

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

FEDERAL COMPLIANCE AUDIT REPORT
OF

MONROE COUNTY COMMUNITY
SCHOOL CORPORATION
MONROE COUNTY, INDIANA

July 1, 2018 to June 30, 2020



FILED

06/14/2021

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	10-13
Notes to Schedule of Expenditures of Federal Awards.....	14
Schedule of Findings and Questioned Costs.....	15-25
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings.....	28-34
Corrective Action Plan	35-39
Other Reports.....	40

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director of Business Operations	John Kenny	07-01-18 to 06-30-21
Superintendent of Schools	Dr. Judith DeMuth	07-01-18 to 06-30-21
President of the School Board	Kelly Smith Lois Sabo-Skelton Cathy Fuentes-Rohwer	07-01-18 to 12-31-18 01-01-19 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 MONROE COUNTY COMMUNITY
SCHOOL CORPORATION, MONROE 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 Monroe County 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 24, 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 24, 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 MONROE COUNTY COMMUNITY SCHOOL CORPORATION, MONROE COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Monroe County 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 items 2020-002, 2020-003, and 2020-005. 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 items 2020-001, 2020-002, 2020-003, 2020-004, and 2020-005, 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 24, 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 24, 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.

MONROE COUNTY 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
Department of Agriculture							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553					
School Breakfast Program			SY2019	\$ -	\$ 522,069	\$ -	\$ -
School Breakfast Program			SY2020	-	-	-	410,592
COVID-19 - School Breakfast Program	Indiana Department of Education	10.553					
School Breakfast Program			SY2020	-	-	-	151,601
Total - School Breakfast Program				-	522,069	-	562,193
National School Lunch Program							
School Snack Program	Indiana Department of Education	10.555					
School Snack Program			SY2019	-	24,215	-	-
School Lunch Program			SY2020	-	-	-	16,080
School Lunch Program			SY2019	-	2,010,838	-	-
School Lunch Program			SY2020	-	-	-	1,482,713
Commodities			SY2019	-	333,164	-	-
Commodities			SY2020	-	-	-	322,054
Sub-total - National School Lunch Program				-	2,368,217	-	1,820,847
COVID-19 - National School Lunch Program	Indiana Department of Education	10.555					
National School Lunch Program			SY2020	-	-	-	354,447
Total - National School Lunch Program				-	2,368,217	-	2,175,294
Summer Food Service Program for Children							
Summer Food Service Program	Indiana Department of Education	10.559					
Summer Food Service Program			SY2019	-	42,425	-	-
Summer Food Service Program			SY2020	-	-	-	45,073
COVID-19 - Summer Food Service Program for Children	Indiana Department of Education	10.559					
National School Summer Program			SY2020	-	-	-	121,987
Total - Summer Food Service Program for Children				-	42,425	-	167,060
Total - Child Nutrition Cluster				-	2,932,711	-	2,904,547

MONROE COUNTY 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
Fresh Fruit and Vegetable Program	Indiana Department of Education	10.582					
Fresh Fruit and Vegetable Program			SY2019	-	22,855	-	-
Fresh Fruit and Vegetable Program			SY2020	-	-	-	17,861
Total - Fresh Fruit and Vegetable Program				-	22,855	-	17,861
Total - Department of Agriculture				-	2,955,566	-	2,922,408
<u>Department of Labor</u>							
WIOA Cluster							
WIOA Dislocated Worker Formula Grants	Indiana Department of Education	17.278	SY2019	-	28,000	-	-
Total WIOA Cluster				-	28,000	-	-
Total - Department of Labor				-	28,000	-	-
<u>Department of Education</u>							
Special Education Cluster (IDEA)							
Special Education_Grants to States	Indiana Department of Education	84.027					
FY17 Federal Part B 611			17611-040-PN01	-	235,197	-	-
FY18 Federal Part B 611			18611-040-PN01	-	2,331,609	-	197,987
FY19 Federal Part B 611			19611-040-PN01	-	1,541,955	-	802,510
FY20 Federal Part B 611			20611-042-PN01	-	-	-	1,429,128
Total - Special Education_Grants to States				-	4,108,761	-	2,429,625
Special Education_Preschool Grants	Indiana Department of Education	84.173					
FY17 Federal Part B 619			45717-040-PN01	-	21,494	-	-
FY18 Federal Part B 619			45707-042-PY02	-	74,229	-	3,756
FY19 Federal Part B 619			19619-040-PN01	-	58,984	-	17,772
Total - Special Education_Preschool Grants				-	154,707	-	21,528
Total - Special Education Cluster (IDEA)				-	4,263,468	-	2,451,153
Adult Education - Basic Grants to States	Indiana Department of Education	84.002					
ABE - SY 17/18			AE741	-	130,861	-	-
ABE - SY 18/19			AE841	-	177,531	-	91,642
ABE - SY 19/20			AE941	-	-	-	130,331

