

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

PERU COMMUNITY SCHOOLS

MIAMI COUNTY, INDIANA

July 1, 2016 to June 30, 2018



FILED
04/24/2019

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Stanley Hall Dan Durrwachter	07-01-16 to 09-30-18 10-01-18 to 06-30-19
Superintendent of Schools	Sam E. Watkins	07-01-16 to 06-30-19
President of the School Board	Sharon Shuey Charles Wagner	07-01-16 to 12-31-18 01-01-19 to 12-31-19



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TO: THE OFFICIALS OF THE PERU COMMUNITY SCHOOLS, MIAMI COUNTY, INDIANA

This report is supplemental to our audit report of the Peru Community Schools (School Corporation), for the period from July 1, 2016 to June 30, 2018. It has been provided as a separate report so that the reader may easily identify any Federal Findings and Audit Results and Comments 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 and should be viewed in conjunction with the Audit Results and Comments as described below.

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 Results and Comments contained herein describe the identified reportable instances 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 Corrective Action Plan for the Federal Findings and Official Response to the Audit Results and Comments, incorporated within this report, were not verified for accuracy.

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

March 19, 2019

PERU COMMUNITY SCHOOLS
FEDERAL FINDINGS

FINDING 2018-001

Subject: Preparation of the Schedule of Expenditures of Federal Awards
Audit Findings: Material Weakness, Noncompliance

Repeat Finding

This is a repeat finding from the immediately prior audit. The prior audit finding number was 2016-001.

Condition

The School Corporation did not have a proper system of internal controls in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

The School Corporation had not established effective internal controls over the federal award information entered into the Indiana Gateway for Government Units (Gateway) financial reporting system, which was the source of the School Corporation's SEFA. The Treasurer prepared the federal award information entered into Gateway without a control in place to prevent, or detect and correct, errors prior to submission.

Context

Due to the lack of effective controls, the SEFA presented for audit contained the following errors:

1. The Child Nutrition Cluster expenditures were overstated by \$95,930 and understated by \$5,056 for the years ended June 30, 2017 and 2018, respectively. The National School Lunch Program Commodities were also omitted in the Child Nutrition Cluster understatement for the year ended June 30, 2018.
2. The Child and Adult Care Food Program expenditures were understated by \$3,343 for the year ended June 30, 2017.
3. The Child Nutrition Discretionary Grants Limited Availability expenditures were originally omitted in the amount of \$17,477 for the year ended June 30, 2018.
4. The Special Education Cluster (IDEA) expenditures were understated by \$44,209 for the year ended June 30, 2017, and omitted entirely in the amount of \$618,233 for the year ended June 30, 2018.
5. The Adult Education - Basic Grants to States expenditures were understated by \$656 and overstated by \$46,445 for the years ended June 30, 2017 and 2018, respectively.
6. The Title I Grants to Local Educational Agencies expenditures were overstated by \$5,422 for the year ended June 30, 2018.
7. The Rural Education expenditures were overstated by \$12,723 and understated by \$1,143 for the years ended June 30, 2017 and 2018, respectively.
8. The Supporting Effective Instruction State Grants expenditures were overstated by \$33,756 and understated by \$7,006 for the years ended June 30, 2017 and 2018, respectively.

PERU COMMUNITY SCHOOLS
FEDERAL FINDINGS
(Continued)

9. The Medicaid Cluster expenditures were omitted in the amount of \$2,835 for the year ended June 30, 2017.
10. The Child Welfare Services expenditures were incorrectly included in the amount of \$14,359 and \$9,364 for the years ended June 30, 2017 and 2018, respectively.
11. Some CFDA numbers, program names, grants, and pass-through identifying numbers were incorrect or not listed.

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. . . .

The Green Book identifies a list of control activity categories that are meant only to illustrate the range and variety of control activities; the list is by no means all inclusive, but is reproduced here for reference purposes: . . .

- Accurate and timely recording of transactions. . . ."

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:

PERU COMMUNITY SCHOOLS
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 controls 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 remain undetected. The SEFA contained the errors identified in the *Context*.

Recommendation

We recommended that the School Corporation's management establish controls, including segregation of duties, 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 2018-002

Subject: Financial Transactions and Reporting
Audit Findings: Material Weakness, Noncompliance

PERU COMMUNITY SCHOOLS
FEDERAL FINDINGS
(Continued)

Repeat Finding

This is a repeat finding from the immediately prior audit. The prior audit finding number was 2016-002.

