

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

SUPPLEMENTAL COMPLIANCE REPORT
OF

METROPOLITAN SCHOOL DISTRICT
OF DECATUR TOWNSHIP
MARION COUNTY, INDIANA

July 1, 2017 to June 30, 2019



FILED
03/11/2020

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	W. Kirk Farmer	07-01-17 to 06-30-20
Superintendent of Schools	Dr. Matt Prusiecki	07-01-17 to 06-30-20
President of the School Board	Dale Henson Judith Collins Larry Taylor Jimmy Ray	07-01-17 to 12-31-17 01-01-18 to 12-31-18 01-01-19 to 12-31-19 01-01-20 to 12-31-20



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TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT
OF DECATUR TOWNSHIP, MARION COUNTY, INDIANA

This report is supplemental to our audit report of the Metropolitan School District of Decatur Township (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 opinions on the School Corporation's financial statement. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit 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 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

February 26, 2020

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP
AUDIT RESULTS AND COMMENTS

PREPAID SCHOOL MEAL ACCOUNTS

Condition and Context

During the audit period, the School Corporation had not established a Prepaid School Lunch Fund (8400). However, a Prepaid School Lunch Fund (8400) was established beginning on August 1, 2019, which is subsequent to the audit period. A review of the Prepaid School Lunch Fund (8400) ledger activity for 2019-2020 confirmed that prepaid lunch receipts were being handled properly.

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 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)

ERRORS ON CLAIMS

Condition and Context

The School Corporation did not use payroll claims during the audit period. In addition, salaries and wages were not included on the claims dockets for approval by the fiscal officer and governing board.

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP
AUDIT RESULTS AND COMMENTS
(Continued)

Criteria

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. . . ."

METROPOLITAN SCHOOL DISTRICT OF DECATUR TOWNSHIP
EXIT CONFERENCE

The contents of this report were discussed on February 26, 2020, with Dr. Matt Prusiecki, Superintendent of Schools; W. Kirk Farmer, Treasurer; Jimmy Ray, President of the School Board; and Dawn Lee, Deputy Treasurer.