

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

SUPPLEMENTAL COMPLIANCE REPORT  
OF  
EMINENCE CONSOLIDATED SCHOOL CORPORATION  
MORGAN COUNTY, INDIANA  
July 1, 2017 to June 30, 2019



**FILED**  
10/08/2020



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Michele Tracy	07-01-17 to 12-31-20
Superintendent of Schools	Laura Penman	07-01-17 to 06-30-20
President of the School Board	Andrew Finney Jeff Saucerman	07-01-17 to 12-31-19 01-01-20 to 12-31-20



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

TO: THE OFFICIALS OF THE EMINENCE CONSOLIDATED SCHOOL CORPORATION, MORGAN COUNTY, INDIANA

This report is supplemental to our audit report of the Eminence Consolidated 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 opinions 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

August 25, 2020

EMINENCE CONSOLIDATED SCHOOL CORPORATION  
AUDIT RESULT AND COMMENT

**PREPAID SCHOOL MEAL ACCOUNTS**

*Condition and Context*

The School Corporation did not establish the Prepaid School Lunch Fund.

*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)



**Eminence Community School Corporation**

6764 SR42 North  
Eminence, IN 46125  
(765) 528-2101



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**OFFICIAL RESPONSE**

August 24, 2020

Upon completion of the Eminence Community School Corporation (ECSC) Indiana State Board of Accounts audit for the period of July 1, 2017 through June 30, 2019, it was noted that the unit did not establish the Prepaid School Lunch Fund 8400. As of June 30, 2020, a Prepaid School Lunch Fund 8400 has been established for the Eminence Community School Corporation.

Sincerely,

*Laura L. Penman*

Laura L. Penman, Superintendent  
Eminence Community School Corporation

EMINENCE CONSOLIDATED SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on August 24, 2020, with Michele Tracy, Treasurer; Susan Shupe, Deputy Treasurer; Laura Penman, Superintendent of Schools; and Jeff Saucerman, President of the School Board.