

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

RANDOLPH CENTRAL SCHOOL CORPORATION

RANDOLPH COUNTY, INDIANA

July 1, 2017 to June 30, 2019



**FILED**  
03/18/2020



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
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 <i>Government Auditing Standards</i> .....	3-4
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 .....	5-7
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards .....	10-11
Notes to Schedule of Expenditures of Federal Awards .....	12
Schedule of Findings and Questioned Costs .....	13-15
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings .....	18-19
Corrective Action Plan .....	20
Other Reports .....	21

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Linda Dodd	07-01-17 to 06-30-20
Superintendent of Schools	Lisa Chalfant (interim) Rolland Abraham	07-01-17 to 09-19-17 09-20-17 to 06-30-20
President of the School Board	Bill Bush Fred Pries Dallas Osting Jay Harris	01-01-17 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



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 RANDOLPH CENTRAL SCHOOL  
CORPORATION, RANDOLPH 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 Randolph Central School Corporation (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 December 17, 2019, 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

December 17, 2019, except for the Schedule of Expenditures  
of Federal Awards, for which the date is February 27, 2020



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 RANDOLPH CENTRAL SCHOOL CORPORATION, RANDOLPH COUNTY, INDIANA

**Report on Compliance for Each Major Federal Program**

We have audited the Randolph Central School Corporation's (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.

***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.

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 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 finding 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 December 17, 2019, 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

February 27, 2020

(This page intentionally left blank.)

## 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.

RANDOLPH CENTRAL SCHOOL CORPORATION  
 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		-	\$ 109,654	-	-
			FY 2017-2018	-	-	-	-
			FY 2018-2019	-	-	-	90,369
Total - School Breakfast Program				-	109,654	-	90,369
National School Lunch Program							
National School Lunch Program	Indiana Department of Education	10.555		-	381,486	-	-
			FY 2017-2018	-	-	-	-
			FY 2018-2019	-	-	-	328,027
National School Lunch Program - Commodities			FY 2017-2018, FY 2018-2019	-	56,897	-	58,389
Total - National School Lunch Program				-	438,383	-	386,416
Summer Food Service Program for Children							
Summer Food Service Program for Children	Indiana Department of Education	10.559		-	8,287	-	-
			FY 2017-2018	-	-	-	-
			FY 2018-2019	-	-	-	10,450
Total - Summer Food Service Program for Children				-	8,287	-	10,450
Total - Child Nutrition Cluster				-	556,324	-	487,235
Total - Department of Agriculture				-	556,324	-	487,235
<u>Department of Education</u>							
Special Education Cluster (IDEA)							
Special Education Grants to States	Indiana Department of Education	84.027		-	102,693	-	-
			14217-064-PN01	-	-	-	-
			18611-064-PN01	-	315,953	-	81,136
			19611-064-PN01	-	-	-	330,442
Total - Special Education Grants to States				-	418,646	-	411,578
Special Education Preschool Grants							
Special Education Preschool Grants	Indiana Department of Education	84.173		-	10,062	-	10,216
			18619-064-PN01	-	-	-	-
			19619-064-PN01	-	-	-	19,462
			45717-064-PN01	-	10,400	-	-
Total - Special Education Preschool Grants				-	20,462	-	29,678
Total - Special Education Cluster (IDEA)				-	439,108	-	441,256

RANDOLPH CENTRAL SCHOOL CORPORATION  
 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
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010	S010A160014	-	84,653	-	-
			S010A170014	-	277,888	-	115,969
			S010A180014	-	-	-	260,189
Total - Title I Grants to Local Educational Agencies				-	362,541	-	376,158
Rural Education	Indiana Department of Education	84.358	S358B150014	-	10,604	-	-
			S358B160014	-	21,739	-	11,027
			S358B170014	-	79	-	15,367
Total - Rural Education				-	32,422	-	26,394
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367	S367A150013	-	25,828	-	-
			S367A160013	-	23,924	-	47,642
			S367A170013	-	-	-	104
			S367A170013	-	-	-	25,963
Total - Supporting Effective Instruction State Grants				-	49,752	-	73,709
Student Support and Academic Enrichment Program	Indiana Department of Education	84.424	S424A170015	-	1,093	-	25,670
			S424A180015	-	-	-	1,023
Total - Student Support and Academic Enrichment Program				-	1,093	-	26,693
Total - Department of Education				-	884,916	-	944,210
<b>Department of Health and Human Services</b>							
<b>Medicaid Cluster</b>							
Medical Assistance Program	Indiana Department of Education	93.778	17-6825	-	7,176	-	-
Indiana MAC			18-6825	-	-	-	6,042
Indiana MAC				-	-	-	-
Total - Medical Assistance Program				-	7,176	-	6,042
Total - Medicaid Cluster				-	7,176	-	6,042
Total - Department of Health and Human Services				-	7,176	-	6,042
Total federal awards expended				\$ -	\$ 1,448,416	\$ -	\$ 1,437,487

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

RANDOLPH CENTRAL SCHOOL CORPORATION  
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 the Greater Randolph Interlocal Cooperative (Cooperative), which operates the special education program for the School Corporation. As a result, some activity for the Special Education Cluster (IDEA) that is presented on 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.

RANDOLPH CENTRAL SCHOOL CORPORATION  
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.

RANDOLPH CENTRAL SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

**Section III - Federal Award Findings and Questioned Costs**

**FINDING 2019-001**

Subject: Child Nutrition Cluster - Internal Controls  
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: FY 2017-2018, FY 2018-2019  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirements: Program Income, Special Tests and Provisions - Verification  
of Free and Reduced Price Applications (NSLP), 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 2017-001.

