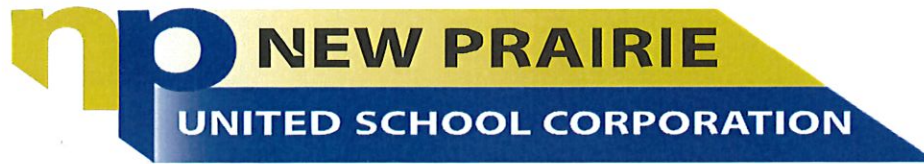
1. NPUSC has developed and implemented an internal control system which meets the standards required by the State Board of Accounts. This internal control plan has been approved by the Board of Trustees. Disbursements are reviewed and approved by the Director of Finance prior to payment being made. Documentation of such review/approval is maintained by NPUSC.

Anticipated Completion Date: Internal Control Plan has been adopted and in place since October, 2016.

*James R. Holifield*  
\_\_\_\_\_  
(Signature)

*Director of Finance*  
\_\_\_\_\_  
(Title)

*01-29-2018*  
\_\_\_\_\_  
(Date)



CORRECTIVE ACTION PLAN

**FINDING 2016-003**

Contact Person Responsible for Corrective Action: Jim Holifield  
Contact Phone Number: 574-654-0206

Description of Corrective Action Plan:

1. Supporting documents for federal grant purchases (including vouchers) will be maintained in the Grant Management office. Verification of documentation sufficiency will be completed by the Director of Finance at the time of reimbursement request approval.
2. Purchase orders and requests for reimbursement are approved by Business Office personnel (other than the person entering the purchase order into the financial management system) after being evaluated for compliance with grant requirements.

Anticipated Completion Date: Action 1 will be completed January, 2018. Action 2 has been in place since June, 2016.

James S. Holifield  
(Signature)

Director of Finance  
(Title)

1 - 3 - 2018  
(Date)



CORRECTIVE ACTION PLAN

**FINDING 2016-004**

Contact Person Responsible for Corrective Action: Jim Holifield  
Contact Phone Number: 574-654-0206

Description of Corrective Action Plan:

1. Supporting documents for federal grant purchases (including vouchers) will be maintained in the Grant Management office. Verification of documentation sufficiency will be completed by the Director of Finance at the time of reimbursement request approval.
2. Purchase orders and request for reimbursement will be reviewed and approved by Business Office personnel (other than the person entering the purchase order into the financial management system) after being evaluated for compliance with grant requirements.

Anticipated Completion Date: Action 1 will be in place as of January, 2018. Action 2 has been in place since June, 2016.

James N. Holifield  
(Signature)

Director of Finance  
(Title)

12-20-2017  
(Date)



CORRECTIVE ACTION PLAN

**FINDING 2016-005**

Contact Person Responsible for Corrective Action: Jim Holifield  
Contact Phone Number: 574-654-0206

Description of Corrective Action Plan:

1. Title I grant applications are prepared by the Corporation Test Coordinator and then reviewed and approved by the Title I Director, Director of Finance, and Superintendent.
2. Title I comparability report will be prepared by the Corporation Test Coordinator and then reviewed and approved by the Title I Director and Director of Finance, prior to submission.
3. Working copies of the Title I application, Schoolwide Program plan, and subsequent reports will be retained in order to demonstrate completion of actions 1 and 2, above.

Anticipated Completion Date: Actions 1 and 2 have been in place since the prior audit (but documentation was lacking). Action 3 will be in place beginning January, 2018.

James R. Holifield  
(Signature)

Director of Finance  
(Title)

12-20-17  
(Date)



CORRECTIVE ACTION PLAN

**FINDING 2016-006**

Contact Person Responsible for Corrective Action: Jim Holifield  
Contact Phone Number: 574-654-0206

Description of Corrective Action Plan:

The School Corporation will maintain copies of all testing agreements regarding testing compliance requirements. (Agreements had been complete during the audit period, but had been destroyed after two years. Moving forward, agreements will be retained for a five year period.)

Anticipated Completion Date: Action will be been in place beginning December, 2017.