MONROE COUNTY 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
AE - SY 17/18			IELCE741	-	38,522	-	-
AE - SY 18/19			IELCE841	-	41,288	-	43,712
AE - SY 19/20			IELCE941	-	-	-	39,724
Total - Adult Education - Basic Grants to States				-	388,202	-	305,409
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
Title I - 2017/2018			S010A150014	-	876,552	-	-
Title I - 2018/2019			S010A180014	-	1,696,340	-	761,391
Title I - 2019/2020			S010A190014	-	-	-	1,739,579
Total - Title I Grants to Local Educational Agencies				-	2,572,892	-	2,500,970
Career and Technical Education - Basic Grants to States	Indiana Department of Education	84.048					
PERKINS FY 17/18			18-4700-5740	-	89,278	-	-
PERKINS FY 18/19			18-4700-4345	-	247,784	-	101,002
PERKINS FY 19/20			20-0512-5740	-	-	-	294,294
Total - Career and Technical Education - Basic Grants to States				-	337,062	-	395,296
Rehabilitation Services Vocational Rehabilitation Grants to States	Indiana Department of Education	84.126	SY2019	-	8,752	-	-
Education for Homeless Children and Youth	Indiana Department of Education	84.196					
MCKINNEY FY 16/17			A58-7-17SS-3955	-	45,000	-	45,000
Twenty-First Century Community Learning Centers	Indiana Department of Education	84.287					
S287C170014, SY 2017/18			A58-8-18DL-4500	-	56,756	-	-
S287C170014, SY 2018/19			A58-8-18DL-4500	-	100,000	-	-
S287C170014, SY 2019/20			A58-8-18DL-4500	-	-	-	60,240
S287C170014, SY 2018/19			A58-9-19DL-0037	-	299,998	-	-
S287C170014, SY 2019/20			A58-9-19DL-0037	-	-	-	238,242
Total - Twenty-First Century Community Learning Centers				-	456,754	-	298,482
English Language Acquisition State Grants	Indiana Department of Education	84.365					
TITLE III - SY 16/17			01117-074-PN01	-	19,905	-	-
TITLE III - SY 17/19			01118-072-PN01	-	-	-	9,637
TITLE III - SY 18/20			01119-073-PN01	-	-	-	17,634
Total - English Language Acquisition State Grants				-	19,905	-	27,271

MONROE COUNTY 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
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367					
TITLE II A - SY 17/18			S367A160013	-	221,470	-	-
TITLE II A - SY 18/19			S367A170013	-	169,537	-	199,190
TITLE II A - SY 19/20			S367A180013	-	-	-	242,025
Total - Supporting Effective Instruction State Grants				-	391,007	-	441,215
School Improvement Grants	Indiana Department of Education	84.377					
SIG - SY 17/18			S010A170014	-	40,000	-	-
SIG - SY 17/18 - Hi Park			TITLE I-SIG (1003g) SY 17/18	-	181,793	-	-
SIG - SY 17/18 - Fairview			S377A00140015	-	75,030	-	-
SIG - SY 19/20			18611-001-PN01	-	-	-	31,000
Total - School Improvement Grants				-	296,823	-	31,000
Student Support and Academic Enrichment Program	Indiana Department of Education	84.424					
TITLE IV - SY18/19			2018-424-187	-	10,705	-	133,301
Total - Department of Education				-	8,790,570	-	6,629,097
<u>Department of Health and Human Services</u>							
Medicaid Cluster							
Medical Assistance Program	Indiana Department of Education	93.778					
Federal Medicaid Reimbursements			FY2019, FY2020	-	167,701	-	153,772
Total - Medicaid Cluster				-	167,701	-	153,772
Environmental Public Health and Emergency Response	Indiana Department of Health	93.070					
COLLABORATIVE INQUIRE GRANT			FY2018	-	-	-	2,000
Total - Department of Health and Human Services				-	167,701	-	155,772
Total federal awards expended				\$ -	\$ 11,941,837	\$ -	\$ 9,707,277

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

MONROE COUNTY 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.

MONROE COUNTY 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:

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	Unmodified
84.287	Twenty-First Century Community Learning Centers	Unmodified
84.367	Supporting Effective Instruction State Grants	Unmodified

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.

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

Section III - Federal Award Findings and Questioned Costs

FINDING 2020-001

Subject: Child Nutrition Cluster - Internal Controls

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): SY2019, SY2020

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Cash Management, Eligibility, Special Tests and Provisions -
Verification of Free and Reduced-Price Applications (NSLP)

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, Eligibility, and the Special Tests and Provisions - Verification of Free and Reduced-Price Applications (NSLP) compliance requirements.

Cash Management

One employee was solely responsible for reviewing the monthly fund reports of the School Lunch fund without an oversight, review, or approval process in place to ensure the cash balance did not exceed the three months average expenditures.

Eligibility

There is no documented oversight or review process in place to ensure students' eligibility status is calculated correctly.

Special Tests and Provisions - Verification of Free and Reduced-Price Applications (NSLP)

During the fiscal year 2018-2019, the Food Service Department performed the required verification without additional oversight, review, or approval.

The lack of internal controls was a systemic issue throughout the audit period except for the special test and provision requirement which was isolated to 2018-2019.

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

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 a system of internal controls that would have ensured compliance with the grant agreement and the Cash Management, Eligibility, and Special Tests and Provisions - Verification of Free and Reduced-Price Applications (NSLP) compliance requirements.