*Condition and Context*

An effective internal control system, which would include segregation of duties, was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Program Income, Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP), and Special Tests and Provisions - Paid Lunch Equity compliance requirements.

*Program Income*

The School Corporation had not designed or implemented adequate internal controls to ensure that the food service collections were properly summarized and recorded in the School Lunch fund. There was no verification of the supporting documentation from the food service department to the program income recorded by the School Corporation until December 2018.

*Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP) (School Breakfast Program and National School Lunch Program only)*

The School Corporation did not have internal controls in place to ensure the verification process was properly performed and supported by records. The Food Service Director performed the required verification without additional review or monitoring.

*Special Tests and Provisions - Paid Lunch Equity (National School Lunch Program only)*

The School Corporation did not have internal controls in place to ensure the Price Adjustment Calculator tool was calculated correctly. It was only reviewed if the calculator determined an increase in price was necessary.

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

RANDOLPH CENTRAL SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Criteria*

2 CFR 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 control to ensure compliance with the Program Income, Special Test and Provisions - Verification of Free and Reduced Price Applications (NSLP), and Special Test and Provisions - Paid Lunch Equity compliance requirements.

*Effect*

The failure to establish an effective internal control system, which would include segregation of duties, placed the School Corporation at risk of noncompliance with the grant agreement and the Program Income, Special Test and Provisions - Verification of Free and Reduced Price Applications (NSLP), and Special Test and Provisions - Paid Lunch Equity 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 Program Income, Special Test and Provisions - Verification of Free and Reduced Price Applications (NSLP), and Special Test and Provisions - Paid Lunch Equity compliance requirements.

*Views of Responsible Officials*

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

(This page intentionally left blank.)

#### AUDITEE-PREPARED DOCUMENTS

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



## Randolph Central School Corporation

103 N. East Street • Winchester, IN.47394 • Telephone (765) 584-1401 • Fax (765) 584-1403

**Rolland T. Abraham, Ed.S.**  
Superintendent

**Lisa Chalfant**  
Curriculum Director/Grant Writer

**Linda Dodd**  
Treasurer

**Debrah L. Anderson**  
Deputy Treasurer

### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

#### ***FINDING 2017-001***

Fiscal year in which the finding initially occurred: 2015-16

Pass-Through Entity: Indiana Department of Education

Contact Person Responsible for Corrective Action: Teresa Hartsock, Food Service Director & Linda Dodd, Treasurer

Contact Phone Number: 765 584-1401 extension 1540

Status of Audit Finding: Resolved

**CASH MANAGEMENT:** The Food Service Director began checking her three month expenditure average with her end of month balance.

**PROGRAM INCOME:** The Food Service Secretary compares monthly totals from the Central Office to the cafeteria ledgers and makes sure they balance. Once reports are reviewed and balanced, Food Service Secretary signs and dates reports.

**REPORTING:** The Food Service Director prepares the monthly Sponsor Claim for Reimbursement and the annual Verification Collection Report and the Food Service Secretary reviews and signs reports. The Food Service Director prepares the Annual Financial Report and the Corporation Treasurer reviews and signs.

**SPECIAL TESTS AND PROVISIONS-VERIFICATION:** The Food Service Director verifies Free and Reduced lunch applications have been completed properly and signs and dates. The Food Service Secretary checks the applications and signs and dates.

**SPECIAL TESTS AND PROVISION-SCHOOL FOOD ACCOUNT:** The Food Service Secretary provides supporting documentation from Meals Plus to the Corporation Treasurer for the monthly earned income report. The Corporation Treasurer reviews and makes the appropriate transfers.

***FINDING 2017-002***

Fiscal year in which the finding initially occurred: 2015-16

Pass-Through Entity: Indiana Department of Education

Contact Person Responsible for Corrective Action: Teresa Hartsock, Food Service Director & Linda Dodd, Treasurer

Contact Phone Number: 765 584-1401 extension 1540

Status of Audit Finding: Resolved

Our Food Service Director printed the "Free and Reduced" lunch criteria from the Indiana Department of Education website and sent it to the Deputy Treasurer who reviewed the document to ensure all criteria was included. The Deputy Treasurer sent the information to the local newspaper for publication with other school registration information.



## Randolph Central School Corporation

103 N. East Street • Winchester, IN 47394 • Telephone (765) 584-1401 • Fax (765) 584-1403

**Rolland T. Abraham, Ed.S.**  
Superintendent

**Lisa Chalfant**  
Curriculum Director/Grant Writer

**Linda Dodd**  
Treasurer

**Debrah L. Anderson**  
Deputy Treasurer

### CORRECTIVE ACTION PLAN

#### ***FINDING 2019-001***

Contact Person Responsible for Corrective Action: Rolland Abraham  
Contact Phone Number: 765 584-1401

Views of Responsible Official: We concur with the findings

Description of Corrective Action Plan:

**Program Income:** The Food Service Secretary will prepare the revenue report daily and the Food Service Director will verify the daily receipts by initially beside the total. The Food Service Secretary will complete the revenue report weekly, sign and date and send to the Corporation Treasurer. The Corporation Treasurer will review and sign and date.

**Special Tests and Provisions-Verification of Free and Reduced Price Applications (NSLP):** The Food Service Secretary will review the Food Service Director's verifications, and the proper procedures for the verifications will be followed and documented as required.

**Special Tests and Provisions-Paid Lunch Equity:** Annually the Food Service Director will prepare the Paid Lunch Equity report and submit her recommendations for school lunch prices to the Superintendent's Office to be approved by the School Board of Trustees.

Anticipated Completion Date: 02/25/2020

## 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/>.