

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

DELAWARE COMMUNITY SCHOOL CORPORATION

DELAWARE COUNTY, INDIANA

July 1, 2018 to June 30, 2020



FILED
05/26/2021

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Cheryl Dominick	07-01-18 to 06-30-21
Superintendent of Schools	Reece A. Mann	07-01-18 to 06-30-21
President of the School Board	John Adams Trent Fox	07-01-18 to 12-31-19 01-01-20 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 DELAWARE COMMUNITY SCHOOL
CORPORATION, DELAWARE 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 Delaware Community 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 17, 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 17, 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 DELAWARE COMMUNITY SCHOOL CORPORATION, DELAWARE COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Delaware Community 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. 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.

Opinion on Each Major Federal Program

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 major federal programs for the period of July 1, 2018 to June 30, 2020.

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)

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2020-001. Our opinion on each major federal program is not modified with respect to these 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.

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.

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)

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 17, 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
Paul D. Joyce, CPA
State Examiner

May 17, 2021

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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.

DELAWARE COMMUNITY 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	FY2019, FY2020	\$ -	\$ 128,697	\$ -	\$ 95,848
School Breakfast Program							
COVID-19 - School Breakfast Program	Indiana Department of Education	10.553	FY2020	-	-	-	9,055
School Breakfast Program							
Total - School Breakfast Program				-	128,697	-	104,903
National School Lunch Program							
National School Lunch Program	Indiana Department of Education	10.555	FY2019, FY2020	-	589,048	-	417,813
Commodities			FY2019, FY2020	-	98,111	-	85,615
Subtotal - National School Lunch Program				-	687,159	-	503,428
COVID-19 - National School Lunch Program							
National School Lunch Program	Indiana Department of Education	10.555	FY2020	-	-	-	34,515
Total - National School Lunch Program				-	687,159	-	537,943
Summer Food Service Program for Children							
Summer Food Service Program for Children	Indiana Department of Education	10.559	FY2019, FY2020	-	30,797	-	23,990
COVID-19 - Summer Food Service Program for Children	Indiana Department of Education	10.559	FY2020	-	-	-	110,213
Summer Food Service Program for Children							
Total - Summer Food Service Program for Children				-	30,797	-	134,203
Total - Child Nutrition Cluster				-	846,653	-	777,049
Total - Department of Agriculture				-	846,653	-	777,049
<u>Department of Education</u>							
Special Education Cluster (IDEA)							
Special Education Grants to States	Indiana Department of Education	84.027	18611-008-PN01	-	276,757	-	-
101-476 17-18			19611-008-PN01	-	349,937	-	294,109
101-476 18-19			20611-008-PN01	-	-	-	279,216
101-476 19-20							
Total - Special Education Grants to States				-	626,694	-	573,325
Special Education Preschool Grants							
Preschool 619	Indiana Department of Education	84.173	19619-008-PN01	-	18,454	-	2,188
Preschool 619			20619-008-PN01	-	-	-	15,159

DELAWARE COMMUNITY 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
PreSchool			45717-008-PN01	-	4,304	-	-
PreSchool			45718-008-PN01	-	7,018	-	-
Total - Special Education Preschool Grants				-	29,776	-	17,347
Total - Special Education Cluster (IDEA)				-	656,470	-	590,672
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
Title I 17-18			S010A150014	-	86,297	-	-
Title I 18-19			S010A180014	-	228,936	-	109,758
Title I 19-20			S010A190014	-	-	-	252,372
Total - Title I Grants to Local Educational Agencies				-	315,233	-	362,130
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367					
Title II Part A 17-18			S367A180013	-	63,875	-	25,139
Title II Part A 19-20			S367A190013	-	-	-	51,611
Total - Supporting Effective Instruction State Grants				-	63,875	-	76,750
Education Innovation and Research	University of Indianapolis	84.411					
Rural Early College Network			U411B190018	-	-	-	2,266
Student Support and Academic Enrichment Program	Indiana Department of Education	84.424					
Title IV 17-19			S424A170015	-	47,630	-	52,370
Title IV 18-20			S424A180015	-	9,908	-	5,078
Title IV 19-20			S424A190015	-	-	-	25,289
Total - Student Support and Academic Enrichment Program				-	57,538	-	82,737
Total - Department of Education				-	1,093,116	-	1,114,555
<u>Department of Health and Human Services</u>							
Medicaid Cluster	Indiana Family and Social Services	93.778					
Medical Assistance Program							
Medicaid			FY2020	-	-	-	33,263
Total - Medicaid Cluster				-	-	-	33,263
Total - Department of Health and Human Services				-	-	-	33,263
Total federal awards expended				\$ -	\$ 1,939,769	\$ -	\$ 1,924,867

