

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TRI-COUNTY SCHOOL CORPORATION

WHITE COUNTY, INDIANA

July 1, 2014 to June 30, 2016



FILED
05/18/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Marsha Bell	07-01-14 to 06-30-18
Superintendent of Schools	Dr. Kathy Goad	07-01-14 to 06-30-18
President of the School Board	Rachel Cantrell Don Pampel	01-01-14 to 12-31-16 01-01-17 to 12-31-18



STATE OF INDIANA
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TO: THE OFFICIALS OF THE TRI-COUNTY SCHOOL CORPORATION, WHITE COUNTY, INDIANA

This report is supplemental to our audit report of the Tri-County 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 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

April 4, 2016

TRI-COUNTY SCHOOL CORPORATION
FEDERAL FINDINGS

FINDING 2016-001

Subject: Receipts, Preparation of the Schedule of Expenditures of Federal Awards

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 and the preparation of the Schedule of Expenditures of Federal Awards (SEFA).

Receipts

One individual received money, issued receipts, prepared bank deposits, took the deposits to the bank, posted receipts, and completed the bank reconciliation without evidence of a proper system of oversight or review.

SEFA Preparation

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 the grant information for the federal awards without a system of oversight or review to detect and correct errors before submission.

Context

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

TRI-COUNTY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Cause

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

Effect

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

Recommendation

We recommended that the School Corporation's management establish controls to ensure accurate and complete reporting of receipts and federal expenditures 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 2016-002

Subject: Child Nutrition Cluster - Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Procurement, Reporting

Federal Agency: Department of Agriculture

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

CFDA Numbers: 10.553, 10.555, 10.559

Federal Award Numbers and Years (or Other Identifying Numbers): FY2015 and 2016

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Procurement and Suspension and Debarment, Reporting

Audit Finding: Material Weakness

Condition

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

Activities Allowed or Unallowed, Allowable Costs/Cost Principles

The School Corporation had not established an effective internal control system to ensure that vendor disbursements were for allowable activities and were allowable costs. There was no evidence of a review of School Lunch fund claims prior to payment.

Procurement

The School Corporation had not established an effective internal control system to ensure compliance with procurement requirements. There was no evidence that someone knowledgeable of the procurement requirements reviewed the noncontracted procurement expenditures prior to payment.

TRI-COUNTY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Reporting

The School Corporation had not designed or implemented adequate policies or procedures to ensure accurate reporting of the School Food Authority (SFA) Verification Collection Reports and Annual Financial Reports. The reports were prepared by the one employee without a proper system of oversight or review.

Context

The lack of controls was a systemic problem 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's management had not developed an effective system of internal controls to ensure compliance with the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, procurement requirements of Procurement and Suspension and Debarment, or 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 programs.

Questioned Costs

There were no questioned costs identified.

TRI-COUNTY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Recommendation

We recommended that the School Corporation establish controls related to the grant agreement and the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Procurement and Suspension and Debarment, and Reporting 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 2016-003

Subject: Child Nutrition Cluster - Suspension and Debarment
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program,
Summer Food Service Program for Children
CFDA Numbers: 10.553, 10.555, 10.559
Federal Award Numbers and Years (or Other Identifying Numbers): FY2015 and 2016
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Procurement and Suspension and Debarment
Audit Findings: Material Weakness, Modified Opinion

Repeat Finding

This is a repeat finding from the immediate prior audit. The prior audit finding number was 2015-002.

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 requirements of the Procurement and Suspension and Debarment compliance requirement.

The School Corporation had not established effective controls to ensure that vendors were not suspended or debarred or otherwise excluded from participation in federal assistance programs.

The School Corporation did not comply with the suspension and debarment requirements. The School Corporation was aware of the requirements, but could not provide documentation of its verification that vendors were not suspended or debarred from participation in federal programs before entering into a contract.

Context

The lack of controls was a systemic issue throughout the audit period. Documentation was not provided to support compliance with the Procurement and Suspension and Debarment compliance requirement.

TRI-COUNTY 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). . . ."

2 CFR 200.333 states in part:

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

Cause

The School Corporation had not developed a system of internal controls that would have ensured that documentation was maintained and made available for audit related to the Procurement and Suspension and Debarment compliance requirement.