James S. Holifield  
(Signature)

Director of Finance  
(Title)

12-20-2017  
(Date)

# NEW PRAIRIE UNITED SCHOOL CORPORATION

Dr. Paul White  
5327 N. Cougar Rd.  
New Carlisle, IN 46552  
574-654-7273, 219-778-2814  
FAX 574-654-7274  
www.npusc.k12.in.us

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## CORRECTIVE ACTION PLAN

### **FINDING 2016-007**

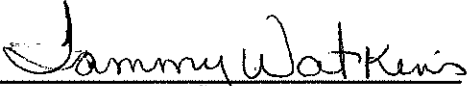
Contact Person Responsible for Corrective Action: Tammy Watkins, Food Service Director  
Contact Phone Number: 574-654-0401

#### Description of Corrective Action Plan:

The Record of Meals Served is generated by the cafeteria POS system and printed by the Food Service Director. The Food Service Director enters the Claim for Reimbursement on line and prints a hard copy. The Record of Meals Served and the hard copy of the Claim for Reimbursement is then given to the Deputy Treasurer to review. The Deputy Treasurer will sign the reviewed Claim for Reimbursement and return it to the Food Service Office to be filed.

#### Anticipated Completion Date:

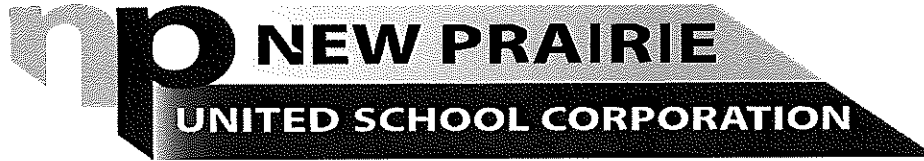
This process was already put in place in January of 2017 due to the Treasurer Position being vacated in December 2016.

  
\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Food Service Director  
(Title)

\_\_\_\_\_  
December 20, 2017  
(Date)

“A CULTURE OF EXCELLENCE”



CORRECTIVE ACTION PLAN

**FINDING 2016-008**

Contact Person Responsible for Corrective Action: Jim Holifield  
Contact Phone Number: 574-654-0206

Description of Corrective Action Plan:

Compliance with 21<sup>st</sup> Century Grant Period of Performance requirements will be reviewed by the Director of Finance to ensure that expenditures are incurred and expended during the correct period of performance.

Anticipated Completion Date: Action will be been in place beginning December, 2017.

James R. Holifield  
(Signature)

Director of Finance  
(Title)

12-20-2017  
(Date)



CORRECTIVE ACTION PLAN

**FINDING 2016-009**

Contact Person Responsible for Corrective Action: Jim Holifield  
Contact Phone Number: 574-654-0206

Description of Corrective Action Plan:

1. Supporting documents for 21<sup>st</sup> Century grant purchases (including vouchers) will be maintained in the Grant Management office. Verification of documentation sufficiency will be completed by the Director of Finance at the time of purchase request approval.
2. With our current software, all adjustments (including grants) must be reviewed and approved by the Director of Finance. (as of May, 2017)

Anticipated Completion Date: Action 1 will be in place as of January, 2018. Action 2 has been in place since May, 2017.

James R. Holifield  
(Signature)

Director of Finance  
(Title)

01-29-2018  
(Date)

NEW PRAIRIE UNITED SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS

**OVERDRAWN CASH BALANCES**

The same comment also appeared in prior Report B45535.

The financial statement presented in the Financial Statement and Federal Single Audit Report of the School Corporation included the following funds with overdrawn cash balances at June 30, 2015 and 2016:

Fund	Amount Overdrawn as of June 30	
	2015	2016
Exempt Debt	\$ 267,851	\$ -
Textbook Rental	269,429	192,605
Gifts and Donations Science	846	-
Bridges Grant Olive Elementary	1,234	-
United Way Success at Six	4,258	4,969
Clearing Fund	-	140
Payroll Deductions	3,375	7,727

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the unit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

**CREDIT CARD DISCREPANCIES**

A similar comment also appeared in prior Report B45535 entitled, *SUPPORTING DOCUMENTATION*.

The School Board approved the use of credit cards for authorized individuals in Corporation Policy and Administrative Guidelines #6423. Policy #6423 states in part: ". . . D. After use, school credit cards are to be returned to the Superintendent or designee along with appropriate receipt copies (not credit card billing statement) of all charges."

