

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

WAWASEE COMMUNITY SCHOOL CORPORATION

KOSCIUSKO COUNTY, INDIANA

July 1, 2015 to June 30, 2017



FILED

02/01/2019

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Transmittal Letter	3
Federal Findings:	
Finding 2017-001 Preparation of the Schedule of Expenditures of Federal Awards	4-5
Finding 2017-002 Child Nutrition Cluster - Internal Controls	6-8
Finding 2017-003 Child Nutrition Cluster - Allowable Costs/Cost Principles	8-9
Finding 2017-004 School Breakfast Program, National School Lunch Program - Program Income	10-11
Finding 2017-005 Special Education Cluster (IDEA) - Internal Controls	12-13
Finding 2017-006 Special Education (IDEA) - Reporting.....	13-15
Corrective Action Plan.....	16-19
Exit Conference.....	20

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	James M. Evans	07-01-15 to 06-30-19
Superintendent of Schools	Dr. Thomas R. Edington	07-01-15 to 06-30-19
President of the School Board	Rebecca L. Linnemeier	01-01-15 to 12-31-19



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE WAWASEE COMMUNITY SCHOOL
CORPORATION, KOSCIUSKO COUNTY, INDIANA

This report is supplemental to our audit report of the Wawasee Community School Corporation (School Corporation), for the period from July 1, 2015 to June 30, 2017. 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

December 4, 2018

WAWASEE COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS

FINDING 2017-001

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 did not 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.

Context

Due to the lack of controls, the Special Education Grants to States expenditures were understated by \$491,381 in the 2015-2016 school year.

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.

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. . . ."

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:

WAWASEE COMMUNITY 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

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

Effect

Without a proper system of internal control in place that operated effectively, 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 ensure that federal expenditures will be properly reported 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.

WAWASEE COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

FINDING 2017-002

Subject: Child Nutrition Cluster - Internal Controls

Federal Agency: Department of Agriculture

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

CFDA Numbers: 10.553, 10.555, 10.559

Federal Award Numbers and Years (or Other Identifying Numbers): FY 15-16, FY 16-17

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility,
Procurement and Suspension and Debarment, Reporting, Special Tests
and Provisions - Verification of Free and Reduced Price Applications
(NSLP)

Audit Finding: Material Weakness

Repeat Finding

This is a repeat of Finding 2015-002 from the immediately prior audit as it pertains to Eligibility, Reporting, and Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP).

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements listed above.

Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Procurement

The School Corporation did not have a proper system of oversight and review to ensure that all accounts payable vouchers were reviewed and approved.

Eligibility

The School Corporation used a food service software, which automatically made the eligibility determinations dependent upon the information entered into the software by applicants or school personnel. The School Corporation did not have a proper system of oversight or review documented to ensure that the federal income guidelines entered into the software program were accurate. These guidelines were downloaded into the software by the Director of Technology and there was no review or approval to ensure the guidelines entered were correct.

Additionally, there was one employee exclusively determining eligibility on the applications and entering the information into the food service software. An adequate oversight or review process had not been established to ensure accurate eligibility determinations of free and reduced price applications.

Suspension and Debarment

An effective internal control system was not in place at the School Corporation in order to ensure that all contracts complied with the suspension and debarment requirements.

WAWASEE COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Reporting

The School Corporation had one person solely responsible for the preparation and submission of the Monthly Sponsor Reports, Verification Certification Reports, and Annual Expenditure Reports. There were no controls in place to ensure that the submitted reports were accurate.

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

The School Corporation had one person solely responsible for verifying free and reduced price meal applications. An adequate oversight or review process had not been established to ensure that the verification process was completed and performed accurately.

Context

The lack of controls was systemic throughout the audit period.

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

Cause

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

Effect

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

Questioned Costs

There were no questioned costs identified.

Recommendation

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

WAWASEE COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Views of Responsible Officials

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

FINDING 2017-003

Subject: Child Nutrition Cluster - Allowable Costs/Cost Principles

Federal Agency: Department of Agriculture

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

CFDA Numbers: 10.553, 10.555, 10.559

Federal Award Numbers and Years (or Other Identifying Numbers): FY 15-16, FY 16-17

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Allowable Costs/Cost Principles

Audit Findings: Material Weakness, Other Matters

Repeat Finding

This is a repeat of Finding 2015-003 from the immediately prior audit.

Condition

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

Management of the School Corporation had not established an effective internal control system to ensure that only allowable and adequately documented disbursements were paid with the food service program funds. Funds related to food service were used to pay a portion of administrative employees' salaries. The administrative employees did not maintain Personnel Activity Reports or equivalent documentation to support the distribution of a portion of their salary to the School Lunch fund. A total of \$30,071 was paid out of the School Lunch fund for administrative salaries.

Context

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

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

WAWASEE COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

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.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items. . . .
- (g) Be adequately documented. . . ."

