

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

WESTERN WAYNE SCHOOLS

WAYNE COUNTY, INDIANA

July 1, 2013 to June 30, 2015



FILED
04/10/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Joyce Runyon (Vacant) Peggy Huesman	07-01-13 to 08-29-14 08-30-14 to 08-31-14 09-01-14 to 12-31-18
Superintendent of Schools	Dr. Robert Mahon	07-01-13 to 06-30-18
President of the School Board	Steven Sweet Kevin Munchel	07-01-13 to 12-31-14 01-01-15 to 12-31-18



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE WESTERN WAYNE SCHOOLS, WAYNE COUNTY, INDIANA

This report is supplemental to our audit report of the Western Wayne Schools (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 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.

Any Corrective Action Plan for the Federal Findings, incorporated within this report, was not verified for accuracy.

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

March 21, 2018

WESTERN WAYNE SCHOOL CORPORATION
FEDERAL FINDINGS

FINDING 2015-001

Subject: Financial Transactions and Reporting
Audit Finding: Material Weakness

Condition

There were deficiencies in the internal control system of the School Corporation related to Financial Transactions and Reporting. The School Corporation had not separated incompatible activities related to receipts. The same individual was responsible for receipting cash, issuing receipts, posting receipts to the ledgers, and depositing receipts.

Context

The lack of internal controls over Financial Transactions and Reporting was a systemic problem, 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

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

Effect

The failure to establish and properly implement an effective system of internal controls could have enabled noncompliance related to receipts and could have enabled material misstatements or irregularities to occur and remain undetected.

Recommendation

We recommended that the School Corporation's management establish and implement an effective system of internal controls, including segregation of duties, related to receipts.

WESTERN WAYNE 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 2015-002

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 controls in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

The School Corporation had not established effective internal controls over the federal award information entered into the Indiana Gateway for Government Units (Gateway), which was the financial reporting system used to generate the School Corporation's SEFA. The federal award information was entered into Gateway without a control process in place to ensure accuracy before submission.

Context

The SEFA presented for audit contained the following errors:

2013-2014 School Year Expenditures:

1. Child Nutrition Cluster commodities were understated by \$32,472.
2. The Improving Teacher Quality State Grants was overstated by \$10,772.
3. The Special Education Cluster (IDEA) was understated by \$313,521.

2014-2015 School Year Expenditures:

1. Child Nutrition Cluster commodities were understated by \$31,199.
2. The Improving Teacher Quality State Grants was overstated by \$22,093.
3. The Special Education Cluster (IDEA) was understated by \$17,914.

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:

WESTERN WAYNE SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

"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. . . ."

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.
- (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."

WESTERN WAYNE SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Cause

Management of 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 *Context*.

Recommendation

We recommended that the School Corporation's management establish controls to prevent, or detect and correct, errors on the SEFA.

Views of Responsible Officials

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

FINDING 2015-003

Subject: Child Nutrition Cluster - 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 2014, FY 2015

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP)

Audit Finding: Material Weakness

Repeat Finding

This is a repeat finding from the immediate prior audit. The prior audit finding number was 2013-1.

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP) compliance requirement.

The Food Service Director performed the verifications of free and reduced price meal applications and made the determination of whether or not a change in eligibility was necessary without a proper system of oversight or review.

Context

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

WESTERN WAYNE 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

The School Corporation had not developed a system of internal controls that would have ensured compliance with the Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP) 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, 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.

FINDING 2015-004

Subject: Child Nutrition Cluster - 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 2014, FY 2015
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Cash Management
Audit Finding: Material Weakness

WESTERN WAYNE SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Cash Management compliance requirement.

The School Corporation had not implemented an internal controls system which included a verification to determine if cash resources exceeded three months average expenditures and another individual reviewing the verifications.

Context

The lack of internal controls was a systemic problem, 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

The School Corporation had not developed a system of internal controls that would have ensured compliance with the Cash Management 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, 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.

WESTERN WAYNE SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

FINDING 2015-005

Subject: Child Nutrition Cluster - Suspension and Debarment
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 2014, FY 2015
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Procurement and Suspension and Debarment
Audit Findings: Material Weakness, Other Matters

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Suspension and Debarment compliance requirement.

The School Corporation did not verify that vendors with whom the School Corporation entered into covered transactions were not suspended or debarred.