The School Corporation did not follow their approved policy. We found the following exceptions:

1. The School Corporation did not present the credit card statement and charges with supporting documentation for February 2015, totaling \$18,039.
2. The credit card statement for May 2015 had undocumented expenses totaling \$340.
3. The credit card statement for February 2016 had undocumented expenses totaling \$693.
4. The Corporation has five designated Promotional Supplies accounts (all for the Individual schools) in their ledger. There is also an account called Supt. Office - Other Exp Corp in which some of the other promotional items were recorded.

There were promotional type expenditures paid with the credit card for May 2015 and February 2016 totaling \$273 and \$892. We could not determine if the School Corporation had exceeded the maximum promotional expenditure amount allowed by statute.

NEW PRAIRIE UNITED SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS  
(Continued)

5. There was a \$400 expenditure for Teacher Appreciation paid from a Supplies account.
6. Information was presented that the School Corporation used credit cards to bypass the normal claim process for many types of expenditures.
7. Three of the Accounts Payable Vouchers with credit card payments were not included on a governing board docket. Eight of those dockets that included the credit card payments were not signed by the School Board and six were not signed by the Treasurer.

Each unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for examination to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

The SBOA will not take exception to the use of credit cards by a unit provided the following criteria are observed:

1. The governing board must authorize credit card use through an ordinance/resolution, which has been approved in the minutes.
2. Issuance and use should be handled by an official or employee designated by the governing body.
3. The purposes for which the credit card may be used must be specifically stated in the ordinance/resolution.
4. When the purpose for which the credit card has been issued has been accomplished, the card must be returned to the custody of the responsible person.
5. The designated responsible official or employee must maintain an accounting system or log which would include the names of individuals requesting usage of the cards, their position, estimated amounts to be charged, fund and account numbers to be charged, date the card is issued and returned.
6. Credit cards must not be used to bypass the accounting system. One reason that purchase orders are issued is to provide the fiscal officer with the means to encumber and track appropriations to provide the governing body and other officials with timely and accurate accounting information and monitoring of the accounting system.
7. Payment cannot be made on the basis of a statement or a credit card slip only. Procedures for payments must be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee may be the personal obligation of that officer or employee.
8. If authorized, an annual fee may be paid.

(Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

NEW PRAIRIE UNITED SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS  
(Continued)

Indiana Code 20-26-5-4(a)(3) states:

"To appropriate from the school corporation's general fund an amount, not to exceed the greater of three thousand dollars (\$3,000) per budget year or one dollar (\$1) per pupil, not to exceed twelve thousand five hundred dollars (\$12,500), based upon the school corporation's ADM of the previous year (as defined in IC 20-43-1-7) to promote the best interests of the school corporation through:

- (A) the purchase of meals, decorations, memorabilia, or awards;
- (B) provision for expenses incurred in interviewing job applicants; or
- (C) developing relations with other governmental units."

**ANNUAL FINANCIAL REPORT**

The School Corporation failed to properly review the information prepared and submitted in the Indiana Gateway for government units financial reporting system, which is the source for the Annual Financial Report (AFR). The 2016 electronic AFR included a Schedule of Receivables and Payables as of June 30, 2016. The School Corporation did not have the supporting documentation for the Schedule; therefore, we could not determine if it was materially correct. In addition, the 2016 AFR included a Schedule of Capital Assets. The School Corporation's detail of capital assets differed with the Schedule of Capital Assets by \$5,134,159.

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

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. 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."

Every unit must have a capital assets policy that details the threshold at which an item is considered a capital asset. Every unit must have a complete detail listing of all capital assets owned which reflects their acquisition value. Capital Asset Ledger (Form 369) has been prescribed for this purpose. A complete physical inventory must be taken at least every two years, unless more stringent requirements exist, to verify account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public Schools, 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 Schools, Chapter 1)

NEW PRAIRIE UNITED SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on December 20, 2017, with Paul White, Superintendent of Schools; James Holifield, Treasurer; Kathy Smith, Deputy Treasurer, Carrie Cannon, Assistant Superintendent of Schools; Richard Shail, President of the School Board; Phillip King, School Board member; and Tammy Watkins, School Lunch Director.

The contents of this report were discussed on December 21, 2017, with Kelley Kitchen, former Treasurer.