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 requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with the compliance requirements and allow 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 the Cash Management, Eligibility, and Special Tests and Provisions - Verification of Free and Reduced-Price Applications (NSLP) compliance requirements.

Views of Responsible Officials

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

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

FINDING 2020-002

Subject: Child Nutrition Cluster - Procurement and Suspension and Debarment
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): SY2019, SY2020
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Procurement and Suspension and Debarment
Audit Findings: Material Weakness, Other Matters

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 to the Procurement and Suspension and Debarment compliance requirement.

The School Corporation's internal control over the suspension and debarment requirements was ineffective. For three instances tested, the School Corporation did not maintain documentation verifying that the vendor was not suspended or debarred from participation in federal award programs.

The lack of effective internal controls and noncompliance were systemic issues 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 180.300 states:

"When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified.

You do this by:

- (a) Checking the SAM Exclusions; or
- (b) Collecting a certification from that person; or
- (c) Adding a clause or condition to the covered transaction with that person."

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

Cause

Management had not developed a system of internal controls that would have ensured compliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

Effect

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement and the compliance requirement could have resulted in the loss of federal funds to the School Corporation.

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 Procurement and Suspension and Debarment 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 2020-003

Subject: Special Education Cluster (IDEA) - Procurement and Suspension and Debarment

Federal Agency: Department of Education

Federal Programs: Special Education_Grants to States, Special Education_Preschool Grants

CFDA Numbers: 84.027, 84.173

Federal Award Numbers and Years (or Other Identifying Numbers): 17611-040-PN01, 18611-040-PN01,
19611-040-PN01, 20611-042-PN01,
45717-040-PN01, 45707-042-PY02,
19619-040-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

Audit Findings: Material Weakness, Other Matters

Repeat Finding

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2018-006.

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 Procurement and Suspension and Debarment compliance requirement.

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

Procurement

The School Corporation failed to ensure that the purchasing methods used complied with federal procurement compliance requirements or applicable state and local laws.

Suspension and Debarment

The School Corporation failed to verify that vendors were not suspended or debarred from participation in federal programs before a contract was signed.

The lack of internal controls and noncompliance were isolated to the first 18 months of 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 200.318(a) states: "The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part."

Indiana Code 5-22-7-1 states: "A purchasing agent shall follow the procedure described in this chapter in awarding a contract for supplies, unless another purchasing method is required or authorized by this article."

Indiana Code 5-22-7-2(a) states: "A purchasing agent shall issue an invitation for bids."

2 CFR 200.320 states in part:

"The non-Federal entity must use one of the following methods of procurement:

(a) Procurement by micro-purchases. Procurement by micro-purchases is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micropurchase threshold (§ 200.67 Micro-purchase). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micropurchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.

(b) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that does not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

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

(c) Procurement by sealed bids (formal advertising). Bids are publicly solicited, and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply. . . .

(d) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. . . .

(f) Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

- (1) The item is available only from a single source;
- (2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- (3) The Federal awarding agency or pass-through entity expressly authorizes non-competitive proposals in response to a written request from the non-Federal entity; or
- (4) After solicitation of a number of sources, competition is determined inadequate."

2 CFR 180.300 states:

"When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified.

You do this by:

- (a) Checking the SAM Exclusions; or
- (b) Collecting a certification from that person; or
- (c) Adding a clause or condition to the covered transaction with that person."

Cause

Management had not developed a system of internal controls that would have ensured compliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

Effect

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement and the compliance requirement could have resulted in the loss of federal funds to the School Corporation.

Questioned Costs

There were no questioned costs identified.

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

Recommendation

We recommended that the School Corporation's management establish internal controls to ensure compliance and comply with the Procurement and Suspension and Debarment 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 2020-004

Subject: Title I Grants to Local Educational Agencies - Internal Controls

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 Requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Reporting

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 Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and the Reporting compliance requirements.

The School Corporation implemented an internal control in which the grant manager prepared the reimbursement requests and the final expenditure report and another individual, the business manager, approved or reviewed the documents. However, evidence of this approval or review could not be provided for audit.

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). . . ."

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

Cause

Management had not developed a system of internal controls that would have ensured compliance with the grant agreement and the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and the Reporting compliance requirements.

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 requirements.

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 Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and the Reporting compliance requirements.

Views of Responsible Officials

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

FINDING 2020-005

Subject: Supporting Effective Instruction State Grants - Allowable Costs/Cost Principles
Federal Agency: Department of Education
Federal Program: Supporting Effective Instruction State Grants
CFDA Number: 84.367
Federal Award Numbers and Years (or Other Identifying Numbers): S367A160013; S367A170013
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Allowable Costs/Cost Principles
Audit Findings: Material Weakness, Other Matters

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 Allowable Costs/Cost Principles compliance requirement.

The School Corporation had not implemented adequate internal controls to ensure that time and effort documentation was prepared and/or approved. Semi-Annual Certifications or time and effort logs were not available for five of eighteen employees tested. One time and effort log was not signed by someone knowledgeable of the work performed by the employee.