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

DELAWARE COMMUNITY 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, the preschool 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 of the School Corporation. This activity is reported on the financial statement of the Cooperative.

DELAWARE COMMUNITY 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:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
84.010	Child Nutrition Cluster Title I Grants to Local Educational Agencies	Unmodified Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?	no
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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 - Special Tests and Provisions - Assessment System Security
 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): S010A150014, S010A180014, S010A190014

Pass-Through Entity: Indiana Department of Education
 Compliance Requirement: Special Tests and Provisions - Assessment System Security
 Audit Findings: Material Weakness, Other Matters

DELAWARE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Condition and Context

An effective internal control system was not in place at the School Corporation to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - Assessment System Security compliance requirement.

The School Corporation did not retain Testing and Security Agreements for individuals at two schools who administered, handled, or had access to secure test materials. In addition, the School Corporation did not retain training materials or communications that documented that staff had been trained on ethical and appropriate practices, contained in the Code of Ethical Testing Practices and Procedures, as well as any additional local standards or training on how test administration, test security standards, and procedures would be monitored by school administrators.

The lack of internal controls and noncompliance were systemic issues that 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). . . ."

2 CFR 200.207(a) states in part: "The Federal awarding agency or pass-through entity may impose additional specific award conditions as needed. . . ."

2 CFR 200.333 states in part:

"Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:

(a) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. . . ."

511 IAC 5-5-5(b) states: "Any individual who administers, handles, or has access to secure test materials at the school or school corporation shall complete assessment training and sign a testing security and integrity agreement to remain on file in the appropriate building-level office each year."

DELAWARE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Indiana Assessment Program Manual, Section 9, Part D states in part:

". . . Locally developed written test security policies must include, but not be limited to, the following descriptions regarding how the corporation will:

1. Ensure that all appropriate staff have knowledge of the Code of Ethical Practices and Procedures and understand how to secure, administer, and handle the assessments while in their possession.
2. Ensure all appropriate staff receive test administration and test security training prior to testing.
3. Ensure all staff receive Test Security and Integrity Training prior to testing.
4. Ensure staff members who will provide students with testing accommodations are familiar with each student's individual accommodation needs as per the student's IEP, ILP, Section 504 Plan, CSEP, and/or Service Plan prior to testing.
5. Ensure staff members who will provide students with testing accommodations receive focused training on providing such accommodations prior to testing.
6. Define and clearly communicate at least once annually for all appropriate staff how staff implementation of test administration and test security standards and procedures will be monitored by school administrators.
7. Define and clearly communicate at least once annually for all appropriate staff all security procedures established for each assessment.
8. Provide any other information and professional development necessary to ensure that all appropriate staff have the knowledge and skills necessary to make ethical decisions related to preparing students for an assessment, administering the assessment, and interpreting the results from assessment.
9. Establish a testing schedule. At a minimum, the schedule should include the assessment name, testing dates and times, applicable grade levels, content areas, and testing room locations.
10. Establish an access policy for assessment materials that allows only appropriate staff to have access to test administration manuals prior to the administration of the test, but prohibits the reviewing of any secure test questions before, during, or after the assessment administration.
11. Establish a process that ensures all student assessments are secure when they are not being administered.
12. Annual review school materials and practices related to preparing students for assessments. The description must include an explanation regarding how the school corporation will ensure test preparation materials used by school staff are appropriate and do not violate test security protocols.
13. Monitor testing to ensure staff are administering assessments with fidelity in terms of test administration and test security protocols/procedures and that staff are appropriately providing students with accommodations included in their IEPs, ILPs, Section 504 Plans, CSEPs, or Service Plans.