2 CFR 200.430(i) states in part:

"*Standards for Documentation of Personnel Expenses* (1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- (ii) Be incorporated into the official records of the non-Federal entity;
- (iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities (for IHE, this per the IHE's definition of IBS); . . ."

Cause

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

Effect

The failure to establish effective internal controls enabled material noncompliance to go undetected which could have resulted in the loss of federal funds to the School Corporation.

Questioned Costs

Known questioned costs of \$30,071 were identified as detailed in the *Condition*.

Recommendation

We recommended that the School Corporation's management establish controls to ensure compliance and comply with the Allowable Costs/Cost Principles compliance requirement.

Views of Responsible Officials

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

WAWASEE COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

FINDING 2017-004

Subject: School Breakfast Program, National School Lunch Program - Program Income
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 15-16, FY 16-17
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Program Income
Audit Findings: Material Weakness, Modified Opinion

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 Program Income compliance requirement.

Each member school of the School Corporation prepared a weekly report and wrote a check to the School Corporation for program income earned, based on number of meals served. These claims were prepared using a weekly report generated from the food service software. The weekly report was not printed or kept for supporting documentation at any of the member schools. Instead, some of the daily reports were kept. These reports did not match the weekly claims which were receipted into the ledger due to adjustments made throughout the week. Therefore, it could not be determined if program income was properly receipted.

Context

The lack of controls was a systemic problem throughout the audit period. The lack of adequate supporting documentation prevented the determination of the School Corporation's compliance with the program income requirements.

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

7 CFR 210.14(c) states:

"*Financial assurances.* The school food authority shall meet the requirements of the State agency for compliance with § 210.19(a) including any separation of records of nonprofit school food service from records of any other food service which may be operated by the school food authority as provided in paragraph (a) of this section."

WAWASEE COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

7 CFR 220.13(i) states in part: "Each State agency . . . shall establish a financial management system under which School Food Authorities shall account for all revenues and expenditures of their nonprofit school food service. . . ."

2 CFR 200.302(b) states in part:

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

- (3) Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation. . . ."

Cause

The School Corporation's management had not developed or implemented a system of internal controls to ensure that adequate supporting documentation for program income was maintained related to the Program Income compliance requirement.

Effect

The failure to establish an effective internal control system and failure to maintain and provide supporting documentation for program income prevented the determination of the School Corporation's compliance with the Program Income compliance requirement.

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 Program Income compliance requirement.

Views of Responsible Officials

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

WAWASEE COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

FINDING 2017-005

Subject: Special Education Cluster (IDEA) - Internal Controls

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): 14214-045-PN01, 14215-142-PN01,
14216-113-PN01, 14217-113-PN01,
99911-042-TA01, 45715-142-PN01,
45716-113-PN01, 45717-113-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Matching,
Level of Effort, Earmarking; Procurement and Suspension and Debarment

Audit Finding: Material Weakness

Condition

An effective internal control system was not in place at the School Corporation in order to ensure compliance with the compliance requirements listed above.

Activities Allowed or Unallowed, Allowable Costs/Cost Principles

The School Corporation did not have a proper system of oversight and review to ensure the correct employees were paid from the special education grants.

Level of Effort

The Deputy Treasurer prepared a worksheet for the Director of Special Services to use to prepare Maintenance of Effort documents. The worksheet was prepared with financial information from the Form 9 and Budget History Reports and information from the Transportation Department. All documentation used to prepare the worksheet was kept by the Deputy Treasurer. The Director of Special Services made adjustments to the worksheet as needed before a final copy was prepared. The adjustments were not documented or retained.

Procurement

The School Corporation entered into a contract with Warsaw Community Schools for Physical Therapy and Occupational Therapy services. The contract stipulated a percentage which was subject to change quarterly. The School Corporation did not have a proper system of oversight and review in place to ensure the percentages being invoiced agreed to the percentage stipulated in the contract.

Context

The lack of controls was systemic 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. . . ."

WAWASEE COMMUNITY 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). . . ."

Cause

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

Effect

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

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls 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 2017-006

Subject: Special Education Cluster (IDEA) - Reporting

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): 14215-142-PN01, 14216-113-PN01,
45715-142-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Reporting

Audit Findings: Material Weakness, Other Matters

WAWASEE COMMUNITY 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 Reporting compliance requirement. The School Corporation was required to file a Final Report at the end of the grant period or when funds were exhausted. Of the five grants completed during the audit period, three of the reports were not completed or filed.

Context

The lack of controls and noncompliance were systemic issues, as the reports were not filed for the last three grants completed during 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). . . ."

34 CFR 80.20(b) states in part:

"The financial management systems of other grantees and subgrantees must meet the following standards:

(1) *Financial reporting.* Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant. . . ."

2 CFR 200.302(b) states in part:

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

(2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.327 Financial reporting and 200.328 Monitoring and reporting program performance. . . ."

WAWASEE COMMUNITY SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Cause

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

Effect

The failure to establish effective internal controls enabled material noncompliance to go undetected which 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 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.