Context

The lack of controls was a systemic problem, which occurred 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 180.300 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:

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

Cause

The School Corporation had not developed a system of internal controls that would have ensured compliance with the Suspension and Debarment compliance requirement.

WESTERN WAYNE SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Effect

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

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls 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.

FINDING 2015-006

Subject: Title I Grants to Local Educational Agencies - Cash Management and Period of Availability
Federal Agency: 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): 14-8355, 15-8355
Pass-Through Entity: Indiana Department of Education
Compliance Requirements: Cash Management, Period of Availability
Audit Finding: Material Weakness

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Cash Management and Period of Availability compliance requirements.

Cash Management

The Treasurer submitted reimbursement requests without oversight or approval by another individual, or any other internal control process in place to ensure requests for reimbursement were accurate.

Period of Availability

The School Corporation had not established controls to ensure federal funds were obligated within the Period of Availability. Proper oversight was not performed to ensure transactions occurred during the period of availability.

Context

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

WESTERN WAYNE 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

The School Corporation had not developed a system of internal controls that segregated key functions that would have ensured compliance with the Cash Management and Period of Availability 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, 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 2015-007

Subject: Title I Grants to Local Educational Agencies - Special Tests and Provisions - Highly Qualified Teachers and Paraprofessionals

Federal Agency: 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): 14-8355, 15-8355

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Special Tests and Provisions - Highly Qualified Teachers and Paraprofessionals

Audit Findings: Material Weakness, Other Matters

WESTERN WAYNE SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - Highly Qualified Teachers and Paraprofessionals compliance requirement.

During the audit period, the School Corporation could not provide evidence that two paraprofessionals were highly qualified.

Context

The lack of internal controls was a systemic problem, which occurred 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. . . ."

34 CFR 200.58 states in part:

". . . (b) *All paraprofessionals.* A paraprofessional covered under paragraph (a) of this section, regardless of the paraprofessional's hiring date, must have earned a secondary school diploma or its recognized equivalent.

(c) *New paraprofessionals.* A paraprofessional covered under paragraph (a) of this section who is hired after January 8, 2002 must have—

- (1) Completed at least two years of study at an institution of higher education;
- (2) Obtained an associate's or higher degree; or
- (3)
 - (i) Met a rigorous standard of quality, and can demonstrate—through a formal State or local academic assessment—knowledge of, and the ability to assist in instructing, as appropriate—
 - (A) Reading/language arts, writing, and mathematics; or
 - (B) Reading readiness, writing readiness, and mathematics readiness.
 - (ii) A secondary school diploma or its recognized equivalent is necessary, but not sufficient, to meet the requirement in paragraph (c)(3)(i) of this section.

(d) *Existing paraprofessionals.* Each paraprofessional who was hired on or before January 8, 2002 must meet the requirements in paragraph (c) of this section no later than January 8, 2006. . . ."

WESTERN WAYNE SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Cause

The School Corporation had not developed a system of internal controls that would have ensured compliance with the Special Tests and Provisions - Highly Qualified Teachers and Paraprofessionals compliance requirement.

Effect

The failure to establish an effective internal control system enabled material noncompliance to occur. Noncompliance with the Special Tests and Provisions - Highly Qualified Teachers and Paraprofessionals compliance requirement could have resulted in the loss of federal funds to the School Corporation.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls 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.

FINDING 2015-008

Subject: Title I Grants to Local Educational Agencies - Allowable Costs/Cost Principles
Federal Agency: 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): 14-8355, 15-8355
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Allowable Costs/Cost Principles
Audit Findings: Material Weakness, Other Matters

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Allowable Costs/Cost Principles compliance requirement.

The School Corporation did not maintain the appropriate Semi-Annual Certifications or Personnel Activity Reports for employees who worked on the Federal award.

Context

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

WESTERN WAYNE SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

During the audit period:

1. Two employees whose salaries were not charged solely to the Title I fund did not complete the required Personnel Activity Reports.
2. One employee whose salary was charged solely to the Title I fund did not complete the required Semi-Annual Certification.
3. One employee whose salary was charged solely to the Title I fund lacked a Semi-Annual Certification for one reporting 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. . . ."

OMB A-87 Attachment B, section 8h states in part:

". . . (3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.