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 cash and investments and receipts.

Cash and Investments

The Deputy Treasurer reconciled the bank accounts to the financial records without a proper system of oversight, review, or approval. Due to the lack of controls, depository reconciliations of fund balances to bank account balances were not accurate. Bank reconciliations were prepared for each month during the audit period, but included unidentified differences for each month during the audit period. Adjustments were necessary due to the installation of new financial reporting software on January 1, 2015. Various transactions were processed incorrectly while transitioning to the new software. Corrections were posted to the system and dated as of the original entry date rather than the actual correction date. At various times throughout the audit period, corrections were posted during a subsequent fiscal period after submission of the financial report to the Department of Education. During the course of our audit, we were unable to determine the total amount of transactions that had been backdated. Upon further review of the June 30, 2017 reconciliation, amounts totaling \$101 were not properly identified in the ledger. On June 13, 2018, a receipt was posted to the Rainy Day fund for \$18,937 to receipt in the unidentified variance and reconcile the bank account and fund balances after retaining the same unidentified variance for approximately two months.

Receipts

The Deputy Treasurer wrote receipts, posted receipts to the financial records, and was responsible for taking the deposits to the bank.

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.

PERU COMMUNITY 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. . . .

The Green Book identifies a list of control activity categories that are meant only to illustrate the range and variety of control activities; the list is by no means all inclusive, but is reproduced here for reference purposes: . . .

- Accurate and timely recording of transactions. . . ."

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance must agree. If the reconciled bank balance is less than the subsidiary or control ledgers, the amount needed to balance may be the personal obligation of the responsible official or employee. (*Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations*, Chapter 1)

When it is determined that an error has been posted in the financial records, the error must be corrected in a timely manner. The correction of the error should be dated as of the date that the correction occurred and should not be back dated to the date the error occurred. The adjustment should be labeled as a correcting entry. All documentation of the error and the adjustments must be maintained to support the correction. (*Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations*, Chapter 1)

Cause

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

Effect

The failure to establish and properly implement controls enabled noncompliance related to cash and investments and could have enabled misstatements or irregularities to remain undetected.

Recommendation

We recommended that the School Corporation's management establish a system of controls related to financial transactions and reporting, including segregation of duties, to ensure that bank reconciliations were performed accurately and to ensure that financial transactions were accurately reported in the financial statement.

Views of Responsible Officials

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

PERU COMMUNITY SCHOOLS
FEDERAL FINDINGS
(Continued)

FINDING 2018-003

Subject: Child Nutrition Cluster - Activities Allowed or Unallowed and 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 17, FY 18
Pass-Through Entity: Indiana Department of Education
Compliance Requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles
Audit Findings: Material Weakness, Other Matters

Repeat Finding

This is a repeat finding from the immediately prior audit regarding Activities Allowed or Unallowed. The prior audit finding number was 2016-004.

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 following compliance requirements: Activities Allowed or Unallowed and Allowable Costs/Cost Principles.

The School Corporation had not designed or implemented adequate policies or procedures to ensure that disbursements were for allowable activities and allowable costs.

Vendor Expenditures

A review or approval process for three of the vendor disbursements tested was not evident prior to or subsequent to the payment.

Payroll Expenditures

Time cards or other supporting documentation for six of the tested payroll disbursements paid by the School Lunch fund were not provided to support the expenditures charged. In a separate instance, one payroll disbursement did not properly reflect the time worked in the given position.

Context

The lack of properly designed and implemented controls and the noncompliance were systemic problems, which occurred throughout the audit period.

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

PERU COMMUNITY SCHOOLS
FEDERAL FINDINGS
(Continued)

(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 200.430(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 are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. . . ."

Cause

Management had not developed a system of internal controls that would have ensured compliance with the Activities Allowed or Unallowed and Allowable Costs/Cost Principles compliance requirements.

Effect

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

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 Activities Allowed or Unallowed and Allowable Costs/Cost Principles compliance requirements.

PERU COMMUNITY SCHOOLS
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 2018-004

Subject: Child Nutrition Cluster - Procurement and 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): FY 17, FY 18
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Procurement and Suspension and Debarment
Audit Findings: Material Weakness, Other Matters

Condition

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

A School Food Authority procurement policy for fiscal year 2016-2017 could not be located.

