

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

FEDERAL COMPLIANCE AUDIT REPORT
OF

SOUTHWEST DUBOIS COUNTY
SCHOOL CORPORATION
DUBOIS COUNTY, INDIANA

July 1, 2018 to June 30, 2020



FILED
05/28/2021

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Allison Pund	07-01-18 to 06-30-21
Superintendent of Schools	Timothy LaGrange	07-01-18 to 06-30-21
President of the School Board	Christopher Neu Jon Menke	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 SOUTHWEST DUBOIS COUNTY
SCHOOL CORPORATION, DUBOIS 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 Southwest Dubois County 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 SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION, DUBOIS COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Southwest Dubois County 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)

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 items 2020-001 and 2020-002, 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, 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.

SOUTHWEST DUBOIS COUNTY 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
Department of Agriculture							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553					
School Breakfast Program			FY 2019	\$ -	\$ 103,976	\$ -	\$ -
School Breakfast Program			FY 2020	-	-	-	87,538
COVID-19 - School Breakfast Program	Indiana Department of Education	10.553					
School Breakfast Program			FY 2020	-	-	-	7,414
Total - School Breakfast Program				-	103,976	-	94,952
National School Lunch Program	Indiana Department of Education	10.555					
National School Lunch Program			FY 2019	-	435,614	-	-
National School Lunch Program			FY 2020	-	-	-	111,368
Commodities			FY 2019/FY 2020	-	97,124	-	75,603
Subtotal - National School Lunch Program				-	532,738	-	186,971
COVID-19 - National School Lunch Program	Indiana Department of Education	10.555					
National School Lunch Program			FY 2020	-	-	-	281,185
Total - National School Lunch Program				-	532,738	-	468,156
Summer Food Service Program for Children	Indiana Department of Education	10.559					
Summer Food Service Program for Children			FY 2019	-	24,144	-	-
Summer Food Service Program for Children			FY 2020	-	-	-	27,086
COVID-19 - Summer Food Service Program for Children	Indiana Department of Education	10.559					
Summer Food Service Program for Children			FY 2020	-	-	-	75,055
Total - Summer Food Service Program for Children				-	24,144	-	102,141
Total - Child Nutrition Cluster				-	660,858	-	665,249
Total - Department of Agriculture				-	660,858	-	665,249
Department of Education							
Special Education Cluster (IDEA)							
Special Education Grants to States	Indiana Department of Education	84.027					
FY 2017 Part B IDEA 611			14217-009-PN01	-	3,528	-	-
FY 2018 Part B IDEA 611			18611-009-PN01	-	232,470	-	535
FY 2019 Part B IDEA 611			19611-009-PN01	-	185,622	-	244,479
FY 2020 PART B IDEA			20611-009-PN01	-	-	-	204,338
Total - Special Education Grants to States				-	421,620	-	449,352
Special Education Preschool Grants	Indiana Department of Education	84.173					
FY 2018 Part B 619 Preschool			18619-009-PN01	-	12,329	-	-
FY 2019 Part B 619 Preschool			19619-009-PN01	-	9,422	-	7,210
FY 2020 Part B 619 Preschool			20619-009-PN01	-	-	-	10,517
FY 2017 Part B 619 Preschool			45717-009-PN01	-	95	-	-
Total - Special Education Preschool Grants				-	21,846	-	17,727
Total - Special Education Cluster (IDEA)				-	443,466	-	467,079
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
Title I School Improvement 2018-2019			18611-001-PN01	-	6,480	-	-
Title I 2017-2018			2017/2018	-	20,795	-	-