(4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) unless a statistical sampling system (see subsection (6)) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:

- (a) More than one Federal award,
- (b) A Federal award and a non-Federal award,
- (c) An indirect cost activity and a direct cost activity,
- (d) Two or more indirect activities which are allocated using different allocation bases, or
- (e) An unallowable activity and a direct or indirect cost activity. . . ."

Cause

The School Corporation had not developed a system of internal controls that would have ensured compliance with the Allowable Costs/Cost Principles compliance requirement.

WESTERN WAYNE SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Effect

The failure to establish an effective internal control system enabled material noncompliance to occur. Noncompliance with the Allowable Costs/Cost Principles compliance requirement could have resulted in the loss of federal funds to the School Corporation.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls 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.

DR. ROBERT MAHON
Superintendent
GEORGE PHILHOWER
Assistant Superintendent



PEGGY HUESMAN
Treasurer
CHERI BILLS
Deputy Treasurer - Payroll

WESTERN WAYNE SCHOOLS

CORRECTIVE ACTION PLAN

FINDING 2015-001

Contact Person Responsible for Corrective Action: Peggy Huesman
Contact Phone Number: 765-478-5375

Views of responsible official: We concur with the finding.

Description of Corrective Action Plan:

Western Wayne School Corporation is aware of the risks associated with a limited staff and has determined the benefits of hiring additional staff in order that all accounting functions are performed by different individuals are not sufficient to justify the increase in personnel cost to the taxpayers of Western Wayne School Corporation. We will use current employees and implement steps to reduce risk. The Treasurer receipts the money and completes the deposit slip, the Deputy Treasurer or Superintendent will review and sign each deposit slip. In the event of an absence and there is only one person on site, we will attempt to have someone in the corporation who is bonded to come in, review and sign the deposit slip.

Anticipated Completion Date: April 1, 2018



(Signature)

Treasurer
(Title)

03/21/2018

DR. ROBERT MAHON
Superintendent
GEORGE PHILHOWER
Assistant Superintendent



PEGGY HUESMAN
Treasurer
CHERI BILLS
Deputy Treasurer - Payroll

WESTERN WAYNE SCHOOLS

CORRECTIVE ACTION PLAN

FINDING 2015-002

Contact Person Responsible for Corrective Action: Peggy Huesman
Contact Phone Number: 765-478-5375

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

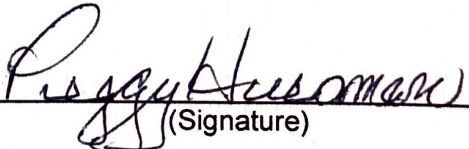
Now that we have been made aware that the Child Nutrition Cluster commodities are to be added to the Annual Financial Report on Gateway they will be added. Commodity totals have been added to the 2015-2016 and 2016-2017 AFR on Gateway.

We will not include the Title II transfer money in the Title I grant on the Annual Financial Report on Gateway. We will attempt to remove the transfer amounts from the Title I totals on the AFR on Gateway for 2015-2016 and 2016-2017.

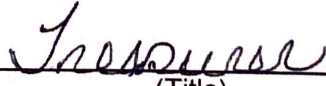
The Superintendent will review the information for the SEFA (Gateway AFR) before the Treasurer submits it.

ECISS will provide the financial information from the Special Education Grant to Western Wayne Schools, the Superintendent and Treasurer will review it and the Treasurer will include it on the Gateway AFR report.

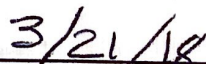
Anticipated Completion Date: July 1, 2018



(Signature)



(Title)



DR. ROBERT MAHON
Superintendent
GEORGE PHILHOWER
Assistant Superintendent



PEGGY HUESMAN
Treasurer
CHERI BILLS
Deputy Treasurer - Payroll

WESTERN WAYNE SCHOOLS

CORRECTIVE ACTION PLAN

FINDING 2015-003

Contact Person Responsible for Corrective Action: Betty Huddleston
Contact Phone Number: 765-478-5916

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Free and reduced lunch applications will be approved by the cafeteria manager and reviewed by a building administrator. Verification of free and reduced lunch applications are done by the Cafeteria Manager and approved by the Superintendent or the Asst. Superintendent.