The School Corporation's approval of the Wabash Valley Education Center recommendations for food vendors for 2017-2018 could not be located or confirmed.

The School Corporation's approval of the Hospital Purchasing System (HPS) recommendations for Gordon Food Service for neither 2016-2017 nor 2017-2018 could be located or confirmed.

Documentation proving there was, or was not, competition among small purchase vendors could not be provided for 2016-2017 or 2017-2018.

Documentation of Suspension and Debarment verifications could not be provided for 2016-2017 or 2017-2018.

Context

The lack of properly designed and implemented controls was a systemic problem, which occurred throughout the audit period.

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

PERU COMMUNITY SCHOOLS
FEDERAL FINDINGS
(Continued)

(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 200.318(a) states: "The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part."

Indiana Code 5-22-7-1 states: "A purchasing agent shall follow the procedure described in this chapter in awarding a contract for supplies, unless another purchasing method is required or authorized by this article."

Indiana Code 5-22-7-2(a) states: "A purchasing agent shall issue an invitation for bids."

2 CFR 180.300 states:

"When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified.

You do this by:

- (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

The School Corporation had not established and implemented an effective internal control system 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 requirement. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirement and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, review, and approval 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 requirement listed above.

PERU COMMUNITY SCHOOLS
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 2018-005

Subject: Child Nutrition Cluster - Program Income

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 17, FY 18

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Program Income

Audit Findings: Material Weakness, Other Matters

Repeat Finding

This is a repeat finding from the immediately prior audit. The prior audit finding number was 2016-004.

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.

Reporting of Program Income

Monthly transfers of program income for milk from the Hot Lunch Clearing Account fund to the School Lunch fund were overstated. The monthly milk transfer was included in both the milk and a la carte totals for each transfer.

Use of Program Income

Vendor Expenditures

A review or approval process was not evident prior or subsequent for three of the tested vendor disbursements.

Payroll Expenditures

Six of the tested payroll disbursements paid by the School Lunch fund did not have associated time cards to support the expenditures charged. In a separate instance, one disbursement did not properly reflect the time worked in the given position.

Context

The lack of properly designed and implemented controls and noncompliance were systemic problems, which occurred throughout the audit period.

PERU COMMUNITY SCHOOLS
FEDERAL FINDINGS
(Continued)

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(a) states:

"Nonprofit school food service. School food authorities shall maintain a nonprofit school food service. Revenues received by the nonprofit school food service are to be used only for the operation or improvement of such food service, *except that*, such revenues shall not be used to purchase land or buildings, unless otherwise approved by FNS, or to construct buildings.

Expenditures of nonprofit school food service revenues shall be in accordance with the financial management system established by the State agency under § 210.19(a) of this part. School food authorities may use facilities, equipment, and personnel supported with nonprofit school food revenues to support a nonprofit nutrition program for the elderly, including a program funded under the Older Americans Act of 1965 (42 U.S.C. 3001 *et seq.*)"

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."

7 CFR 210.14(f)(3) states: "All revenue from the sale of nonprogram foods shall accrue to the nonprofit school food service account of a participating school food authority."

7 CFR 220.7(e) states in part:

"Each school food authority approved to participate in the program shall enter into a written agreement with the State agency or the Department through the FNSRO, as applicable, that may be amended as necessary. . . . Such agreements shall provide that the School Food Authority shall, with respect to participating schools under its jurisdiction:

(1) . . . (ii) In accordance with the financial management system established under § 220.13(i) of this part, use all revenues received by such food service only for the operation or improvement of that food service *Except that*, facilities, equipment, and personnel support with funds provided to a school food authority under this part may be used to support a nonprofit nutrition program for the elderly, including a program funded under the Older Americans Act of 1965 (42 U.S.C. 3001 *et seq.*); . . .

(12) Maintain a financial management system as prescribed by the State agency, or FNSRO where applicable; . . ."

PERU COMMUNITY SCHOOLS
FEDERAL FINDINGS
(Continued)

7 CFR 225.6(e) states in part:

"State-Sponsor Agreement. A sponsor approved for participation in the Program must enter into a permanent written agreement with the State agency. All sponsors must agree in writing to: . . .

(12) Maintain a financial management system as prescribed by the State agency; . . ."

7 CFR 225.15(a) states:

"General. (1) Sponsors shall operate the food service in accordance with: the provisions of this part; any instructions and handbooks issued by FNS under this part; and any instructions and handbooks issued by the State agency which are not inconsistent with the provisions of this part."