SOUTHWEST DUBOIS COUNTY 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 2018-2019			2018/2019	-	178,712	-	16,904
Title I 2019-2020			2019/2020	-	-	-	146,503
Title I School Improvement 2018-2019			S010A180014	-	-	-	5,521
Title I School Improvement 2019-2020			S010A190014	-	-	-	2,496
Total - Title I Grants to Local Educational Agencies				-	205,987	-	171,424
Migrant Education State Grant Program	Indiana Department of Education	84.011					
SIEC Migrant Education 2016-2018			38216-006-PN01	-	310,521	-	-
SIEC Migrant Education 2017-2019			38217-006-PN01	-	384,809	-	362,257
SIEC Migrant Education 2018-2020			S011A180014	-	-	-	504,155
SIEC Migrant Education 2019-2021			S011A190014	-	-	-	36,469
Total - Migrant Education State Grant Program				-	695,330	-	902,881
English Language Acquisition State Grants	Indiana Department of Education	84.365					
Title III 2016-2018			01117-014-PN01	-	6,086	-	-
SIEC Title III 2016-2018			01117-206-PN01	-	7,519	-	-
Title III 2017-2019			01118-013-PN01	-	28,614	-	7,146
SIEC Title III 2017-2019			01118-201-PN01	-	18,181	-	-
Title III 2018-2020			01119-016-PN01	-	1,766	-	25,308
SIEC Title III 2018-2020			01119-203-PN01	-	388	-	31,076
SIEC Title III 2019-2021			01120-204-PN01	-	-	-	6,866
Title III 2019-2021			S365A190014	-	-	-	352
Total - English Language Acquisition State Grants				-	62,554	-	70,748
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367					
Title II 2016-2018			S367A160013	-	2,213	-	-
Title II 2017-2019			S367A170013	-	22,549	-	3,734
Title II 2018-2020			S367A180013	-	33,223	-	4,085
Title II 2019-2021			S367A190013	-	-	-	34,658
Total - Supporting Effective Instruction State Grants				-	57,985	-	42,477
Student Support and Academic Enrichment Program	Indiana Department of Education	84.424					
Title IV 2018-2020			7000-5424A180015	-	9,198	-	4,194
Title IV 2019-2021			S424A190015	-	-	-	13,892
Total - Student Support and Academic Enrichment Program				-	9,198	-	18,086
Total - Department of Education				-	1,474,520	-	1,672,695
Department of Health and Human Services							
Medicaid Cluster	Indiana Department of Education	93.778					
Medical Assistance Program							
Medicaid Assistance Program			2018/2019	-	41,319	-	-
Medicaid Assistance Program			2019/2020	-	-	-	36,475
Total - Medical Assistance Program				-	41,319	-	36,475
Total - Medicaid Cluster				-	41,319	-	36,475
Total - Department of Health and Human Services				-	41,319	-	36,475
Total federal awards expended				\$	2,176,697	\$	2,374,419

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

SOUTHWEST DUBOIS COUNTY 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. Exceptional Children's Cooperative

The School Corporation is a member of the Exceptional Children's Cooperative (Cooperative). The Cooperative operates the special education program for the School Corporation. As a result, some activity for the Special Education Cluster (IDEA) that is presented on the SEFA is not presented as receipts and disbursements in the financial statement of the School Corporation.

SOUTHWEST DUBOIS COUNTY 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
84.011	Child Nutrition Cluster Migrant Education State Grant Program	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.

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III - Federal Award Findings and Questioned Costs

FINDING 2020-001

Subject: Child Nutrition Cluster - Cash Management
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, COVID-19 - School Breakfast Program,
National School Lunch Program, COVID-19 - National School
Lunch Program, Summer Food Service Program for Children,
COVID-19 - Summer Food Service Program for Children
CFDA Numbers: 10.553, 10.555, 10.559
Federal Award Numbers and Years (or Other Identifying Numbers): FY 2019, FY 2020
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Cash Management
Audit Finding: Material Weakness

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 Cash Management compliance requirement.

One person was solely responsible for all aspects of monitoring the program's cash balance to ensure it did not exceed the three months average expenditures.

The lack of internal controls was a systemic issue 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). . . ."

Cause

Management had not developed or implemented a system of internal controls that would have ensured compliance with the Cash Management compliance requirement.

Effect

The failure to establish an effective internal control system placed the School Corporation at risk of noncompliance with the grant agreement and the compliance requirement. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirement and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

SOUTHWEST DUBOIS COUNTY 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, including segregation of duties, related to the grant agreement and the Cash Management compliance requirement.

