

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

WABASH CITY SCHOOLS

WABASH COUNTY, INDIANA

July 1, 2017 to June 30, 2019



FILED
02/10/2020

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Michele L. Hough	07-01-17 to 06-30-20
Superintendent of Schools	Jason A. Callahan	07-01-17 to 06-30-20
President of the School Board	Kimberly A. Pinkerton Tony Pulley Rodney A. Kelsheimer	01-01-17 to 12-31-17 01-01-18 to 12-31-19 01-01-20 to 12-31-20



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

TO: THE OFFICIALS OF THE WABASH CITY SCHOOLS, WABASH COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of the Wabash City Schools (School Corporation), for the period of July 1, 2017 to June 30, 2019, and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement and have issued our report thereon dated January 27, 2020, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered the School Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School Corporation's financial statement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.


INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

January 27, 2020



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

TO: THE OFFICIALS OF THE WABASH CITY SCHOOLS, WABASH COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Wabash City Schools' (School Corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the period of July 1, 2017 to June 30, 2019. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School Corporation's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School Corporation's compliance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE
(Continued)

Opinion on Each Major Federal Program

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the period of July 1, 2017 to June 30, 2019.

Report on Internal Control over Compliance

Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as item 2019-001, that we consider to be a material weakness.

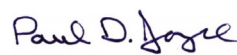
The School Corporation's response to the internal control over compliance findings identified in our audit is described in the accompanying Corrective Action Plan. The School Corporation's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE
(Continued)

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statement of the School Corporation, as of and for the period of July 1, 2017 to June 30, 2019, and the related notes to the financial statement. We issued our report thereon dated January 27, 2020, which contained a dual opinion on the financial statement. An adverse opinion was issued regarding the presentation in accordance with U.S. Generally Accepted Accounting Principles, and an unmodified opinion was issued regarding the presentation in accordance with the Regulatory Basis of Accounting. Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement as a whole.


Paul D. Joyce, CPA
State Examiner

January 27, 2020

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

The Schedule of Expenditures of Federal Awards and accompanying notes presented were approved by management of the School Corporation. The schedule and notes are presented as intended by the School Corporation.

WABASH CITY SCHOOLS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2018 and 2019

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-18	Total Federal Awards Expended 06-30-18	Passed Through to Subrecipient 06-30-19	Total Federal Awards Expended 06-30-19
<u>Department of Agriculture</u>							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553	FY 2017-2018	\$ -	\$ 126,687	\$ -	\$ -
			FY 2018-2019	-	-	-	132,042
Total - School Breakfast Program				-	126,687	-	132,042
National School Lunch Program							
School Lunch Program	Indiana Department of Education	10.555	FY 2017-2018	-	473,268	-	-
Commodities			FY 2017-2018	-	69,352	-	-
School Lunch Program			FY 2018-2019	-	-	-	498,499
Commodities			FY 2018-2019	-	-	-	78,072
Total - National School Lunch Program				-	542,620	-	576,571
Summer Food Service Program for Children							
	Indiana Department of Education	10.559	FY 2017-2018	-	62,046	-	-
			FY 2018-2019	-	-	-	59,774
Total - Summer Food Service Program for Children				-	62,046	-	59,774
Total - Child Nutrition Cluster				-	731,353	-	768,387
Child Nutrition Discretionary Grants Limited Availability							
2015 National School Lunch Equipment Grant	Indiana Department of Education	10.579	20346	-	19,660	-	-
Total - Department of Agriculture				-	751,013	-	768,387
<u>Department of Education</u>							
Special Education Cluster (IDEA)							
Special Education Grants to States							
Special Education Part B	Indiana Department of Education	84.027	14216-056-PN01	-	23,107	-	-
Special Education Part B			14217-056-PN01	-	159,267	-	2
Special Education Part B			18611-056-PN01	-	225,983	-	161,934
Special Education Part B			19611-056-PN01	-	-	-	214,197
Total - Special Education Grants to States				-	408,357	-	376,133

WABASH CITY SCHOOLS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2018 and 2019