Clearing Account Number 8400 - Prepaid Food has been established to account for prepaid food. The collections are to be receipted to 8410 with 8420 representing the transfers out of the clearing account and recognition in the appropriate revenue classifications (1611 to 1614 series) in the School Lunch Fund. The transfer should be made periodically and at the end of each month to appropriately classify meals (breakfast, lunch, etc.) when known (charged by student). (The School Bulletin and Uniform Compliance Guidelines, September 2008)

Cause

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

Effect

The failure to establish an effective internal control system enabled noncompliance with the grant agreement and the compliance requirement. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirement and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, review, and approval 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 requirement listed above.

Views of Responsible Officials

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

PERU COMMUNITY SCHOOLS
FEDERAL FINDINGS
(Continued)

FINDING 2018-006

Subject: Child Nutrition Cluster - 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): FY 17, FY 18
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Findings: Material Weakness, Other Matters

Repeat Finding

This is a repeat of a finding from the immediately prior audit. The prior audit finding number was 2016-003.

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 Treasurer approved a copy of the Annual Financial Report (AFR) which was always labeled "Pending Approval" instead of a final report. The AFR for both fiscal years 2016-2017 and 2017-2018 had income section entries that did not agree with the School Corporation's financial records. The Child and Adult Care Food Program federal reimbursements were understated by \$3,342 in 2016-2017, and the Summer Food Service Program federal reimbursements were understated by \$616 in 2017-2018. The expenses section separated the total type of expenses by program by using a percentage method. The percentage could not be provided to us during the audit, so we were not able to determine if it was a reasonable calculation or had oversight approval.

Supporting documentation for the School Food Authority (SFA) Verification Collection Report submitted for fiscal year 2016-2017 for Section 5-8 B1, Free - Income, did not match total applications and students verified. The report stated there were four applications with seven students who responded, but no change was necessary. Only one application with one student was provided for audit.

The following Sponsor Claims (claim for reimbursement) were inaccurate or were lacking supporting documentation:

1. October 2016 Sponsor Claim - Elmwood Elementary Pre-Kindergarten student counts for Head Start of approximately 383 students were included in the claim for reimbursement.
2. July 2017 Sponsor Claim - First and second meals of 760 and 99, respectively, for Summer Food Service Program at Elmwood Elementary were served, and only 616 and 69 were claimed for reimbursement.
3. October 2017 Sponsor Claim -
 - a. 100 adult lunches were claimed for reimbursement; 70 as free and 30 as paid.

PERU COMMUNITY SCHOOLS
FEDERAL FINDINGS
(Continued)

- b. Supporting documentation for snacks was provided for audit, but the total snack counts did not agree with number of snacks claimed for reimbursement - a total of 2,167 snacks were served, and only 1,937 were claimed for reimbursement.
- 4. March 2018 Sponsor Claim - the only supporting documentation provided for audit for snacks consumed was for only one of the clubs.
- 5. May 2018 Sponsor Claim -
 - a. The only supporting documentation provided for audit for snacks consumed was for only one of the clubs and the Junior High School.
 - b. 284 adult lunches and 11 adult breakfasts were served, but 181 adult lunches and 114 adult breakfasts were reported on the Sponsor Claim.

Context

The lack of properly designed and implemented controls was a systemic problem, 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). . . ."

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. . . .
- (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

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

PERU COMMUNITY SCHOOLS
FEDERAL FINDINGS
(Continued)

Effect

The failure to establish an effective internal control system enabled noncompliance with the grant agreement and the compliance requirement. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirement and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, review, and approval 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 requirement listed above.

Views of Responsible Officials

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

FINDING 2018-007

Subject: School Breakfast Program, 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): FY 17, FY 18

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

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).

The School Food Authority (SFA) Verification Collection Report documented that a particular number of free and reduced applications were verified by the School Corporation. Many of the applications were not provided for audit, so we were unable to corroborate. In addition, one application verified by the School Corporation did not have a review or approval to ensure verification.

Context

The lack of properly designed and implemented controls was a systemic problem, which occurred throughout the audit period.