Views of Responsible Officials

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

FINDING 2020-002

Subject: Child Nutrition Cluster - Eligibility

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, COVID-19 - School Breakfast Program, National School Lunch Program, COVID-19 - National School Lunch Program

CFDA Numbers: 10.553, 10.555

Federal Award Numbers and Years (or Other Identifying Numbers): FY 2019, FY 2020

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Eligibility

Audit Finding: Material Weakness

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 Eligibility compliance requirement.

One person was solely responsible for all aspects of eligibility determinations, which were determined by a food service software system with no internal controls in place over the input of the eligibility guidelines or the determination.

The lack of internal controls was a systemic issue 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). . . ."

SOUTHWEST DUBOIS COUNTY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Cause

Management had not developed or implemented a system of internal controls that would have ensured compliance with the Eligibility compliance requirement.

Effect

The failure to establish an effective internal control system placed the School Corporation at risk of noncompliance with the grant agreement and the Eligibility compliance requirement. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirement and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish a system of internal controls, including segregation of duties, related to the grant agreement and Eligibility 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.

Southwest Dubois County School Corporation

113 N Jackson St, Huntingburg IN 47542
Phone 812-683-3971 ~ Fax 812-683-2752
www.swdubois.k12.in.us □ punda1@swdubois.k12.in.us
Allison Pund, Business Manager

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2018-001

Fiscal year in which the finding initially occurred: FY2017 and FY2018
Contact Person Responsible for Corrective Action: Ora Lee Cotton and Allison Pund
Contact Phone Number: 812-683-3971

Status of Audit Finding: The School Corporation has established internal controls to ensure compliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement. The school corporation has procured any food and supply purchases that exceed \$150,000 and will maintain documentation for procurement procedures for purchases under \$150,000. The school corporation has also verified that vendors are not suspended or debarred prior to entering into covered transactions.

Allison Pund
(Signature)

Business Manager
(Title)

4/16/21
(Date)



~ Every student, Every day ~

Southwest Dubois County School Corporation

113 N Jackson St, Huntingburg IN 47542
Phone 812-683-3971 ~ Fax 812-683-2752
www.swdubois.k12.in.us □ punda1@swdubois.k12.in.us
Allison Pund, Business Manager

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2018-002

Fiscal year in which the finding initially occurred: FY2017 and FY2018
Contact Person Responsible for Corrective Action: Ora Le Cotton and Allison Pund
Contact Phone Number: 812-683-3971

Status of Audit Finding: The school corporation has establish controls relating to grant agreement and reporting compliance requirements by having the Business Manager review and approve all Monthly Sponsor Claims, Annual Financial Reports, and School Food Authority Verification Collection Reports.

Allison Pund
(Signature)

Business Manager
(Title)

4/16/21
(Date)



~ Every student, Every day ~

Southwest Dubois County School Corporation

113 N Jackson St, Huntingburg IN 47542
Phone 812-683-3971 • Fax 812-683-2752
www.swdubois.k12.in.us • lagranget@swdubois.k12.in.us
Tim LaGrange, Superintendent

CORRECTIVE ACTION PLAN

FINDING 2020-001

Contact Person Responsible for Corrective Action: Ora Lee Cotton and Allison Pund
Contact Phone Number: 812-683-3971

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Once the Food Service Director has inputted her calculation for the Cash Management Plan, the Business Manager will review the calculation and confirm it is correct. The Business Manager will then give her approval.

Anticipated Completion Date: 5/31/2021

Initial _____

Southwest Dubois County School Corporation

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Tim LaGrange, Superintendent

CORRECTIVE ACTION PLAN

FINDING 2020-002

Contact Person Responsible for Corrective Action: Ora Lee Cotton
Contact Phone Number: 812-683-3971

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Input of eligibility determinations is now automated by the food service system. Food Service director will ensure the system is operating correctly, by reviewing ten percent of the applications entered. Ten percent of the paper applications entered by the Kitchen Manager will be reviewed by another Kitchen Manager for accuracy.

Anticipated Completion Date: 9/15/2021

Initial _____

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/>.