The lack of internal controls and noncompliance were isolated to fiscal year 2018-2019.

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

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 200.430(i) states in part:

"*Standards for Documentation of Personnel Expenses* (1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- (ii) Be incorporated into the official records of the non-Federal entity;
- (iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities (for IHE, this per the IHE's definition of IBS); . . .
- (vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. . . ."

Cause

Management had not designed or implemented a system of internal controls to ensure compliance with the grant agreement and the Allowable Costs/Cost Principles compliance requirement.

Effect

The failure to establish an effective internal control system enabled noncompliance to go undetected. Noncompliance with the grant agreement and the compliance requirement could have resulted in the loss of federal funds to the School Corporation.

Questioned Costs

There were no questioned costs identified.

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

Recommendation

We recommended that the School Corporation's management establish a system of internal controls to ensure compliance and comply with the Allowable Costs/Cost Principles compliance requirements.

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.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2018-001

Fiscal year in which the finding initially occurred: 2016
Contact Person Responsible for Corrective Action: John Kenny
Contact Phone Number: (812) 330-7700

Status of Audit Finding: Corrected, January 2019

The Director of Business Operations in conjunction with the Grants Budget Manager has implemented the following controls in response to the audit finding:

1. Lack of Segregation of Duties
 - Review all grants reimbursement requests prior to submission. Will make sure that documentation to support the amounts is provided and accurate.
 - Maintain a quarterly submission schedule for reimbursements so that we remain timely in our submissions.
 - Review accounting postings to grants for accuracy so that correcting journal entries are kept to an absolute minimum.
2. Receipts - The Director of Business Operations, in conjunction with the Assistant Director of Business Operations, have developed and implemented a system for timely upload of receipts on a monthly basis to the general ledger. This system has been reviewed and approved by State Board of Accounts personnel during the current audit. Receipts have been posted to the ledger and are current as of December, 2018.
3. Monitoring of Controls - The Director of Business Operations in conjunction with the Grants Budget Manager will set up a process to identify or communicate corrective actions to improve controls. This will include monthly monitoring of grant reports for accuracy.
4. Cash Reconcilements - The Director of Business Operations/Business Office have performed reconcilements through January 2019 currently. We have developed and have implemented internal procedures to remain current on a monthly basis. Per State Board of Accounts directive for all School Districts, the January 2019 cash reconciliations have been uploaded to GATEWAY.

FINDING 2018-002

Fiscal year in which the finding initially occurred: 2016
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Education
Contact Person Responsible for Corrective Action: Hattie Johnson
Contact Phone Number: (812) 349-4762 ext. 40013

Status of Audit Finding: Corrected, August 2018



BOARD OF SCHOOL TRUSTEES

Ms. Cathy Fuentes-Rohwer, President
 Mr. Brandon Shurr, Vice President
 Ms. Elizabeth Ruh, Secretary
 Mrs. Martha Street, Assistant Secretary
 Ms. Jacinda Townsend Gides, Member
 Ms. April Hennessey, Member

ADMINISTRATION

Or. Judith A. OeMuth, Superintendent
 Or. Andrea Mobley, Asst. Superintendent for HR and Operations
 Or. Markay Winston, Asst. Superintendent for Curriculum and Instruction
 Or. Deb Prenkert, Director of Elementary Education
 Mr. Mitch Bratton, Director of Special Education
 Mr. John Kenny, Director of Business Operations
 Mr. Tim Pritchett, Director of Technology

1. MCCSC has established an 8400 account for deposit of all school meal prepayment deposits.
2. Income from meal prepayments are deposited to the 8400 account.
3. Income from cash payments or other sources are deposited to the 0800 account.
4. Food Service daily income report are revised to indicated the following:
 - a. Income from meal prepayments
 - b. Income from cash payments
 - c. Income from other _____
5. The business office transfers earned income from the 8400 account to the 0800 account on a monthly basis.
 - a. Food Service provides documentation to support the total to be transferred by the 5th business day of each month (for the prior month).
 - b. Annually in June, prepayment balances of students who graduate or withdraw from the corporation, transfer to the 0800 account per the district guidelines for policy 8500 section VIII.
 1. Food service provides a listing of students/balances that did not respond as outlined in policy 8500 section VIII.

FINDING 2018-003

Fiscal year in which the finding initially occurred: 2016
 Pass-Through Entity, if pass-through or Federal Granter Agency , if direct: Indiana Department of Education
 Contact Person Responsible for Corrective Action: Hattie Johnson
 Contact Phone Number: (812) 349-4762 ext. 40013

Status of Audit Finding: Corrected, December 31, 2018

The Director of Business Operations has modified the procurement policy to comply with 2 CFR 200.320. Contracts are attached to all purchase orders generated with the requirements of 2 CFR 200.320. In addition, price or rate quotations obtained from an adequate number of sources are attached, if applicable. The Food Services Director verifies that no vendors have been Suspended or Debarred prior to procurement approval.

