

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

ANDERSON COMMUNITY SCHOOL CORPORATION

MADISON COUNTY, INDIANA

July 1, 2018 to June 30, 2020



FILED
03/19/2021

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Kevin Brown	07-01-18 to 06-30-21
Superintendent of Schools	Dr. Timothy Smith Dr. Joe Cronk (interim)	06-30-17 to 03-10-20 03-11-20 to 06-30-21
President of the School Board	Patrick Hill	01-01-18 to 12-31-21



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE ANDERSON COMMUNITY SCHOOL
CORPORATION, MADISON COUNTY, INDIANA

This report is supplemental to our audit report of the Anderson Community School Corporation (School Corporation), for the period from July 1, 2018 to June 30, 2020. 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 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

March 11, 2021

ANDERSON COMMUNITY SCHOOL CORPORATION
AUDIT RESULT AND COMMENT

PREPAID FOOD ACCOUNTS

Condition and Context

Prepaid food account activity was included in the School Lunch fund for fiscal year 2018-2019. The School Corporation did not offer the ability to prepay in 2019-2020.

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)



ANDERSON COMMUNITY SCHOOL CORPORATION

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Anderson, IN 46016
FAX: 765-641-2081

March 18, 2021

Indiana State Board of Accounts
302 W. Washington Street, Room E418
Indianapolis, IN 46204-2281

Re: Response to Audit Report
For the period ended
June 30, 2020

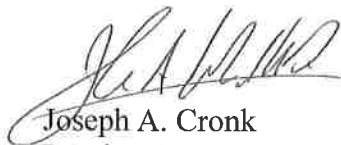
This letter is in response to the "Audit Results and Comments" discussion draft discussed in the exit conference on March 11, 2021 of the Anderson Community School Corporation for the period ended June 30, 2020.

With regard to Prepaid Food Accounts, starting with the 2020/2021 school year, Anderson Community School Corporation has offered the prepaid accounts within the Food Service Extracurricular Account and began setting up the accounts according to the State Board of Accounts guidelines. The 8400 Fund was set up in the Food Service Program in January 2020 in anticipation of the upcoming school year prepaid account offering. It was never our understanding nor do we believe that it is necessary that we need to have the funds set up in two different places. The fund was not initially set up in the Corporation Financials. However, when this was pointed out to us during the audit, the fund was set up in the Corporation Financial Records and our plan is to have this fully implemented as directed within our Form 9 by the end of the 2020/2021 school year.


Regarding prepaid amounts being deposited into the clearing account, this practice was started when the auditors so directed during the current audit. The process has been fully implemented as detailed in the Audit Result and Comment.

Thank you for the opportunity to respond to this audit report.

Respectfully,



Joseph A. Cronk
Interim Superintendent



Kevin J. Brown
CFO and Treasurer

ANDERSON COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on March 11, 2021, with Kevin Brown, Treasurer; Dr. Joe Cronk, interim Superintendent of Schools; Patrick Hill, President of the School Board; Janet Windlan, Deputy Treasurer; Amber Swinehart, Food Service Director; and Carrie Bale, School Board member.