

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

FORT WAYNE COMMUNITY SCHOOLS

ALLEN COUNTY, INDIANA

July 1, 2019 to June 30, 2020



**FILED**  
04/13/2021



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Sherry Nidlinger	07-01-19 to 06-30-21
Superintendent of Schools	Dr. Wendy Robinson Dr. Mark Daniel	07-01-19 to 06-30-20 07-01-20 to 06-30-21
President of the School Board	Julie Hollingsworth Anne Duff	07-01-19 to 12-31-20 01-01-21 to 06-30-21



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TO: THE OFFICIALS OF THE FORT WAYNE COMMUNITY SCHOOLS, ALLEN COUNTY, INDIANA

This report is supplemental to our audit report of the Fort Wayne Community Schools (School Corporation), for the period from July 1, 2019 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 Statements Audit Report of the School Corporation, which provides our opinions on the School Corporation's financial statements. 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

April 1, 2021

FORT WAYNE COMMUNITY SCHOOLS  
AUDIT RESULT AND COMMENT

**PREPAID SCHOOL MEAL ACCOUNTS**

*Condition and Context*

The School Corporation did not established a Prepaid School Lunch Account (Fund 8400) to account for individual student and adult prepaid food accounts. All prepaid school meal deposits were accounted for in the School Lunch Fund (Fund 800) at the time of receipt.

*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)



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FORT WAYNE COMMUNITY SCHOOLS

April 1, 2021

OFFICIAL RESPONSE

State Board of Accounts  
302 West Washington St., Room E418  
Indianapolis, IN 46204-2765

Dear Mr. Joyce,

Fort Wayne Community Schools responds to the Audit Result and Comment in the July 1, 2019 to June 30, 2020 report as follows:

Prepaid School Meal Accounts

We will establish a Prepaid School Lunch Account Clearing Fund (8400) to account for individual student and adult prepaid food accounts before we close the fiscal year ending June 30, 2021. Currently, the individual account balances are accounted for in School Lunch Fund (0800), but we agree to use a separate fund for this accounting in the future.

A handwritten signature in cursive script that reads "Kathaleen A. Friend".

Kathaleen A. Friend  
Chief Financial Officer

*Chief Financial Officer*

1200 South Clinton Street • Fort Wayne, IN 46802 • Phone: 260.467.2000 • Fax: 260.467.1981

FORT WAYNE COMMUNITY SCHOOLS  
EXIT CONFERENCE

The contents of this report were discussed on April 1, 2021, with Dr. Mark Daniel, Superintendent of Schools; Sherry Nidlinger, Treasurer; Kathy Friend, Chief Financial Officer; Stefan Pittenger, Director of Fiscal Affairs; Anne Duff, President of the School Board; and Noah Smith, School Board member.