FINDING 2018-004

Fiscal year in which the finding initially occurred: 2016
 Pass-Through Entity, if pass-through or Federal Granter Agency , if direct: Indiana Department of Education
 Contact Person Responsible for Corrective Action: Hattie Johnson
 Contact Phone Number: (812) 349-4762 ext. 40013

Status of Audit Finding: Corrected, October 31, 2018

The Director of Business Operations has modified the internal control policy with regards to 2 CFR 200.303. The food service Annual Financial report will be compiled by the food service director and reviewed by both the Assistant Director and Director of Business Operations. The annual Financial report will be reconciled to the Form 9.

Verification is an annual process that occurs between October 1st and December 15th of each year. A verification tracking form is being utilized during school year 2018-2019. We will continue use of this documentation to support the verification process. All necessary verification reports will be kept on file in both paper and electronic formatting.



FINDING 2018-005

Fiscal year in which the finding initially occurred : 2018

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

Contact Person Responsible for Corrective Action: Hattie Johnson

Contact Phone Number: (812) 349-4762 ext. 40013

Status of Audit Finding: Corrected, October 31, 2018

The Director of Business Operations in conjunction with the Director of Food Services has developed a process to address internal controls with regards to all Free and Reduced Price Applications in compliance with 2 CFR 200.303. All changes of Free and Reduced status will be reviewed by the Director of Food Service and the Food Service Field Coordinator and will be documented in paper and electronic format.

Verification is an annual process that occurs between October 1st and December 15th of each year. A verification tracking form is being utilized during school year 2018-2019. We will continue use of this documentation to support the verification process. All necessary verification reports will be kept on file in both paper and electronic formatting.

FINDING 2018-006

Fiscal year in which the finding initially occurred: 2016

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

Contact Person Responsible for Corrective Action : Dr. Kathleen Hugo

Contact Phone Number: (812) 330-7700

Status of Audit Finding: Corrected, January, 2020

The Director of Business Operations has modified the procurement policy to comply with 2 CFR 200.320. Contracts are attached to all purchase orders generated with the requirements of 2 CFR 200.320. In addition, price or rate quotations obtained from an adequate number of sources are attached, if applicable. The Director of Special Education verifies that no vendors have been Suspended or Debarred prior to procurement approval.

FINDING 2018-007

Fiscal year in which the finding initially occurred: 2018

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

Contact Person Responsible for Corrective Action: William Luther, Dr. Markay Winston & Laura Threlkeld

Contact Phone Number: (812) 330-7731

Status of Audit Finding: Corrected , October 31, 2018

The Grants Budget Manager has modified the internal control system to stay in compliance with 2 CFR 300.303 and 2 CFR 200.430(i). Personal Activity Reports are maintained by the Grants Budget Manager on a monthly basis and all expense reports related to Grants are sent to the Grants Budget Manager on a weekly basis for reconciliation purposes. All Certifications for a given Grant will be signed and dated in a timely manner.



BOARD OF SCHOOL TRUSTEES

Ms. Cathy Fuentes-Rohwer, President
 Mr. Brandon Shurr, Vice President
 Ms. Elizabeth Ruh, Secretary
 Mrs. Martha Street, Assistant Secretary
 Ms. Jacinda Townsend Gides, Member
 Ms. April Hennessey, Member

ADMINISTRATION

Dr. Judith A. DeMuth, Superintendent
 Dr. Andrea Mobley, Asst. Superintendent for HR and Operations
 Dr. Markay Winston, Asst. Superintendent for Curriculum and Instruction
 Dr. Deb Prekert, Director of Elementary Education
 Mr. Mitch Bratton, Director of Special Education
 Mr. John Kenny, Director of Business Operations
 Mr. Tim Pritchett, Director of Technology

FINDING 2018-008

Fiscal year in which the finding initially occurred: 2016

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

Contact Person Responsible for Corrective Action: William Luther & Dr. Markay Winston

Contact Phone Number: (812) 330-7700

Status of Audit Finding: Corrected, September 30, 2018

The Grants Budget Manager performs the following tasks:

- Reviews all grants reimbursement requests prior to submission. Ensures documentation supporting the amounts is provided and accurate.
- Maintains a quarterly submission schedule for reimbursements so that we remain timely in our submissions.
- Reviews accounting postings on a weekly basis to grants for accuracy so that correcting journal entries are kept to an absolute minimum.

FINDING 2018-009

Fiscal year in which the finding initially occurred: 2018

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

Contact Person Responsible for Corrective Action: William Luther & Dr. Markay Winston

Contact Phone Number: (812) 330-7700

Status of Audit Finding: Corrected, October 31, 2018

The Grants Budget Manager has modified the internal control system to stay in compliance with 2 CFR 300.303 and 2 CFR 200.430(i). Personal Activity Reports are maintained by the Grants Budget Manager on a monthly basis and all expense reports related to Grants are sent to the Grants Budget Manager on a weekly basis for reconciliation purposes. All Certifications for a given Grant will be signed and dated in a timely manner.

FINDING 2018-010

Fiscal year in which the finding initially occurred: 2016

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

Contact Person Responsible for Corrective Action: William Luther & Dr. Markay Winston

Contact Phone Number: (812) 330-7700

Status of Audit Finding: Corrected, September 30, 2018

The Grants Budget Manager performs the following tasks:

- Reviews all grants reimbursement requests prior to submission. Ensures documentation supporting the amounts is provided and accurate.