Effect

The failure to retain and provide appropriate supporting documentation prevented the determination of the School Corporation's compliance with the Procurement and Suspension and Debarment compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation establish controls to ensure that documentation was maintained and made available for audit related to the Procurement and Suspension and Debarment compliance requirement.

TRI-COUNTY 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 2016-004

Subject: School Breakfast Program and National School Lunch Program -
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): FY2015 and 2016

Pass-Through Entity: Indiana Department of Education

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

Audit Findings: Material Weakness, Other Matters

Repeat Finding

This is a repeat finding from the immediate prior audit. The prior audit finding number was 2015-002.

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. Controls were not effective to ensure that appropriate changes were made to students' eligibility status based on the verifications performed.

The School Corporation did not comply with the Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP) requirements. Not all of the applications verified included proper documentation of income or accurate income calculations.

Context

The lack of controls and the noncompliance were systemic issues throughout the audit period. All applications chosen for verification were tested; however, four of the seven applications were incorrect. Two applications did not have proper documentation of income and two included incorrect calculations of income.

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. . . ."

TRI-COUNTY 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). . . ."

7 CRF 245.6a states in part:

". . . (c) *Verification requirement - (1) General.* The local educational agency must verify eligibility of children in a sample of household applications approved for free and reduced price meal benefits for that school year. . . .

(j) *Adverse action.* If verification activities fail to confirm eligibility for free or reduced price benefits or should the household fail to cooperate with verification efforts, the school or local educational agency shall reduce or terminate benefits, as applicable, . . ."

Cause

The School Corporation's management had not developed an effective system of internal controls to ensure compliance with the Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP) compliance requirement.

Effect

The failure to establish internal controls enabled material noncompliance to go undetected. Non-compliance with the grant agreement and 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 to ensure compliance and comply with the Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP) compliance requirement.

Views of Responsible Officials

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

TRI-COUNTY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

FINDING 2016-005

Subject: Special Education Cluster (IDEA) - Suspension and Debarment
Federal Agency: Department of Education
Federal Programs: Special Education_Grants to States, Special Education_Preschool Grants
CFDA Numbers: 84.027, 84.173
Federal Award Numbers and Years (or Other Identifying Numbers): 14214-051-PN01, 14215-051-PN01,
14216-049-PN01, 45715-051-PN-01,
45716-049-PN-01
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Procurement and Suspension and Debarment
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 suspension and debarment requirements of the Procurement and Suspension and Debarment compliance requirement.

The School Corporation did not comply with the suspension and debarment requirements. They did not perform any procedures to verify that vendors were not suspended or debarred from participation in federal programs before entering into a contract.

Context

The lack of controls and noncompliance were systemic issues throughout the audit period. No verification procedures were performed for any of the contracted vendors paid from the grants.

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). . . ."

TRI-COUNTY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

2 CRF 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:

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

Cause

Management had not developed a system of internal controls that would have ensured compliance with the suspension and debarment requirements of the Procurement and Suspension and Debarment compliance requirement.

Effect

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement and 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 to ensure compliance and comply with the Procurement and Suspension and Debarment 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 2016-006

Subject: Special Education Cluster (IDEA) - Level of Effort - Maintenance of Effort

Federal Agency: Department of Education

Federal Programs: Special Education_Grants to States, Special Education_Preschool Grants

CFDA Numbers: 84.027, 84.173

Federal Award Numbers and Years (or Other Identifying Numbers): 14213-051-PN01, 14214-051-PN01,
14216-049-PN01, 99914-051-TA01,
45714-051-PN-01, 45715-051-PN-01,
45716-049-PN-01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Matching, Level of Effort, Earmarking

Audit Findings: Material Weakness, Modified Opinion

TRI-COUNTY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Condition

The School Corporation had not established an internal control system related to the grant agreement and the level of effort - maintenance of effort requirements of the Matching, Level of Effort, Earmarking compliance requirement.

The School Corporation had not established an effective system of internal controls to ensure accurate calculations of maintenance of effort. One individual prepared the Maintenance of Effort (MOE) report without a proper system of oversight or review.

The School Corporation would not have met MOE requirements in the 2014-2015 school year using the same metrics used in the 2013-2014 MOE calculations. Due to this, they included disbursements that were not consistent with the prior year's calculations. Speech therapists were included in the 2014-2015 calculation, but not in the 2013-2014 calculation. Utilities were also included in the 2014-2015 calculation, but not in the 2013-2014 calculation.