Anticipated Completion Date: July 1, 2018



(Signature)



(Title)



(Date)



WESTERN WAYNE SCHOOLS

CORRECTIVE ACTION PLAN

FINDING 2015-004

Contact Person Responsible for Corrective Action: Peggy Huesman
Contact Phone Number: 765-478-5375

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Now that we have been made aware, the Treasurer and Cafeteria Director will look at 3 months of cafeteria revenue and 3 months of cafeteria expenditures to see if cash resources exceed three months average expenditures. If there is a balance we will use those funds to repair and replace cafeteria equipment. Currently, once a month the Treasurer emails the Cafeteria Director a revenue and budget history along with the fund balance after balancing the previous month so the Cafeteria Director knows her balances and we will continue to do this as well.

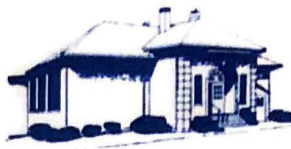
Anticipated Completion Date: July 1, 2018

Peggy Huesman
(Signature)

Treasurer
(Title)

3/21/18
(Date)

DR. ROBERT MAHON
Superintendent
GEORGE PHILHOWER
Assistant Superintendent



PEGGY HUESMAN
Treasurer
CHERI BILLS
Deputy Treasurer - Payroll

WESTERN WAYNE SCHOOLS

CORRECTIVE ACTION PLAN


FINDING 2015-005

Contact Person Responsible for Corrective Action: Betty Huddleston
Contact Phone Number: 765-478-5375

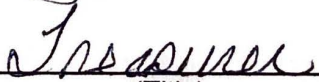
Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Now that we have been made aware, each January the cafeteria director will check the SAMS website to make sure that our vendor's have not been suspended or disbarred. She has already done this for our current vendors.

Anticipated Completion Date: July 1, 2018



(Signature)



(Title)



(Date)

DR. ROBERT MAHON
Superintendent
GEORGE PHILHOWER
Assistant Superintendent



PEGGY HUESMAN
Treasurer
CHERI BILLS
Deputy Treasurer - Payroll

WESTERN WAYNE SCHOOLS

CORRECTIVE ACTION PLAN

FINDING 2015-006

Contact Person Responsible for Corrective Action: Peggy Huesman
Contact Phone Number: 765-478-5375

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: The Title I Director was aware of the expenditures and requests for reimbursement of the Title I grant, however, there was no signature as proof that the documents were reviewed. Forthwith; when the Treasurer submits electronically the request for reimbursement or final report for Title I the grant administrator will sign the email verification that is generated as proof.

Anticipated Completion Date: July 1, 2018

Peggy Huesman
(Signature)
Treasurer
(Title)
3/21/18
(Date)

DR. ROBERT MAHON
Superintendent
GEORGE PHILHOWER
Assistant Superintendent



PEGGY HUESMAN
Treasurer
CHERI BILLS
Deputy Treasurer - Payroll

WESTERN WAYNE SCHOOLS

CORRECTIVE ACTION PLAN

FINDING 2015-007

Contact Person Responsible for Corrective Action: George Philhower
Contact Phone Number: 765-478-5375

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: All aides paid through the Title I grant who have not completed at least 2 years of study at an institution of higher education or have an associate's degree will be required to take the ParaPro Assessment test.

Anticipated Completion Date: 8/1/2018



(Signature)

Assistant Superintendent

(Title)

3-21-18

(Date)

DR. ROBERT MAHON
Superintendent
GEORGE PHILHOWER
Assistant Superintendent



PEGGY HUESMAN
Treasurer
CHERI BILLS
Deputy Treasurer - Payroll

WESTERN WAYNE SCHOOLS

CORRECTIVE ACTION PLAN

FINDING 2015-008

Contact Person Responsible for Corrective Action: George Philhower

Contact Phone Number: 765-478-5375

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Administrator's will maintain Semi-Annual Certification Reports on individuals whose salary is charged solely to the Title I fund and Personal Activity Reports on any individuals whose salary is not charged solely to the Title I fund. These documents will be filed in the grant folder.

Anticipated Completion Date: July 1, 2018

George Philhower
(Signature)

Assistant Superintendent
(Title)

3-21-18
(Date)

WESTERN WAYNE SCHOOLS
EXIT CONFERENCE

The contents of this report were discussed on March 21, 2018, with Dr. Robert Mahon, Superintendent of Schools; Peggy Huesman, Treasurer; Kevin Munchel, President of the School Board; Lucius Pitcock, Secretary of the School Board; and George Philhower, Assistant Superintendent of Schools.