MONROE COUNTY
COMMUNITY SCHOOL CORPORATION
ENGAGE . EMPOWER . EDUCATE .

BOARD OF SCHOOL TRUSTEES

Ms. Cathy Fuentes-Rohwer, President
Mr. Brandon Shurr, Vice President
Ms. Elizabeth Ruh, Secretary
Mrs. Martha Street, Assistant Secretary
Ms. Jacinda Townsend Gides, Member
Ms. April Hennessey, Member

ADMINISTRATION

Or. Judith A. OelMuth, Superintendent
Or. Andrea Mobley, Asst. Superintendent for HR and Operations
Or. Markay Winston, Asst. Superintendent for Curriculum and Instruction
Or. Deb Prenkert, Director of Elementary Education
Mr. Mitch Bratton, Director of Special Education
Mr. John Kenny, Director of Business Operations
Mr. Tim Pritchett, Director of Technology

- Maintains a quarterly submission schedule for reimbursements so that we remain timely in our submissions.
- Reviews accounting postings on a weekly basis to grants for accuracy so that correcting journal entries are kept to an absolute minimum.

FINDING 2018-011

Fiscal year in which the finding initially occurred: 2018

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

Contact Person Responsible for Corrective Action: William Luther & Dr. Markay Winston

Contact Phone Number: (812) 330-7700

Status of Audit Finding: Corrected, December 31, 2018

The Director of Business Operations has modified the procurement policy to comply with 2 CFR 200.320. Contracts are attached to all purchase orders generated with the requirements of 2 CFR 200.320. In addition, price or rate quotations obtained from an adequate number of sources will be attached, if applicable. The Grants Budget Manager will verify that no vendors have been Suspended or Debarred prior to procurement approval.

FINDING 2018-012

Fiscal year in which the finding initially occurred: 2016

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

Contact Person Responsible for Corrective Action: William Luther & Dr. Markay Winston

Contact Phone Number: (812) 330-7700

Status of Audit Finding: Corrected, December 31, 2018

The Grants Budget Manager has adopted a locally developed written test security policy to ensure compliance with the Special Tests and Provisions - Assessment System Security compliance requirement.

The Corporation has modified its Test Security Protocol to be in line with the Indiana Assessment Program Manual, Chapter 13, Section 9, Part D.

The Corporation Test Coordinator will provide school personnel rosters of those mandated for training and obtain signatures of personnel for test compliance to agree to the personnel rosters.

FINDING 2018-013

Fiscal year in which the finding initially occurred: 2016

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

Contact Person Responsible for Corrective Action: William Luther & Dr. Markay Winston

Contact Phone Number: (812) 330-7700

Status of Audit Finding: Corrected, October 31, 2018

315 E. North Drive, Bloomington, IN 47401 • Ph. (812) 330-7700 • Fax (812) 330-7813 www.mccsc.edu

OUR MISSION: Empowering students to maximize their educational success to become productive, responsible global citizens.



BOARD OF SCHOOL TRUSTEES

Ms. Cathy Fuentes-Rohwer, President
Mr. Brandon Shurr, Vice President
Ms. Elizabeth Ruh, Secretary
Mrs. Martha Street, Assistant Secretary
Ms. Jacinda Townsend Gides, Member
Ms. April Hennessey, Member

ADMINISTRATION

Dr. Judith A. OelMuth, Superintendent
Dr. Andrea Mobley, Asst. Superintendent for HR and Operations
Dr. Markay Winston, Asst. Superintendent for Curriculum and Instruction
Dr. Deb Prenkert, Director of Elementary Education
Mr. Mitch Bratton, Director of Special Education
Mr. John Kenny, Director of Business Operations
Mr. Tim Pritchett, Director of Technology

The Grant Specialist completes semi-annual certifications or other documentation of personnel expenses for employees whose salaries were paid 100 percent out of the grant funds. Also, the Grant Specialist signs and dates the semi-annual certifications after the six month period is completed.

FINDING 2018-014

Fiscal year in which the finding initially occurred: 2016

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

Contact Person Responsible for Corrective Action: William Luther & Dr. Markay Winston

Contact Phone Number: (812) 330-7700

Status of Audit Finding: Corrected, December 31, 2018

The Director of Business Operations has modified the procurement policy to comply with 2 CFR 200.320. Contracts are attached to all purchase orders generated with the requirements of 2 CFR 200.320. In addition, price or rate quotations obtained from an adequate number of sources are attached, if applicable. The Grant Specialist will verify that no vendors have been Suspended or Debarred prior to procurement approval.

FINDING 2018-015

Fiscal year in which the finding initially occurred: 2016

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

Contact Person Responsible for Corrective Action: William Luther & Dr. Markay Winston

Contact Phone Number: (812) 330-7700

Status of Audit Finding: Corrected, September 30, 2018

The Grants Budget Manager performs the following tasks:

- Reviews all grants reimbursement requests prior to submission. Ensures documentation supporting the amounts is provided and accurate.
- Maintains a quarterly submission schedule for reimbursements so that we remain timely in our submissions.
- Reviews accounting postings on a weekly basis to grants for accuracy so that correcting journal entries are kept to an absolute minimum.