WAWASEE COMMUNITY SCHOOL CORPORATION

MRS. JOY GOSHERT
Assistant Superintendent of Schools

MR. JAMES FLECKER
Director of Personnel & Legal Services

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DR. THOMAS EDINGTON
Superintendent of Schools

MR. JIM EVANS
Director of Finance

DR. SANDRA WEAVER
Director of Special Services

CORRECTIVE ACTION PLAN

Finding 2017-001

Contact Person Responsible for Corrective Action: Jim Evans

Contact Phone Number: (574) 457-3188

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan:

A system will be put into place to provide internal controls to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

Anticipated Completion Date: August 2019

Finding 2017-002

Contact Person Responsible for Corrective Action: Jim Evans

Contact Phone Number: (574) 457-3188

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan:

A system will be put into place so that all accounts payable vouchers are reviewed and approved.

Anticipated completion date: January 2019

A system will be put into place so that when the federal income guidelines are entered into the software program that parents use to apply for free and reduced lunches and breakfasts, a second person will review the guidelines to make sure they are correct.

Anticipated completion date: July 2019

A system will be put into place to ensure that all contracts comply with the Suspension and Debarment compliance requirement.

Anticipated completion date: January 2019

A system has been put into place to ensure that the submitted reports are accurate.

A system has already been put in place to ensure accurate eligibility of free and reduced lunch applications.

Finding 2017-003

Contact Person Responsible for Corrective Action: Jim Evans

Contact Phone Number: (574) 457-3188

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan:

A system will be put in place to maintain Personal Activity Reports when a portion of salaries is paid from the Hot Lunch Fund.

Anticipated Completion Date: January 2019

Milford (k-8), North Webster (K-5), Syracuse (k-5)



Wawasee Middle (6-8), Wawasee High (9-12)

WAWASEE COMMUNITY SCHOOL CORPORATION

MRS. JOY GOSHERT
Assistant Superintendent of Schools

MR. JAMES FLECKER
Director of Personnel & Legal Services

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DR. THOMAS EDINGTON
Superintendent of Schools

MR. JIM EVANS
Director of Finance

DR. SANDRA WEAVER
Director of Special Services

Finding 2017-004

Contact Person Responsible for Corrective Action: Jim Evans

Contact Phone Number: (574) 457-3188

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan:

A system will be put into place to ensure that weekly reports will be generated so that supporting documentation will be available to match the weekly claim that is receipted into the ledger.

Anticipated completion date: April 2019


12/4/2018



WAWASEE COMMUNITY SCHOOL CORPORATION

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MR. JIM EVANS
Director of Finance

DR. SANDRA WEAVER
Director of Special Services

CORRECTIVE ACTION PLAN

FINDING 2017-005 (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Sandra Weaver
Contact Phone Number: 574-453188

Views of Responsible Official:

I concur with the audit finding.

Description of Corrective Action Plan:

RE: oversight to ensure correct employees were paid from Special Education Grants.

The special education director will review budget worksheets with payroll team and will sign off on the documents.

To address internal control issue with the Maintenance of Effort document, the special education director will keep worksheet that contains information from Form 9 and Budget history records and note adjustments that are being made. Signature of director and date will be on the worksheet noting the changes.

RE: Contracted services with Warsaw Community Schools. The special education director for Wawasee Community School Corporation contacted the director for Warsaw Community Schools. Warsaw Community Schools has agreed to send revised contracts quarterly that are based on service minutes. The contracts will note revisions and be signed by the special education directors and superintendents.

Anticipated Completion Date:

Review and sign off has been completed for this school year.

The Maintenance of Effort internal controls correction will go into place at the next cycle. The current budget book contains documentation to ensure this change takes place.

The issue re: contracted services will be corrected for the next quarterly billing and continue forward.


(Signature)


(Title)


(Date)



WAWASEE COMMUNITY SCHOOL CORPORATION

MRS. JOY GOSHERT
Assistant Superintendent of Schools

MR. JAMES FLECKER
Director of Personnel & Legal Services

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DR. THOMAS EDINGTON
Superintendent of Schools

MR. JIM EVANS
Director of Finance

DR. SANDRA WEAVER
Director of Special Services

CORRECTIVE ACTION PLAN

FINDING 2017-006 (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Sandra Weaver
Contact Phone Number: 574-457-3188

Views of Responsible Official:
I concur with the finding.

Description of Corrective Action Plan:

The special education director will file a Final Report for each Federal grant as required. The current director is in the process of completing the final reports for FY 2017.

Anticipated Completion Date:

FY 2017 final grant reports will be done by 12-15-18. To ensure ongoing completion of the Final Grant Report, the current director will print the report and place it in the budget book as a reminder to complete the reports annually.

Sandra Weaver
(Signature)

Director of Special Services
(Title)

12-4-18
(Date)



WAWASEE COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on December 4, 2018, with James M. Evans, Treasurer/Director of Finance; Dr. Thomas R. Edington, Superintendent of Schools; Rebecca L. Linnemeier, President of the School Board; and Sandy Hollar, Deputy Treasurer.