DELAWARE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

14. Provide channels of communication that allow teachers, administrators, students, parents/guardians, and other community members to voice their concerns about testing practices they consider inappropriate (see the Testing Concerns and Security Violations Report form in Appendix C).
15. Establish procedures for investigating any complaint, allegation, or concern about inappropriate testing practices, and ensuring protection of both the rights of individuals and of the integrity of the assessment.
16. Investigate any complaint of inappropriate testing practices or testing irregularities according to the Protocol for Reporting and Investigating Alleged Breaches as established and published pursuant to 511 IAC 5-5-4 (see Appendix A)."

Cause

Management had not developed a system of internal controls to ensure compliance with the grant agreement and the Special Tests and Provisions - Assessment System Security compliance requirement.

Effect

The failure to establish an effective system of internal controls enabled noncompliance with the grant agreement and the Special Tests and Provisions - Assessment System Security compliance requirement.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish a system of internal controls related to the grant agreement and the Special Tests and Provisions - Assessment System Security compliance requirement.

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

AUDITEE-PREPARED DOCUMENTS

The subsequent documents were provided by management of the School Corporation. The documents are presented as intended by the School Corporation.

OFFICE OF SUPERINTENDENT
DELAWARE COMMUNITY SCHOOL CORPORATION

9750 N CR 200 E
Muncie, IN 47303
Phone: 765-284-5074
Fax: 765-284-5259

Board of Education

Adam Williams - President
Trent Fox - Vice President
Lance Engle - Secretary
Jacob Case - Member
John Adams - Member

Reece A. Mann - Superintendent
Dr. Darin K. Gullion - Asst. Superintendent

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2018-001

Fiscal year in which the finding initially occurred: 2016-2017 and 2017-2018
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Education

Contact Person Responsible for Corrective Action: Dr. Darin K. Gullion
Contact Phone Number: 765-284-5074

Subject of the Audit Finding: Child Nutrition Cluster Eligibility and Reporting

Status of Audit Finding:

The audit finding has been corrected. The Standard Operating Procedures proposed by the school corporation including: application process determination, student eligibility, verification process, monthly sponsor claims, and annual financial reports have been implemented.

(Note to Officials: To determine what audit findings are required to be reported in the Summary Schedule of Prior Audit Findings, please see 2 CFR §200.511(b).)

OFFICE OF SUPERINTENDENT

DELAWARE COMMUNITY SCHOOL CORPORATION

9750 N CR 200 E
Muncie, IN 47303
Phone: 765-284-5074
Fax: 765-284-5259

Board of Education

Trent Fox - President
Lance Engle - Vice President
Jacob Case - Secretary
John Adams - Member
Adam Williams - Member

Reece A. Mann - Superintendent
Dr. Darin K. Gullion - Assistant Superintendent

CORRECTIVE ACTION PLAN

FINDING 2020-001

Contact Person Responsible for Corrective Action: Greg Kile
Contact Phone Number: 765-284-5074

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

Effective System of Internal Controls to Related to Assessment System Security Compliance:

- Delaware Community School Corporation Administrators will continue to provide test security training to all applicable employees throughout the school corporation following all protocols specified by the Indiana Department of Education. The Corporation Test Coordinator, or CTC, will be responsible to ensuring that this training continues to occur as it has each year.
- Additionally, the CTC will train building principals in regard to retaining records of test security training meeting agendas, test security training materials, test security training meeting sign-in sheets, and individual employee's signed test security and integrity agreement forms. These records will be collected and maintained at each school building throughout the fall and winter of each school year. Each spring, prior to the end of the school year, the CTC will request a copy of these records be send to him or her and stored centrally for the entirety of the school corporation. This documentation will be retained by the CTC for a minimum of three years or until those years are audited, whichever occurs last.
- After three years or those years have been audited, whichever occurs last, the CTC will dispose of assessment system security compliance records in accordance with the Indiana Records Retention Schedule's guidance for disposal of records.

Anticipated Completion Date: August, 2021

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/>.