

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, 2015 to June 30, 2017



FILED
02/15/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Peggy Heusman	01-01-15 to 12-31-18
Superintendent of Schools	Dr. Robert Mahon	07-01-15 to 06-30-19
President of the School Board	Kevin Munchel	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, 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 18, 2018

WESTERN WAYNE SCHOOLS
FEDERAL FINDINGS

FINDING 2017-001

Subject: Financial Transactions and Reporting
Audit Finding: Material Weakness

Repeat Finding

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2015-001.

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 controls was a systemic issue, which occurred throughout the audit period. Management implemented internal controls over receipts in April 2018.

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 had not established a proper system of internal controls over receipts until after the audit period.

Effect

The failure to establish controls could have enabled noncompliance related to receipts and could have enabled material misstatements or irregularities to occur and remain undetected.

WESTERN WAYNE SCHOOLS
FEDERAL FINDINGS
(Continued)

Recommendation

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

Views of Responsible Officials

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

FINDING 2017-002

Subject: Preparation of the Schedule of Expenditures of Federal Awards
Audit Finding: Material Weakness

Repeat Finding

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

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 had not established effective internal controls over the federal award information entered into the Indiana Gateway for Government Units financial reporting system, which was the source of the School Corporation's SEFA. The Treasurer prepared the SEFA; however, there were no controls in place to verify the accuracy of the information prior to submission.

Context

The lack of controls was a systemic issue, which occurred throughout the audit period. Management implemented internal controls over the preparation of the SEFA in 2018 for the period ending June 30, 2018.

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.

WESTERN WAYNE SCHOOLS
FEDERAL FINDINGS
(Continued)

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

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 could have remained undetected.

Recommendation

We recommended that the School Corporation's management establish controls related to the preparation of 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 2017-003

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): 16-8355, 17-8355
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 finding from the immediately prior audit report. The prior audit finding number was 2015-008.

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 time and effort reporting for employees who worked on the federal award. During the audit period, two employees whose salaries were not charged solely to the Title I fund did not complete the required Personal Activity Reports.

WESTERN WAYNE SCHOOLS
FEDERAL FINDINGS
(Continued)

Context

The lack of internal controls and noncompliance were systemic issues, which occurred throughout the audit period. Management implemented internal controls over the Allowable Costs/Cost Principles compliance requirement and started maintaining the appropriate time and effort reporting for employees in April 2018.

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

- (a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal awards 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 200.430(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); . . .
- (vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which allocated using different allocation bases; or an unallowable activity and a direct or indirect costs activity. . . ."

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

Title I Fiscal Handbook 2015-2016, Basic Title I, Part A and D states:

- **TAS Programs:**

"Title I funded staff paid solely from Title I funds complete a Semi-Annual Certification twice a year. Employees who work on multiple activities must maintain a time and effort log at least once a month."

WESTERN WAYNE SCHOOLS
FEDERAL FINDINGS
(Continued)

- **School wide programs:**

"If a school-wide program consolidates funds in a single account, an employee paid with funds from the single account is not required to file a semi-annual certification. If a schoolwide program does not consolidate funds, employees working solely on a single Federal program must complete semi-annual certifications.

If a school-wide program does not consolidate funds, employees working on multiple programs must maintain a time and effort log at least once a month."

Cause

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

Effect

The failure to establish an effective internal control system placed the School Corporation in noncompliance with the grant agreement and the Allowable Costs/Cost Principles 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 grant agreement and 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.

FINDING 2017-004

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): 16-8355, 17-8355

Pass-Through Entity: Indiana Department of Education

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

Audit Finding: Material Weakness

Repeat Finding

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2015-007.

WESTERN WAYNE SCHOOLS
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.

The School Corporation had a policy to hire highly qualified teachers, but there was no control in place to ensure that the policy was followed during the audit period.

Context

The lack of controls was a systemic issue, which occurred throughout the audit period. Management implemented internal controls over the Special Tests and Provisions - Highly Qualified Teachers and Paraprofessionals compliance requirement during the 2017-2018 school year.

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

- (a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal awards 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 to ensure compliance with the Special Tests and Provisions - Highly Qualified Teachers and Paraprofessionals compliance requirement.

Effect

The failure to establish an effective internal control system, which would include segregation of duties, placed the School Corporation at risk of noncompliance with the grant agreement and Special Tests and Provisions - Highly Qualified Teachers and Paraprofessionals 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 grant agreement and the Special Tests and Provisions - Highly Qualified Teachers and Paraprofessionals compliance requirement.

