

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

SUPPLEMENTAL COMPLIANCE REPORT
OF
UNION TOWNSHIP SCHOOL CORPORATION
PORTER COUNTY, INDIANA
July 1, 2015 to June 30, 2018



FILED
03/29/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Pamela Buksar	07-01-15 to 06-30-19
Superintendent of Schools	John Hunter	07-01-15 to 06-30-19
President of the School Board	Michael Simatovich Julie Giorgi Robert Gilliana Stacey Buehler	01-01-15 to 12-31-15 01-01-16 to 12-31-16 01-01-17 to 12-31-18 01-01-19 to 12-31-19



STATE OF INDIANA
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TO: THE OFFICIALS OF THE UNION TOWNSHIP SCHOOL
CORPORATION, PORTER COUNTY, INDIANA

This report is supplemental to our audit report of the Union Township School Corporation (School Corporation), for the period from July 1, 2015 to June 30, 2018. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the School Corporation. It should be read in conjunction with our Financial Statements Audit Report of the School Corporation, which provides our opinion on the School Corporation's financial statements. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit Result and Comment contained herein describes the identified reportable instance of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Official Response to the Audit Result and Comment, incorporated within this report, was not verified for accuracy.

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

March 20, 2019

UNION TOWNSHIP SCHOOL CORPORATION
AUDIT RESULT AND COMMENT

PREPAID SCHOOL MEAL ACCOUNTS

The Prepaid School Lunch fund was created to account for amounts collected in advance when money is placed into individual student meal accounts.

The School Corporation recorded all school lunch collections directly into the School Lunch fund and not into the appropriate Prepaid School Lunch fund (Clearing Account Number 8400). Monthly entries were then recorded between the School Lunch fund and the Prepaid School Lunch fund to reconcile the Prepaid School Lunch fund to the detail of the student prepaid accounts. The reconciling monthly entries were recorded as receipts in the School Lunch fund and as negative receipts instead of as disbursements in the Prepaid School Lunch fund.

When a student puts money into their individual meal account, it should not be considered income to the child nutrition program until that student goes through the lunch line and charges a meal to their account. Therefore, while money is in the student's individual account, the balance should not be included in Fund 800 School Lunch. A school should set up a clearing account with the fund number of 8400 Prepaid School Lunch Accounts which is included in Chapter 4 of the State Board of Accounts Uniform Compliance Guidelines for Indiana Public School Corporations. When a student brings in a deposit the receipt should be recorded to Fund 8400 using receipt account 1630 Special Functions. After the student has charged meals, you should disburse the amount charged from Fund 8400 using expenditure account 31900 Other Food Services and receipt this into Fund 800 using the Food Services receipt accounts 1611-1623 at the time established in a written school policy to ensure accurate monthly reporting. At this point the receipts are considered program income and should be included on any reports that are required to be completed. Also, on a monthly basis it is required that the balance of Fund 8400 be reconciled with the total of the individual meal accounts. (The School Bulletin and Uniform Compliance Guidelines, February 2019)

UNION TOWNSHIP SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on March 20, 2019, with Pamela Buksar, Treasurer; John Hunter, Superintendent of Schools; and Stacey Buehler, President of the School Board.