FINDING 2018-016

Fiscal year in which the finding initially occurred: 2016

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

Contact Person Responsible for Corrective Action: William Luther & Dr. Markay Winston

Contact Phone Number: (812) 330-7700

Status of Audit Finding: Corrected, September 30, 2018

The Grants Budget Manager performs the following tasks:



MONROE COUNTY
COMMUNITY SCHOOL CORPORATION
ENGAGE. EMPOWER. EDUCATE.

BOARD OF SCHOOL TRUSTEES

Ms. Cathy Fuentes-Rohwer, President
Mr. Brandon Shurr, Vice President
Ms. Elizabeth Ruh, Secretary
Mrs. Martha Street, Assistant Secretary
Ms. Jacinda Townsend Gides, Member
Ms. April Hennessey, Member

ADMINISTRATION

Dr. Judith A. OelMuth, Superintendent
Dr. Andrea Mobley, Asst. Superintendent for HR and Operations
Dr. Markay Winston, Asst. Superintendent for Curriculum and Instruction
Dr. Deb Prenkert, Director of Elementary Education
Mr. Mitch Bratton, Director of Special Education
Mr. John Kenny, Director of Business Operations
Mr. Tim Pritchett, Director of Technology

- Reviews all grants reimbursement requests prior to submission. Ensures documentation supporting the amounts is provided and accurate.
- Maintains a quarterly submission schedule for reimbursements so that we remain timely in our submissions.
- Reviews accounting postings on a weekly basis to grants for accuracy so that correcting journal entries are kept to an absolute minimum.

John Kenny

Director of Business Operations

April 22, 2021



BOARD OF SCHOOL TRUSTEES

Ms. Cathy Fuentes-Rohwer, President
 Mr. Brandon Shurr, Vice President
 Ms. Elizabeth Ruh, Secretary
 Mrs. Martha Street, Assistant Secretary
 Ms. Erin Cooperman, Member
 Ms. Jacinda Townsend Gides, Member
 Ms. April Hennessey, Member

ADMINISTRATION

Dr. Judith A. DeMuth, Superintendent
 Dr. Andrea Mobley, Asst. Superintendent for HR and Operations
 Dr. Markay Winston, Asst. Superintendent for Curriculum and Instruction
 Dr. Deb Prenkert, Director of Elementary Education
 Mr. Mitch Bratton, Director of Special Education
 Mr. John Kenny, Director of Business Operations
 Mr. Tim Pritchett, Director of Technology

CORRECTIVE ACTION PLAN

FINDING 2020-001

Contact Person Responsible for Corrective Action: Hattie Johnson
 Contact Phone Number: (812) 349-4762 ext. 40013

Views of Responsible Official: This finding covers three different issues; Cash Management, Eligibility for Free and Reduced Price Meals, and Verification of Free and Reduced-Price Applications. We concur with the cash management finding. We concur with the portion of the finding that covers documentation of eligibility and documentation of review of the Verifications of Free and Reduced-Price Applications during the school year 2018-19. This finding has been remediated as of the completion dates shown below.

Description of Corrective Action Plan:

For Cash Management, The Director of Business Operations will prepare a spreadsheet that shows we are monitoring the three-month average of School Lunch expenditures and sign and date this spreadsheet.

For Eligibility, The Food Service Director will sign off on the appropriate Forms and worksheets that will then provide documentation that we have provided oversight to our process in place to ensure a student’s eligibility status is calculated correctly.

For Special Tests and Provisions – Verifications of Free and Reduced-Price Applications (NSLP), the Food Service Director will continue the current process that has been in place since July 1, 2019 to document that we are performing the required verification showing oversight, review and approval.

Completion Date: July 1, 2019 for Special Tests and Provision Requirement.
 May 10, 2021 for Eligibility review to ensure eligibility status
 May 10, 2021 for documentation of Cash Management

 (Signature)

 (Title)

 (Date)



MONROE COUNTY
COMMUNITY SCHOOL CORPORATION
ENGAGE. EMPOWER. EDUCATE.

BOARD OF SCHOOL TRUSTEES

Ms. Cathy Fuentes-Rohwer, President
Mr. Brandon Shurr, Vice President
Ms. Elizabeth Ruh, Secretary
Mrs. Martha Street, Assistant Secretary
Ms. Erin Cooperman, Member
Ms. Jacinda Townsend Gides, Member
Ms. April Hennessey, Member

ADMINISTRATION

Dr. Judith A. DeMuth, Superintendent
Dr. Andrea Mobley, Asst. Superintendent for HR and Operations
Dr. Markay Winston, Asst. Superintendent for Curriculum and Instruction
Dr. Deb Prenkert, Director of Elementary Education
Mr. Mitch Bratton, Director of Special Education
Mr. John Kenny, Director of Business Operations
Mr. Tim Pritchett, Director of Technology

CORRECTIVE ACTION PLAN

FINDING 2020-002

Contact Person Responsible for Corrective Action: Hattie Johnson
Contact Phone Number: (812) 349-4762 ext. 40013

Views of Responsible Official: We concur with this finding. This finding has been remediated as of the completion date shown below.