PERU COMMUNITY SCHOOLS
FEDERAL FINDINGS
(Continued)

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 245.11(c) states in part:

"*Local educational agency requirements.* Beginning July 1, 2014, and each July 1 thereafter, local educational agencies selected by the State agency to conduct a second review of applications must ensure that the initial eligibility determination for each application is reviewed for accuracy prior to notifying the household of the eligibility or ineligibility of the household for free and reduced price meals. The second review must be conducted by an individual or entity who did not make the initial determination. This individual or entity is not required to be an employee of the local educational agency but must be trained on how to make application determinations. All individuals or entities who conduct a second review of applications are subject to the disclosure requirements set forth in § 245.6(f) through (k). . . ."

Cause

The School Corporation had not established and implemented an effective internal control system that segregated key functions.

Effect

The failure to establish an effective internal control system enabled 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 requirement and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, review, and approval over the activities of the programs.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls, including segregation of duties, related to the grant agreement and the compliance requirement listed above.

Views of Responsible Officials

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

PERU COMMUNITY SCHOOLS
FEDERAL FINDINGS
(Continued)

FINDING 2018-008

Subject: National School Lunch Program - Special Tests and Provisions - Paid Lunch Equity
Federal Agency: Department of Agriculture
Federal Programs: National School Lunch Program,
CFDA Numbers: 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY 17, FY 18
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Special Tests and Provisions - Paid Lunch Equity
Audit Finding: Material Weakness

Repeat Finding

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2016-004.

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 - Paid Lunch Equity compliance requirement. The Paid Lunch Equity was calculated with no review or approval to ensure proper calculations.

Context

The lack of properly designed and implemented controls was a systemic problem, 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). . . ."

Cause

The School Corporation had not established and implemented an effective internal control system that segregated key functions.

PERU COMMUNITY SCHOOLS
FEDERAL FINDINGS
(Continued)

Effect

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

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish controls, including segregation of duties, related to the grant agreement and the compliance requirement listed above.

Views of Responsible Officials

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

FINDING 2018-009

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): 14215-058-PN01, 14216-056-PN01,
14217-056-PN01, 18611-056-PN01,
45716-056-PN01, 45717-056-PN01,
18619-056-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Matching, Level of Effort, Earmarking

Audit Findings: Material Weakness, Other Matters

Condition

An effective internal control system was not in place at the School Corporation in order to ensure that documentation was maintained to support the School Corporation's compliance with requirements related to the grant agreement and the Matching, Level of Effort, Earmarking compliance requirement.

The School Corporation's management failed to provide sufficient supporting documentation for maintenance of effort calculations for fiscal years 2016-2017 and 2017-2018. The lack of supporting documentation resulted in the inability to determine if expenditure accounts used to derive the calculated amounts were for special education services and thus allowable. Also, we were not able to determine if the expenditure accounts included in the calculation were consistent from year to year.

Context

The lack of controls was a systemic issue, which occurred throughout the audit period. The lack of supporting documentation prevented the determination of the School Corporation's compliance with the Matching, Level of Effort, Earmarking compliance requirement.

PERU COMMUNITY SCHOOLS
FEDERAL FINDINGS
(Continued)

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). . . ."

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

Management had not developed a system of internal controls that would have ensured that supporting documentation related to the Matching, Level of Effort, Earmarking compliance requirement was maintained and made available for audit.

Effect

The failure to establish an effective internal control system and provide sufficient supporting documentation prevented the determination of the Schools Corporation's compliance with the grant agreement and 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 that documentation related to the grant agreement and the Matching, Level of Effort, Earmarking compliance requirement be maintained and made available for audit.

Views of Responsible Officials

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



Peru Community Schools

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CORRECTIVE ACTION PLAN

FINDING 2018-001

Contact Person Responsible for Corrective Action: Dan Durrwachter
Contact Phone Number: 765-473-3081

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan:

SEFA reporting procedures have been modified to include a third person to verify the report, prior to submittal. The Child Nutrition Cluster, Adult Care Food Program, Special Education Grant, Special Education Cluster, Adult Education, Title 1, Rural Education, and other state grants will be more closely monitored so that funds are not under or overstated.

Anticipated Completion Date: June 30, 2019

Dan Durrwachter

(Signature)

Treasurer

(Title)

03/19/19

(Date)



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CORRECTIVE ACTION PLAN

FINDING 2018-002

Contact Person Responsible for Corrective Action: Dan Durrwachter
Contact Phone Number: 765-473-3081

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan:

Peru Community Schools had established a set of internal controls in April of 2018. We will continue to review and improve internal controls to monitor financial transactions and reporting. We will also have documentable segregation of duties in receipts for fiscal year ending June 30, 2019.

