

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

DUNELAND SCHOOL CORPORATION

PORTER COUNTY, INDIANA

July 1, 2018 to June 30, 2020



FILED

05/18/2021

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/Chief Financial Officer	Lynn A. Kwilasz	07-01-18 to 06-30-21
Superintendent of Schools	Dr. Ginger L. Bolinger Judith Malasto (interim) Dr. Chip Pettit	07-01-18 to 12-03-18 12-04-18 to 06-30-19 07-01-19 to 06-30-21
President of the School Board	John Marshall Brandon Kroft	07-01-18 to 12-31-18 01-01-19 to 06-30-21



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 DUNELAND SCHOOL CORPORATION, PORTER 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 Duneland School Corporation (School Corporation), for the period of July 1, 2018 to June 30, 2020, and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement and have issued our report thereon dated May 10, 2021, 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

May 10, 2021



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 DUNELAND SCHOOL CORPORATION, PORTER COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Duneland 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, 2018 to June 30, 2020. 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. Except as discussed below, 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.

Basis for Qualified Opinion on Title I Grants to Local Educational Agencies

As described in item 2020-001 in the accompanying Schedule of Findings and Questioned Costs, we were unable to obtain sufficient appropriate audit evidence supporting compliance of the School Corporation with Title I Grants to Local Educational Agencies regarding Matching, Level of Effort, Earmarking. Consequently, we were unable to determine whether the School Corporation complied with those requirements applicable to the program.

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)

Qualified Opinion on Title I Grants to Local Educational Agencies

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion on Title I Grants to Local Educational Agencies* paragraph, 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 Title I Grants to Local Educational Agencies for the period of July 1, 2018 to June 30, 2020.

Unmodified Opinion on Each of the Other Major Federal Programs

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 other major federal programs identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs for the period of July 1, 2018 to June 30, 2020.

Other Matters

The School Corporation's response to the noncompliance findings 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.

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 2020-001, that we consider to be material weaknesses.

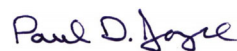
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE
(Continued)

The School Corporation's response to the internal control over compliance findings 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.

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, 2018 to June 30, 2020, and the related notes to the financial statement. We issued our report thereon dated May 10, 2021, 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

May 10, 2021

(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.

DUNELAND SCHOOL CORPORATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2019 and 2020

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 06-30-19	Total Federal Awards Expended 06-30-19	Passed Through to Subrecipient 06-30-20	Total Federal Awards Expended 06-30-20
<u>Department of Agriculture</u>							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553					
School Breakfast			FY2019	\$ -	\$ 152,523	\$ -	\$ -
School Breakfast			FY2020	-	-	-	113,345
COVID-19 - School Breakfast Program	Indiana Department of Education	10.553					
School Breakfast			FY2020	-	-	-	54,907
Total - School Breakfast Program				-	152,523	-	168,252
National School Lunch Program							
School Lunch	Indiana Department of Education	10.555					
School Lunch			FY2019	-	759,402	-	-
School Lunch			FY2020	-	-	-	533,300
Commodities			FY2018-2020	-	166,492	-	182,224
Subtotal - National School Lunch Program				-	925,894	-	715,524
COVID-19 - National School Lunch Program	Indiana Department of Education	10.555					
School Lunch			FY2020	-	-	-	129,005
Total - National School Lunch Program				-	925,894	-	844,529
Total - Child Nutrition Cluster				-	1,078,417	-	1,012,781
Total - Department of Agriculture				-	1,078,417	-	1,012,781
<u>Department of Health and Human Services</u>							
Grants to States							
LSTA State Grants	Indiana State Library	45.310					
			LS-00-19-0015-19	-	-	-	6,888
Total - National Endowment for the Humanities				-	-	-	6,888
<u>Department of Education</u>							
Special Education Cluster (IDEA)							
Special Education_Grants to States							
Special Education Grants to States	Indiana Department of Education	84.027					
Special Education Grants to States			14217-048-PN01	-	5,004	-	-
Special Education Grants to States			18611-048-PN01	-	251,946	-	-
Special Education Grants to States			19611-048-PN01	-	1,041,623	-	-
Special Education Grants to States			19611-048-PN01	-	-	-	303,156
Special Education Grants to States			20611-046-PN01	-	-	-	1,027,172
Total - Special Education_Grants to States				-	1,298,573	-	1,330,328
Special Education_Preschool Grants							
Special Education Grants to States	Indiana Department of Education	84.173					
Special Education Grants to States			18619-048-PN01	-	275	-	-
Special Education Grants to States			19619-048-PN01	-	31,957	-	-
Special Education Grants to States			19619-048-PN01	-	-	-	1,204
Special Education Grants to States			20619-046-PN01	-	-	-	33,291
Total - Special Education_Preschool Grants				-	32,232	-	34,495
Total - Special Education Cluster (IDEA)				-	1,330,805	-	1,364,823

DUNELAND SCHOOL CORPORATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2019 and 2020