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-18	Total Federal Awards Expended 06-30-18	Passed Through to Subrecipient 06-30-19	Total Federal Awards Expended 06-30-19
Special Education Preschool Grants	Indiana Department of Education	84.173					
Special Education Preschool			18619-056-PN01	-	2,412	-	13,014
Special Education Preschool			45717-056-PN01	-	10,074	-	-
Total - Special Education Preschool Grants				-	12,486	-	13,014
Total - Special Education Cluster (IDEA)				-	420,843	-	389,147
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
Title I, Part A, Basic Grant FY2017			17-8060	4,000	90,188	-	-
Title I, Part A, Basic Grant FY2018			18-8060	4,000	186,157	-	122,631
Title I, Part A, Basic Grant FY2019			19-8060	-	-	7,125	154,487
Total - Title I Grants to Local Educational Agencies				8,000	276,345	7,125	277,118
Rural Education	Indiana Department of Education	84.358					
			S358B150014	-	21,783	-	-
			S358B160014	-	3,463	-	-
			S358B180014	-	-	-	23,530
Total - Rural Education				-	25,246	-	23,530
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367					
			S367A150013	-	1,774	-	-
			S367A160013	3,788	42,930	-	4,288
			S367A170013	44	10,359	1,665	12,911
			S367A180013	-	-	1,214	17,164
Total - Supporting Effective Instruction State Grants				3,832	55,063	2,879	34,363
Student Support and Academic Enrichment Program	Indiana Department of Education						
Title IV Part A FY 2018		84.424	S424A180015	-	-	-	19,154
Total - Department of Education				11,832	777,497	10,004	743,312
Total federal awards expended				\$ 11,832	\$ 1,528,510	\$ 10,004	\$ 1,511,699

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

WABASH CITY SCHOOLS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the years ended June 30, 2018 and 2019. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position of the School Corporation.

The Uniform Guidance requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$750,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with Indiana Code (IC 5-11-1-25), audits of school corporations shall be conducted biennially. Such audits shall include both years within the biennial period.

B. Other Significant Accounting Policies

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received.

Note 2. Indirect Cost Rate

The School Corporation has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3. Special Education Cooperative

The School Corporation is a member of a Special Education Cooperative (Cooperative). As a result, the activity for the Special Education Cluster (IDEA) that is presented as federal awards expended in the SEFA is not presented as receipts and disbursements in the financial statement for the School Corporation. This activity is reported on the financial statement of the Cooperative.

WABASH CITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	yes

Identification of Major Programs and type of auditor's report issued on compliance for each:

<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
Child Nutrition Cluster	Unmodified
Special Education Cluster (IDEA)	Unmodified
Dollar threshold used to distinguish between Type A and Type B programs: \$750,000	
Auditee qualified as low-risk auditee?	no

Section II - Financial Statement Findings

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

FINDING 2019-001

Subject: Child Nutrition Cluster - Cash Management, Program Income, Eligibility
 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 2017-2018, FY 2018-2019
 Pass-Through Entity: Indiana Department of Education
 Compliance Requirements: Cash Management, Program Income, Eligibility
 Audit Finding: Material Weakness

WABASH CITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Repeat Finding

This is a repeat finding from the immediately prior audit report. The prior audit finding numbers were 2017-001 and 2017-002.

Condition and Context

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 Cash Management, Program Income, and Eligibility compliance requirements.

Cash Management (School Breakfast Program and National School Lunch Program only)

The School Corporation had not designed or implemented adequate policies or procedures to ensure that the School Lunch fund cash balance (net cash resources) did not exceed three months average expenditures.

Program Income

The School Corporation had not established an effective internal control over verifying the proper determination and recording of program income. The School Corporation did not provide evidence of a review of the meal count activity reports for all of its schools to ensure that all program income was properly determined and recorded in the School Corporation's ledger.

The School Corporation had not established an effective internal control over verifying that the transfers from the Prepaid Lunch fund, account number 8400, to the School Lunch fund, account number 800, were accurate.