Views of Responsible Officials

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

WESTERN WAYNE SCHOOLS
FEDERAL FINDINGS
(Continued)

FINDING 2017-005

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 2015-2016, FY 2016-2017
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Procurement and Suspension and Debarment
Audit Findings: Material Weakness, Other Matters

Repeat Finding

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2015-005.

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 and noncompliance were systemic issues, which occurred throughout the audit period. Management implemented internal controls over the Suspension and Debarment compliance requirement and started verifying that vendors with whom they enter into covered transactions were not suspended or debarred during the 2017-2018 school year.

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

- (a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal awards 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 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.

WESTERN WAYNE SCHOOLS
FEDERAL FINDINGS
(Continued)

You do this by:

- (a) Checking 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 compliance requirement.

Effect

The failure to establish an effective internal control system placed the School Corporation in noncompliance with the grant agreement and the Suspension and Debarment 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 grant agreement and the 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 2017-006

Subject: Child Nutrition Cluster - Eligibility

Federal Agency: Department of Agriculture

Federal Program: School Breakfast Program, National School Lunch Program

CFDA Number: 10.553, 10.555

Federal Award Numbers and Years (or Other Identifying Number): FY 2015-2016, FY 2016-2017

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Eligibility

Audit Findings: 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 Eligibility compliance requirement.

During the 2015-2016 school year, the determination of eligibility was made by the School Lunch Director without a procedure in place to ensure the accuracy of the determination.

WESTERN WAYNE SCHOOLS
FEDERAL FINDINGS
(Continued)

Context

The lack of internal controls was a systemic problem during 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 to ensure compliance with the Eligibility compliance requirement.

Effect

The failure to establish an effective internal control system, which would include segregation of duties, placed the School Corporation at risk of noncompliance with the grant agreement and the Eligibility 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 grant agreement and the Eligibility compliance requirement.

Views of Responsible Officials

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

FINDING 2017-007

Subject: Child Nutrition Cluster - Reporting

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, National School Lunch Program

CFDA Numbers: 10.553, 10.555

Federal Award Numbers and Years (or Other Identifying Numbers): FY 2015-2016, FY 2016-2017

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Reporting

Audit Findings: Material Weakness, Other Matters

WESTERN WAYNE SCHOOLS
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 prepared and submitted the monthly Sponsor Claims (Claims for Reimbursement), the Annual Financial Report (AFR), and the School Food Authority (SFA) Verification Collection Report without evidence of a proper system of oversight or review.

Five monthly reimbursement claims examined contained incorrect meal counts, resulting in incorrect reimbursements. The AFR for the 2015-2016 school year inaccurately reported program expenses. In addition, during a monitoring review performed by the Indiana Department of Education in May 2016, it was noted that the School Food Authority (SFA) Verification Summary Report's verification process was not completed correctly.

Context

The lack of internal controls and noncompliance were systemic issues, which occurred 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). . . ."

7 CFR 3016.20(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) *Accounting records.* Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income. . . ."

2 CFR 200.302(b) states in part:

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

WESTERN WAYNE SCHOOLS
FEDERAL FINDINGS
(Continued)

- a. 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. . . ."

2 CFR 200.302(b)(3) states:

"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

Management had not developed a system of internal controls that would have ensured compliance with the Reporting compliance requirement.

Effect

The failure to establish an effective internal control system, which would include segregation of duties, placed the School Corporation in noncompliance with the grant agreement and the Reporting 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 grant agreement and 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.

DR. ROBERT MAHON
Superintendent
DR. GEORGE PHILHOWER
Assistant Superintendent



PEGGY HUESMAN
Treasurer
GEORGIA TEMPLIN
Deputy Treasurer - Payroll

WESTERN WAYNE SCHOOLS

CORRECTIVE ACTION PLAN

FINDING 2017-001

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, the Deputy Treasurer, Superintendent or Asst. Superintendent review and sign the deposit slip.

Anticipated Completion Date: July 1, 2018

Peggy Huesman
(Signature)

Treasurer
(Title)

12/14/18
(Date)

DR. ROBERT MAHON
Superintendent
DR. GEORGE PHILHOWER
Assistant Superintendent



PEGGY HUESMAN
Treasurer
GEORGIA TEMPLIN
Deputy Treasurer - Payroll

WESTERN WAYNE SCHOOLS

CORRECTIVE ACTION PLAN

FINDING 2017-002

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:

The Superintendent reviews and signs off on the information for the SEFA before the Treasurer submits it.