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 06-30-19	Total Federal Awards Expended 06-30-19	Passed Through to Subrecipient 06-30-20	Total Federal Awards Expended 06-30-20
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
Title I 2017-2018			S010A170014	-	163,063	-	-
Title I 2018 - 2019			S010A180014	-	353,472	-	178,871
Title I 2019-2020			S010A190014	-	-	-	314,498
Total - Title I Grants to Local Educational Agencies				-	516,535	-	493,369
English Language Acquisition State Grants	Indiana Department of Education	84.365					
Title III 2017 -2019			01118-204-PN01	-	972	-	-
Title III 2018-2020			01119-207-PN01	-	-	-	2,315
Title III 2019-2021			01120-208-PN01	-	-	-	5,202
Total - English Language Acquisition State Grants				-	972	-	7,517
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	Indiana Department of Education	84.367					
Title II Part A 2017-19			S367A170013	-	26,326	-	93,407
Title II Part A 2018-2020			S367A180013	-	-	-	71,076
Title II Part A 2019-2021			S367A190013	-	-	-	37,369
Total - Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)				-	26,326	-	201,852
Student Support and Academic Enrichment Program	Indiana Department of Education	84.424					
Title IV Part A 2018-2020			S424A180015	-	5,250	-	31,064
Title IV Part A 2019-2021			S424A190015	-	-	-	2,299
Total - Student Support and Academic Enrichment Program				-	5,250	-	33,363
Total - Department of Education				-	1,879,888	-	2,100,924
<u>Department of Health and Human Services</u>							
Medicaid Cluster							
Medical Assistance Program	Indiana Department of Education	93.778					
Medicaid Reimbursement to Schools IEP Services			FY2019	-	44,773	-	-
Medicaid Reimbursement to Schools IEP Services			FY2020	-	-	-	49,096
Total - Medical Assistance Program				-	44,773	-	49,096
Total - Medicaid Cluster				-	44,773	-	49,096
Total - Department of Health and Human Services				-	44,773	-	49,096
Total federal awards expended				\$ -	\$ 3,003,078	\$ -	\$ 3,169,689

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

DUNELAND 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, 2019 and 2020. 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 a special education cooperative (Cooperative). As a result, some activity for the Special Education Cluster (IDEA) that is presented as federal awards expended in 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.

DUNELAND 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:

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
	Child Nutrition Cluster	Unmodified
	Special Education Cluster (IDEA)	Unmodified
84.010	Title I Grants to Local Educational Agencies	Qualified

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.

Section III - Federal Award Findings and Questioned Costs

FINDING 2020-001

Subject: Title I Grants to Local Educational Agencies - Level of Effort - Supplement not Supplant
 Federal Agency: Department of Education
 Federal Program: Title I Grants to Local Educational Agencies
 CFDA Number: 84.010
 Federal Award Numbers and Years (or Other Identifying Numbers): S010A170014, S010A180014, S010A190014

Pass-Through Entity: Indiana Department of Education
 Compliance Requirement: Matching, Level of Effort, Earmarking
 Audit Findings: Material Weakness, Modified Opinion

DUNELAND SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Condition and Context

An effective internal control system, which would include segregation of duties, was not in place at the School Corporation to ensure compliance with requirements related to the grant agreement and the Level of Effort - Supplement not Supplant requirements of the Matching, Level of Effort, Earmarking compliance requirement.

The School Corporation was unable to provide documentation that supported the methodology for allocating State and Local funds and ensured they were supplementing and not supplanting with Title I funds. There were no internal controls in place, such as an oversight, review, or approval process, to ensure the supplement not supplant requirements were met.

The lack of internal controls and inability to provide supporting documentation were systemic issues, which occurred throughout the audit period.

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award 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). . . ."

20 USC 6315(c)(1)(B) states:

"From the population described in subparagraph (A), eligible children are children identified by the school as failing, or most at risk of failing, to meet the challenging State academic standards on the basis of multiple, educationally related, objective criteria established by the local educational agency and supplemented by the school, except that children from preschool through grade 2 shall be selected solely on the basis of criteria, including objective criteria, established by the local educational agency and supplemented by the school."

Cause

Management had not developed a system of internal controls that would have ensured compliance or that supporting documentation would have been maintained and made available for audit related to the Level of Effort - Supplement not Supplant requirements of the Matching, Level of Effort, Earmarking compliance requirement.

Effect

The failure to retain and provide appropriate supporting documentation prevented the determination of the School Corporation's compliance with the grant agreement and the compliance requirement listed above.

DUNELAND SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish a system of internal controls to ensure that documentation will be maintained and made available for audit related to the grant agreement and the Level of Effort - Supplement not Supplant requirements of the Matching, Level of Effort, Earmarking compliance requirement.

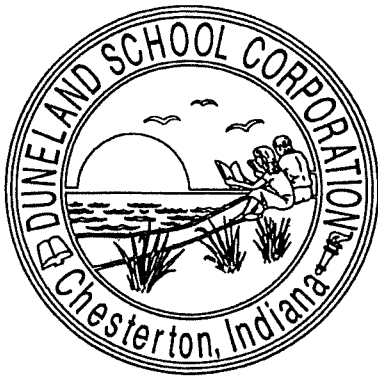
Views of Responsible Officials

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.