Anticipated Completion Date: June 30, 2019

Dan Durrwachter

(Signature)

Treasurer

(Title)

03/19/19

(Date)



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CORRECTIVE ACTION PLAN

FINDING 2018-003

Contact Person Responsible for Corrective Action: Dan Durrwachter
Contact Phone Number: 765-473-3081

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan:

Each payroll is verified by two central office employees, either the deputy treasurer, receptionist or accounts payable coordinator, prior to pay distribution. The new part of this process is that each of these individuals will sign off on their portion of the payroll. The Treasurer reviews every pay distribution report. Vouchers will be cross checked before board meetings by treasurer

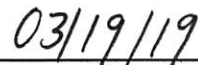
Anticipated Completion Date: June 30, 2019



(Signature)



(Title)



(Date)



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CORRECTIVE ACTION PLAN

FINDING 2018-004

Contact Person Responsible for Corrective Action: Dan Durrwachter
Contact Phone Number: 765-473-3081

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan:

Peru Community Schools will establish controls with segregation of duties within an internal control system. With controls in place we will have compliance and proper management of federal funds and assets by having proper oversight, reviews, and approvals over the activities of the programs.

Anticipated Completion Date: June 30, 2019

Dan Durrwachter

(Signature)

Treasurer

(Title)

03/19/19

(Date)



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CORRECTIVE ACTION PLAN

FINDING 2018-005

Contact Person Responsible for Corrective Action: Dan Durrwachter
Contact Phone Number: 765-473-3081

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan:

Peru Community Schools had established a set of internal controls in April of 2018. We will continue to review and improve internal controls to monitor milk transactions and reporting.

Anticipated Completion Date: June 30, 2019

Dan Durrwachter

(Signature)

Treasurer

(Title)

03/19/19

(Date)



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CORRECTIVE ACTION PLAN

FINDING 2018-006

Contact Person Responsible for Corrective Action: Dan Durrwachter
Contact Phone Number: 765-473-3081

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan:

The treasurer will review and approve the final version of the Annual Financial Report and will verify the specific income and expense sections are accurate and have adequate documentation when compared to the school ledger. The percentage used for expenses will be approved and documentation for rate calculation will be saved.

Peru Community Schools will establish control with segregation of duties within an internal control system.

The accounts payable deputy will prepare and the treasurer will review and approve the Sponsor Claims for Lunch and Breakfast and snacks. The food service director will prepare and the kitchen manager will review and approve the Sponsor Claims for the Summer Food Service Program.

Anticipated Completion Date: June 30, 2019

Dan Durrwachter

(Signature)

Treasurer

(Title)

03/19/19

(Date)



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CORRECTIVE ACTION PLAN

FINDING 2018-007

Contact Person Responsible for Corrective Action: Dan Durrwachter
Contact Phone Number: 765-473-3081

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan:

Peru Community Schools will establish controls with segregation of duties within an internal control system.

Free and reduced applications and SFA Verification Collection Reports will be verified by a second person and saved by the Executive Secretary in a digital format as well as paper copies.

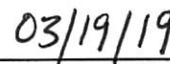
Anticipated Completion Date: June 30, 2019



(Signature)



(Title)



(Date)



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CORRECTIVE ACTION PLAN

FINDING 2018-008

Contact Person Responsible for Corrective Action: Dan Durrwachter
Contact Phone Number: 765-473-3081

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan:

The Treasurer calculates the Paid Lunch Equity with the Paid Lunch Equity tool provided by IDOE. The Deputy Treasurer will approve the calculations.

Anticipated Completion Date: June 30, 2019

Dan Durrwachter

(Signature)

Treasurer

(Title)

03/19/19

(Date)



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CORRECTIVE ACTION PLAN

FINDING 2018-009

Contact Person Responsible for Corrective Action: Dan Durrwachter
Contact Phone Number: 765-473-3081

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan:

Peru Community Schools will establish controls with segregation of duties within an internal control system. Supporting documentation will be maintained and saved in digital format for the Maintenance of Effort compliance requirement.

Anticipated Completion Date: June 30, 2019

Dan Durrwachter

(Signature)

Treasurer

(Title)

03/19/19

(Date)

PERU COMMUNITY SCHOOLS
AUDIT RESULTS AND COMMENTS

RECONCILIATION OF SUBSIDIARY LEDGERS

A similar comment appeared in prior Reports B45089 and B49968, entitled *RECONCILIATION OF SUBSIDIARY LEDGERS*, and prior Report B41531, titled *SUBSIDIARY LEDGERS*.