Anticipated Completion Date: July 1, 2018



(Signature)



(Title)

12/14/18

(Date)

DR. ROBERT MAHON
Superintendent
DR. GEORGE PHILHOWER
Assistant Superintendent



PEGGY HUESMAN
Treasurer
GEORGIA TEMPLIN
Deputy Treasurer - Payroll

WESTERN WAYNE SCHOOLS

CORRECTIVE ACTION PLAN

FINDING 2017-003


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

Views of Responsible Official: We concur with the finding.

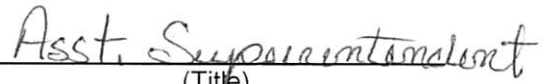
Description of Corrective Action Plan:

Administrators maintain 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.

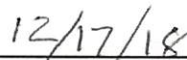
Anticipated Completion Date: July 1, 2018



(Signature)



(Title)



(Date)

DR. ROBERT MAHON
Superintendent

DR. GEORGE PHILHOWER
Assistant Superintendent



PEGGY HUESMAN
Treasurer

GEORGIA TEMPLIN
Deputy Treasurer - Payroll

WESTERN WAYNE SCHOOLS

CORRECTIVE ACTION PLAN

FINDING 2017-004

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

Views of Responsible Official: We concur with the finding.

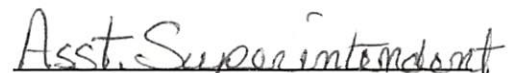
Description of Corrective Action Plan:

At the beginning of each school year the Elementary Principal will provide the Title I Director a list of the Title I aides and include documentation that they meet the following requirement: 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.

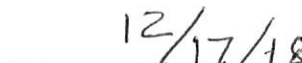
Anticipated Completion Date: 8/1/2018



(Signature)



(Title)



(Date)

DR. ROBERT MAHON
Superintendent
DR. GEORGE PHILHOWER
Assistant Superintendent



PEGGY HUESMAN
Treasurer
GEORGIA TEMPLIN
Deputy Treasurer - Payroll

WESTERN WAYNE SCHOOLS

CORRECTIVE ACTION PLAN

FINDING 2017-005

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:

The Cafeteria Director checks the SAMS website before the start of a new school year to make sure that our vendor's have not been suspended or disbarred. She did this in the spring of 2017 as a result of our previous audit.

Anticipated Completion Date: July 1, 2018

Betty Huddleston
(Signature)

Food Service Director
(Title)

12/14/18
(Date)

DR. ROBERT MAHON
Superintendent
DR. GEORGE PHILHOWER
Assistant Superintendent



PEGGY HUESMAN
Treasurer
GEORGIA TEMPLIN
Deputy Treasurer - Payroll

WESTERN WAYNE SCHOOLS

CORRECTIVE ACTION PLAN

FINDING 2017-006

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:

The free and reduced lunch applications will be approved by the Cafeteria Manager and reviewed by an 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 2018

Betty Huddleston
(Signature)

Food Service Director
(Title)

12/14/18

(Date)

DR. ROBERT MAHON
Superintendent
DR. GEORGE PHILHOWER
Assistant Superintendent



PEGGY HUESMAN
Treasurer
GEORGIA TEMPLIN
Deputy Treasurer - Payroll

WESTERN WAYNE SCHOOLS

CORRECTIVE ACTION PLAN

FINDING 2017-007

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:

The cafeteria software now has the "free and reduced modular" which monitors verification for the SFA (School Food Authority) Verification Summary report. The Superintendent also reviews and signs the Verification Summary Report.

A procedure is in place now to double check the monthly reimbursement claim. When the Cafeteria Director splits the meal counts between the 3 buildings she checks the totals to be sure the meal counts are correct. The Cafeteria Director supplies the Corporation Treasurer and the Superintendent with the supporting documentation to review for accuracy. The Corporation Treasurer reviews and signs the monthly reimbursement form.

The annual financial report from 2015-16 was corrected on the 2016-17 annual financial report. The Superintendent reviews and signs the Cafeteria Annual Financial Report.

Anticipated Completion Date: July 2018

Betty Huddleston
(Signature)

Food Service Director
(Title)

12/14/18
(Date)

WESTERN WAYNE SCHOOLS
EXIT CONFERENCE

The contents of this report were discussed on December 18, 2018, with Peggy Heusman, Treasurer; George Philhower, Assistant Superintendent of Schools; and Kevin Munchel, President of the School Board.