Duneland School Corporation

ADMINISTRATION CENTER

601 West Morgan Avenue

Chesterton, Indiana 46304-2205

Phone: 219-983-3600 FAX: 219-983-3614

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2018-001

Fiscal year in which the finding initially occurred: FY 2016-2017

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Education

Contact Person Responsible for Corrective Action: Tammy Watkins, Child Nutrition Director

Contact Phone Number: (219) 983-3700

Status of Audit Finding:

The control process of obtaining three (3) quotes for purchases exceeding the \$10,000 Federal Micro-Purchase Threshold was implemented beginning July 1, 2019 as a result of the 2016-2018 audit. The CN Director (previously titled Wellness and Nutrition Manager), the CN Operations Coordinator and the CN Systems Coordinator, after obtaining quotes, then review each quote. An evaluation of the quotes is then performed and signed by all three (3) staff members reviewing the quotes. All quotes and evaluations are kept in the Child Nutrition Office in accordance with the schedule for the Destruction of Records.



Duneland School Corporation

601 West Morgan Avenue

Chesterton, Indiana 46304-2205

Phone: 219-983-3605 FAX: 219-983-3614

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS MARCH 16, 2021

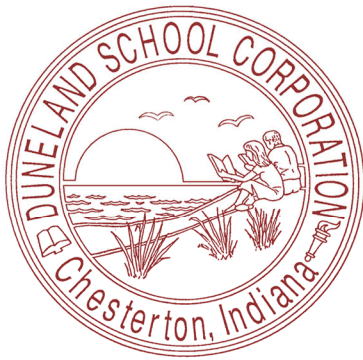
Finding 2018-002

- **Fiscal year in which the finding initially occurred:** FY 2014
- **Pass-Through Entity, if pass through or Federal Grantor Agency, If direct:** Title I Grants to Local Educational Agencies-Special Tests & Provisions-Assessment System Security
- **Contact Person Responsible for Corrective Action:** Christina M. Jarka, Director of Teaching and Learning, K-6; District Title I Coordinator, CTC (beginning 2020-2021 SY)
- **Contact Phone Number:** 219-983-3600 ext. 1015

Status of Audit Finding

- Policy 2623.01
 - Revised and adopted by June 30, 2019
 - Reviewed, revised and adopted on June 20, 2020
 - Reviewed, revised and will be adopted by June 30, 2021
 - Reviewed each fall, and winter/spring with STCs by the CTC/District Title I Coordinator. This is to ensure all appropriate staff has knowledge of the Indiana Ethical Testing Practices and Procedures
- Indiana Ethical Testing Practices and Procedures
 - CTC or designee, Administrative Assistant to CTC will ensure all appropriate staff has knowledge of IDOE Ethical Testing Practices and Procedures
 - The CTC will be the final person to ensure all appropriate staff has knowledge of IDOE Ethical Testing Practices and Procedures
 - Building Administrator or STC, if different from the building administrator, serves as the primary person to ensure that all appropriate building staff has knowledge of the Indiana Ethical Testing Practices and Procedures
- Indiana Ethical Testing Practices and Procedures Training Records
 - District training records to include original staff rosters and original meeting agenda to be retained and secured by the Teaching & Learning Department
 - Copies of all building rosters and signed Indiana Testing Security and Integrity Agreement to be retained and secured by the Teaching & Learning Department
 - Original building staff rosters, original building meeting agendas, and original Indiana Testing Security and Integrity Agreement will be retained at the building level
 - To be maintained for no less than seven years and audit

• *An Equal Opportunity Employer* •



Duneland School Corporation

ADMINISTRATION CENTER

601 West Morgan Avenue

Chesterton, Indiana 46304-2205

Phone: 219-983-3600 FAX: 219-983-3614

CORRECTIVE ACTION PLAN

FINDING 2020-001

Contact Person Responsible for Corrective Action: Lynn A. Kwilasz, Treasurer
Contact Phone Number: 219.983.3604

Views of Responsible Official: We concur with this finding.

Description of Corrective Action Plan:

The district will work with our assigned IDOE Title I specialist to review our methodology for allocating state and local funding to assure that the Level of Effort, Supplement Not Supplant requirement is met and that appropriate data is used to evidence this assurance. Internal controls will be developed that include established check points throughout the grant period of availability to verify that the appropriate level is being sustained. Documentation to substantiate the results of each review will be maintained. A representative from the business office as well as the Title I Grant Program Administrator shall evidence by signature and date that this review has occurred and that the results have been discussed. Implementation of any changes based upon these reviews shall be noted and documentation maintained. All documentation, including source documents used to perform these reviews, shall be maintained in the Title I grant files and made available for audit review and testing.

Anticipated Completion Date:

The District review with the IDOE Title I specialist, establishment of internal controls, development of documentation and schedule of check points and meetings will be in place beginning after July 1, 2021 and effective for the 2021-2022 Title I grant cycle.

• An Equal Opportunity Employer •

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/>.