The control ledger for prepaid lunches does not reconcile to the detail of individual students in the subsidiary ledger maintained by the Skyward student database system. The control ledger balance at June 30, 2017, was overdrawn by \$8,944, while the detail on the student Skyward system was overdrawn by \$27,146. The control ledger balance at June 30, 2018, was overdrawn by \$19,278, while the detail on the student Skyward system was overdrawn by \$33,108.

The School Corporation's policy to limit the amount of negative balances of individual students' school lunch accounts was not being followed.

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance must agree. If the reconciled bank balance is less than the subsidiary or control ledgers, the amount needed to balance may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

Each unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

Our opinion is that money a student puts into their individual meal account 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 it is in the student's individual account the balance should not be included in Fund 800 School Lunch. Our recommendation is that you set up a clearing account with the fund number of 8400. Our suggestion is when a student brings in a deposit the receipt would be recorded to fund 8400 using receipt account number 1630. Periodically, after the student has charged meals, you should disburse the amount charged from 8400 using expenditure account 31900 and receipt it into fund 800 using receipt accounts 1611-1623. At this point it is considered program income and should be included on any reports that are required to be completed. Also, on a monthly basis the balance of the 8400 fund should be reconciled with the total of the individual meal accounts. (The School Bulletin and Uniform Compliance Guidelines, September 2015)

LATE SUBMISSION OF ANNUAL FINANCIAL REPORT

The School Corporation's Annual Financial Report for 2017 and 2018 was not filed electronically until October 18, 2017, and October 18, 2018, respectively, which was 50 days past the due date.

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

PERU COMMUNITY SCHOOLS
AUDIT RESULTS AND COMMENTS
(Continued)

PUBLIC RECORDS RETENTION

Approved and agreed-upon teacher contracts for 2018 were not retained and presented for audit. According to School Officials, the approved and agreed-upon contracts were misplaced. School Officials were able to reproduce contracts for 2017. The contracts for 2018 could not be reproduced.

Indiana Code 5-15-6-3 states:

"No financial records or records relating to financial records shall be destroyed until the earlier of the following actions:

- (1) The audit of the records by the state board of accounts has been completed, report filed, and any exceptions set out in the report satisfied.
- (2) The financial record or records have been copied or reproduced in accordance with a retention schedule or with the written consent of the administration."

OVERDRAWN CASH BALANCES

The financial statement presented for audit included the following funds with overdrawn cash balances at June 30, 2018:

Fund	Amount Overdrawn 06-30-17	Amount Overdrawn 06-30-18
Early Intervention Grant	\$ (547)	\$ (547)
Secured Schools Safety Grant	(13,185)	(13,185)
Title I 2015/2016	(335)	(335)
Adult Basic Education	(1,528)	(1,528)
Audlt Education	(1,980)	(1,980)
Title II 2014/2015	(18,325)	(18,325)
Title VI - B Rural and Low Income	(7,861)	(7,861)
Title VI - B Rural and Low Income(1)	(3,238)	(3,238)
Rural & Low Income 2015/2016	(1,020)	(1,020)
Hot Lunch Clearing Account	(8,944)	(19,278)

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the unit. (Accounting and Uniform Compliance Guidelines Manual for Schools, Chapter 1)

ERRORS ON CLAIMS

A similar comment also appeared in prior Report B49968, entitled *ERRORS ON CLAIMS*.

The following deficiencies were noted on disbursements/claims testing during the audit period:

1. Four claims were not approved by the officer or person receiving the goods and services.

PERU COMMUNITY SCHOOLS
AUDIT RESULTS AND COMMENTS
(Continued)

2. Four claims were not approved by the fiscal officer.
3. Four claims were not approved by the School Board.

Indiana Code 5-11-10-1.6 states in part:

". . . (b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim. . . ."

PERU COMMUNITY SCHOOLS
EXIT CONFERENCE

The contents of this report were discussed on March 19, 2019, with Sam E. Watkins, Superintendent of Schools; Dan Durrwachter, Treasurer; Lois Mongosa, Finance Manager; Gregory Quin, School Board member; Brittany Justice, School Board member; and Charles Wagner, President of the School Board.