In addition, the School Corporation was instructed by the Director of Cooperative School Services of the Special Education Cooperative that up to 17 percent of its utilities could be used towards the MOE calculation as well. A percentage of utilities expenditures (but not 17 percent) was used in an attempt to meet MOE requirements. The MOE was not based on actual expenditures or a reasonable adequately documented apportionment of utility expenditures.

Since the amounts reported were not based on actual special education expenditures, testing for compliance with the level of effort - maintenance of effort requirements for the school years ended June 30, 2015 and 2016, could not be performed.

Context

The lack of controls and lack of accurate supporting documentation were systemic issues throughout the audit period. In addition, the amounts reported for the MOE were not supported by the School Corporation's records for both school years.

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). . . ."

TRI-COUNTY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

34 CFR 74.53(b) states in part:

"Financial records, supporting documents, statistical records, and all other records pertinent to an award shall be retained for a period of three years from the date of submission of the final expenditure report or, for awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, as authorized by the Secretary. . . ."

2 CFR 200.333 states in part:

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

34 CFR 76.730 states:

"A State and a subgrantee shall keep records that fully show:

- (a) The amount of funds under the grant or subgrant;
- (b) How the State or subgrantee uses the funds;
- (c) The total cost of the project;
- (d) The share of that cost provided from other sources; and
- (e) Other records to facilitate an effective audit."

34 CFR 76.731 states: "A State and a subgrantee shall keep records to show its compliance with program requirements."

Cause

The School Corporation had not established a proper internal control structure that would have ensured compliance with the level of effort - maintenance of effort requirements of the Matching, Level of Effort, Earmarking compliance requirement.

Effect

The failure to provide appropriate supporting documentation prevented the determination of the School Corporation's compliance with the Matching, Level of Effort, Earmarking compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls to ensure compliance with the Matching, Level of Effort, and Earmarking compliance requirement.

TRI-COUNTY 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.



Dr. Kathy Goad
Superintendent

105 N 2nd Street
Wolcott, IN 47995

CORRECTIVE ACTION PLAN

FINDING 2016-001: Receipts, Preparation of the Schedule of Expenditures of Federal Awards

Contact Person Responsible for Corrective Action: Kathy Goad, Marsha Bell
Contact Phone Number: 219-279-2418

Views of Responsible Official: We concur and accept the finding.

Description of Corrective Action Plan:

Receipts: Money received by the school corporation in cash or check will be logged and receipted by the Assistant Treasurer then turned over to the Treasurer to prepare the bank deposit, post receipts, and complete the bank reconciliation. The reconciliation will then be reviewed and signed off by the Superintendent. Money received by the school corporation through direct deposit to our financial institution will be reviewed and sign off by the Assistant Treasurer. The Treasurer will then post receipts and complete the bank reconciliation. The reconciliation will then be reviewed and signed off by the Superintendent.

SEFA Preparation: The Treasurer will prepare the report of federal grant information. The Superintendent will review and sign off on the report. The Treasurer will then submit the report on the Indiana Gateway for Government Units financial reporting system.

Anticipated Completion Date: The process will start immediately (4/4/2018) with all future funds received.

Dr. Kathy Goad
(Signature)

Superintendent
(Title)

4/4/18
(Date)

CORRECTIVE ACTION PLAN

FINDING 2016-002: Child Nutrition Cluster – Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Procurement, Reporting

Contact Person Responsible for Corrective Action: Kathy Goad, Karla Buntin
Contact Phone Number: 219-279-2418

Views of Responsible Official: We concur and accept the finding.

Description of Corrective Action Plan:

Activities Allowed or Unallowed, Allowable Costs/Cost Principles: claims from the School Lunch fund will be signed and submitted by the Food Service personnel preparing the voucher to the Assistant Treasurer. The Assistant Treasurer will then review and sign off on the claim to assure the disbursements were for allowable activities and were allowable costs prior to presenting the claim to the Treasurer for issuance of the check.

Procurement: The Assistant Treasurer will review and sign off on all non-contracted procurement expenditures prior to submitting them to the Treasurer for payment.

