

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

PLYMOUTH COMMUNITY SCHOOL CORPORATION

MARSHALL COUNTY, INDIANA

July 1, 2017 to June 30, 2019



**FILED**

02/25/2020



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Kandi Tinkey	07-01-17 to 06-30-20
Superintendent of Schools	Andrew Hartley	07-01-17 to 06-30-20
President of the School Board	Todd Samuelson	01-01-17 to 12-31-20



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AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE PLYMOUTH COMMUNITY SCHOOL  
CORPORATION, MARSHALL COUNTY, INDIANA

This report is supplemental to our audit report of the Plymouth Community School Corporation (School Corporation), for the period from July 1, 2017 to June 30, 2019. 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 Statement Audit Report of the School Corporation, which provides our opinion on the School Corporation's financial statement. This report may be found at [www.in.gov/sboa/](http://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

February 10, 2020

PLYMOUTH COMMUNITY SCHOOL CORPORATION  
AUDIT RESULT AND COMMENT

**PREPAID SCHOOL MEAL ACCOUNTS**

*Condition and Context*

The collections for prepaid food were receipted directly into the School Lunch fund (800) and not into the Prepaid Food fund (8400).

In addition, the School Corporation posted transfers out of the Prepaid Food fund to the School Lunch fund as negative receipts, not as an expenditure. As a result, receipts and disbursements were understated. To obtain the true nature of the Prepaid Food fund activity, negative receipts were backed out and reported as disbursements for financial statement purposes.

*Criteria*

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 number 1630 Special Functions. After the student has charged meals, you should disburse the amount charged from 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 the 8400 fund be reconciled with the total of the individual meal accounts. (The School Bulletin and Uniform Compliance Guidelines, February 2019)

PLYMOUTH COMMUNITY SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on February 10, 2020, with Kandi Tinkey, Treasurer; Andrew Hartley, Superintendent of Schools; and Todd Samuelson, President of the School Board.