Eligibility

The Café Office Manager is the sole person responsible for making the determination of eligibility on the free and reduced lunch applications. There was no evidence of an oversight, review, or approval process to ensure the accuracy of the eligibility determinations.

The lack of controls was a systemic issue, which occurred throughout the audit period.

Criteria

2 CFR section 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 that segregated key functions.

WABASH CITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(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 Cash Management, Program Income, and Eligibility compliance requirements.

Questioned Costs

There were no questioned costs identified.

Recommendation

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

Views of Responsible Officials

We acknowledge that, due to the timing of the prior audit, the School Corporation did not have time to correct the identified issues before the beginning of the current audit period; however, we are required to report the control deficiencies and noncompliance which were present in the current audit period. The responsibility for compliance with all applicable regulations and guidelines was assumed by the School Corporation when it accepted the federal grants. The timing of our audit does not release the School Corporation of that responsibility.

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AUDITEE-PREPARED DOCUMENTS

The subsequent documents were provided by management of the School Corporation. The documents are presented as intended by the School Corporation.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2017-001

Fiscal year in which the finding initially occurred: 2015-2016

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Education

Contact Person Responsible for Corrective Action: Matt Stone, CFO/COO

Contact Phone : 260-563-2151

Status of Audit Finding:

The finding was not corrected in 2017-18 but it was corrected in 2018-19 and we now have a system of internal controls in place.

Matthew Stone
(Signature)

CFO /COO
(Title)

1-13-20
(Date)



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2017-002

Fiscal year in which the finding initially occurred: 2015-2016

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana
Department of Education

Contact Person Responsible for Corrective Action: Matt Stone, CFO/COO

Contact Phone : 260-563-2151

Status of Audit Finding:

The compliance issues were corrected 7-1-17. Control issues were not corrected in either 2017-18 or 2018-19 and are still in the process of being implemented.

Matthew Stone
(Signature)

CFO / COO
(Title)

1-13-20
(Date)



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2017-003

Fiscal year in which the finding initially occurred: 2015-2016

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana
Department of Education

Contact Person Responsible for Corrective Action: Matt Stone, CFO/COO.

Contact Phone : 260-563-2151

Status of Audit Finding:

The issues with oversight and monitoring were not corrected in 2017-18 but were in place and corrected for 2018-19.

Matthew Stone
(Signature)

CFO/COO
(Title)

1-13-20
(Date)



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2017-004

Fiscal year in which the finding initially occurred: 2015-2016
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana
Department of Education
Contact Person Responsible for Corrective Action: Matt Stone, CFO/COO
Contact Phone : 260-563-2151

Status of Audit Finding:

The internal control issues were corrected in 2017-18 and were put into place.

Matthew Stone
(Signature)

CFO/COO
(Title)

1-13-20
(Date)



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2017-005

Fiscal year in which the finding initially occurred: 2015-2016

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana
Department of Education

Contact Person Responsible for Corrective Action: Matt Stone, CFO/COO

Contact Phone : 260-563-2151

Status of Audit Finding:

The internal control issues were corrected in 2017-18 and were immediately put into place.

Matthew Stone
(Signature)

CFO/COO
(Title)

1-13-20
(Date)



CORRECTIVE ACTION PLAN

FINDING 2019-001

Contact Person Responsible for Corrective Action: Matt Stone, CFO/COO
Contact Phone: 260-563-2151

Views of Responsible Official: Wabash City Schools concur with the finding.

Description of Corrective Action Plan:

Cash Management

The corporation established policies to ensure that the School Lunch fund cash balance does not exceed three months average expenditures during 2018-19.

Program Income

The corporation established internal controls to verify the program income and to verify transfers from Prepaid Lunch fund to School Lunch fund during 2018-19.

Eligibility

The corporation will establish a policy to have a review and approval of the eligibility determinations done by the Cafe Office Manager.

Anticipated Completion Date: March 2nd, 2020

OTHER REPORTS

In addition to this report, other reports may have been issued for the School Corporation. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.