Reporting: The Assistant Treasurer will prepare the School food authority (SFA) Verification collection Reports and Annual Financial Reports. The superintendent will review and sign off on the reports before they are submitted.

Anticipated Completion Date: The process will start immediately (4/4/2018) with all future funds received.

Dr. Kathy Goad
(Signature)

Superintendent
(Title)

4/4/18
(Date)



Dr. Kathy Goad
Superintendent

105 N 2nd Street
Wolcott, IN 47995

CORRECTIVE ACTION PLAN

FINDING 2016-003: Suspension and Debarment

Contact Person Responsible for Corrective Action: Kathy Goad, Karla Buntin
Contact Phone Number: 219-279-2418

Views of Responsible Official: We concur and accept the finding.

Description of Corrective Action Plan:

The Assistant Treasurer will file copies of the Procurement and Suspension and Debarment vendor records, after looking them up online, as verification she/her reviewed these reports to assure appropriate vendors are used.

Anticipated Completion Date: The process will start immediately (4/4/2018) with all future funds received.

Dr. Kathy Goad
(Signature)

Superintendent
(Title)

4/4/18
(Date)



Dr. Kathy Goad
Superintendent

105 N 2nd Street
Wolcott, IN 47995

CORECTIVE ACTION PLAN

FINDING 2016-004: Child Nutrition Cluster – Special Tests and Provisions – Verification of Free and Reduced Price Applications (NSLP)

Contact Person Responsible for Corrective Action: Kathy Goad, Karla Buntin, Cheri Frantz
Contact Phone Number: 219-279-2418

Views of Responsible Official: We concur and accept the finding.

Description of Corrective Action Plan: Following the percentages determined in the directions of the Indiana Department of Education the Food Service Director pulls random applications for verification. She/he sends a letter to the applicant from the random sample requesting verification. The Food Service Director then reviews the documents received from the applicants pursuant to the directions in the letter for their continued eligibility. She/he forwards the documents to the Assistant Treasurer to review for final eligibility determination. The Food Service Director then notifies them applicant by mail of their updated eligibility status

Anticipated Completion Date: The process will start immediately (4/4/2018) with all future funds received.

Dr. Kathy Goad
(Signature)

Superintendent
(Title)

4/4/18
(Date)

CORRECTIVE ACTION PLAN

Finding 2016-005

Subject: Special Education Cluster (IDEA) – Suspension and Debarment

Contact Person Responsible for Corrective Action: Marsha Bell

Contact Phone Number: (219) 279-2418

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

In order to be compliant with the Suspension and Debarment requirements:

- A. The LEA School Corporation/Special Education Cooperative Services will check the SAM exclusions by checking the website (sam.gov) to verify status or collecting a Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion Lower Tier Covered Transactions form from the vendor prior to entering into any contractual agreement.
- B. The documentation will be maintained at the LEA School and Cooperative School Services. The director of the Cooperative School Services will send a copy to Tri-County School Corporation, which is maintained in our files.

Anticipated Completion Date: March 26, 2018

Marsha Bell

(Signature)

Treasurer

(Title)

4.4.18

(Date)

CORRECTIVE ACTION PLAN

105 N 2nd Street
Wolcott, IN 47995

Finding 2016-006

Subject: Special Education Cluster – Level of Effort – Maintenance of Effort (MOE)

Contact Person Responsible for Corrective Action: Marsha Bell

Contact Phone Number: (219) 279-2418

Views of Responsible Official:

When calculating the MOE the treasurer followed the instructions given by the Cooperative Services director, as far as including a % of utilities. It was the treasurer's interpretation that using the utility cost was optional and that the school only had to use enough of the utility cost to meet the MOE requirement.

Description of Corrective Action Plan:

In order to be compliant with the calculation of the MOE report:

The school treasurer will calculate the Maintenance of Effort (MOE) per the instructions and use the same formulas/calculation each year.

After the treasurer completes the MOE report, the financial documentation and report will be given to the Superintendent for review and signature.

Anticipated Completion Date: April 4, 2018.

Marsha Bell
(Signature)

Treas
(Title)

4-4-18
(Date)

TRI-COUNTY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on April 4, 2018, with Marsha Bell, Treasurer; Dr. Kathy Goad, Superintendent of Schools; and Don Pampel, President of the School Board.