

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

EAST WASHINGTON SCHOOL CORPORATION

WASHINGTON COUNTY, INDIANA

July 1, 2018 to June 30, 2020



**FILED**

05/04/2021



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Jodi Cole Kendra Floyd	07-01-18 to 12-31-19 01-01-20 to 06-30-21
Superintendent of Schools	Dennis Stockdale	07-01-18 to 06-30-21
President of the School Board	Tom Coats Christina McGinnis	07-01-18 to 12-31-19 01-01-20 to 06-30-21



**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 EAST WASHINGTON SCHOOL  
CORPORATION, WASHINGTON COUNTY, INDIANA

This report is supplemental to our audit report of the East Washington 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/](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 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, was not verified for accuracy.

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

April 28, 2021

EAST WASHINGTON SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS

**CAPITAL ASSETS**

*Condition and Context*

The School Corporation did not have a complete detailed listing of its capital assets. Additions and deletions during the audit period were not properly recorded into the School Corporation's records.

*Criteria*

Every unit must have a capital assets policy that details the threshold at which an item is considered a capital asset. Every unit must have a complete detailed listing of all capital assets owned which reflects their acquisition value. Capital Asset Ledger (Form 369) has been prescribed for this purpose. A complete physical inventory must be taken at least every two years, unless more stringent requirements exist, to verify account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Indiana School Corporations, Chapter 1)

**PREPAID SCHOOL MEAL ACCOUNTS**

*Condition and Context*

The School Corporation's Prepaid Lunch fund was not in agreement with the subsidiary records of the individual student meal accounts.

*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 Fund 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 Fund 8400 be reconciled with the total of the individual meal accounts. (The School Bulletin and Uniform Compliance Guidelines, February 2019)

EAST WASHINGTON SCHOOL CORPORATION  
AUDIT RESULTS AND COMMENTS  
(Continued)

**LATE SUBMISSION OF ANNUAL FINANCIAL REPORT**

*Condition and Context*

The School Corporation's Annual Financial Reports for fiscal years 2018-2019 and 2019-2020 were not filed electronically until October 17, 2019, and September 10, 2020, respectively, which were 49 and 12 days, respectively, past the due date.

*Criteria*

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

EAST WASHINGTON SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on April 28, 2021, with Kendra Floyd, Treasurer; Dennis Stockdale, Superintendent of Schools; Greg Hopkins, Assistant Superintendent of Schools; Joanna Trueblood, Deputy Treasurer; Christina McGinnis, President of the School Board; Linda McClellan, School Board member; and Theresa Gottbrath, School Board member.