Description of Corrective Action Plan:

The Food Services Director verifies that no vendors have been Suspended or Debarred prior to procurement approval.

Completion Date: January 31, 2020



MONROE COUNTY
COMMUNITY SCHOOL CORPORATION
ENGAGE. EMPOWER. EDUCATE.

BOARD OF SCHOOL TRUSTEES

Ms. Cathy Fuentes-Rohwer, President
Mr. Brandon Shurr, Vice President
Ms. Elizabeth Ruh, Secretary
Mrs. Martha Street, Assistant Secretary
Ms. Erin Cooperman, Member
Ms. Jacinda Townsend Gides, Member
Ms. April Hennessey, Member

ADMINISTRATION

Dr. Judith A. DeMuth, Superintendent
Dr. Andrea Mobley, Asst. Superintendent for HR and Operations
Dr. Markay Winston, Asst. Superintendent for Curriculum and Instruction
Dr. Deb Prenkert, Director of Elementary Education
Mr. Mitch Bratton, Director of Special Education
Mr. John Kenny, Director of Business Operations
Mr. Tim Pritchett, Director of Technology

CORRECTIVE ACTION PLAN

FINDING 2020-003

Contact Person Responsible for Corrective Action: Mitchell Bratton
Contact Phone Number: (812) 330-7700

Views of Responsible Official: We concur with this finding.

Description of Corrective Action Plan:

The Director of Business Operations has modified the procurement policy to comply with 2 CFR 200.320. Contracts are attached to all purchase orders generated with the requirements of 2 CFR 200.320. The Director of Special Education verifies that no vendors have been Suspended or Debarred prior to procurement approval.

Completion Date: January 31, 2020



MONROE COUNTY
COMMUNITY SCHOOL CORPORATION
ENGAGE. EMPOWER. EDUCATE.

BOARD OF SCHOOL TRUSTEES

Ms. Cathy Fuentes-Rohwer, President
Mr. Brandon Shurr, Vice President
Ms. Elizabeth Ruh, Secretary
Mrs. Martha Street, Assistant Secretary
Ms. Erin Cooperman, Member
Ms. Jacinda Townsend Gides, Member
Ms. April Hennessey, Member

ADMINISTRATION

Dr. Judith A. DeMuth, Superintendent
Dr. Andrea Mobley, Asst. Superintendent for HR and Operations
Dr. Markay Winston, Asst. Superintendent for Curriculum and Instruction
Dr. Deb Prenkert, Director of Elementary Education
Mr. Mitch Bratton, Director of Special Education
Mr. John Kenny, Director of Business Operations
Mr. Tim Pritchett, Director of Technology

CORRECTIVE ACTION PLAN

FINDING 2020-004

Contact Person Responsible for Corrective Action: William Luther
Contact Phone Number: (812) 330-7700

Views of Responsible Official: We concur with this finding that evidence of the approval or review of the grant manager prepared reimbursement requests and the final expenditure report could not be provided for audit. The MCCSC has a thorough approval and review for this process. Since the Indiana Dept. of Education changed to a process of single signature submission for Title I, we had not been saving the documentation of this review in our files. This finding has been remediated as of the completion date shown below.

Description of Corrective Action Plan:

The Grants Budget Manager has prepared a form that is signed by the Business Manager after review and approval of the reimbursement requests and the final expenditure reports. This form will provide documentation for auditors that this review and approval has taken place. This Form will be used for all reimbursement requests and the final expenditure reports. We will save this documentation of review and approval and keep it with the packet that is already maintained for each reimbursement request and final expenditure report.

Completion Date: May 10, 2021



MONROE COUNTY
COMMUNITY SCHOOL CORPORATION
ENGAGE. EMPOWER. EDUCATE.

BOARD OF SCHOOL TRUSTEES

Ms. Cathy Fuentes-Rohwer, President
Mr. Brandon Shurr, Vice President
Ms. Elizabeth Ruh, Secretary
Mrs. Martha Street, Assistant Secretary
Ms. Erin Cooperman, Member
Ms. Jacinda Townsend Gides, Member
Ms. April Hennessey, Member

ADMINISTRATION

Dr. Judith A. DeMuth, Superintendent
Dr. Andrea Mobley, Asst. Superintendent for HR and Operations
Dr. Markay Winston, Asst. Superintendent for Curriculum and Instruction
Dr. Deb Prenkert, Director of Elementary Education
Mr. Mitch Bratton, Director of Special Education
Mr. John Kenny, Director of Business Operations
Mr. Tim Pritchett, Director of Technology

CORRECTIVE ACTION PLAN

FINDING 2020-005

Contact Person Responsible for Corrective Action: William Luther
Contact Phone Number: (812) 330-7700

Views of Responsible Official: We concur with this finding. This finding has been remediated as of the completion date shown below.

Description of Corrective Action Plan:

The Grants Budget Manager has modified the internal control system to stay in compliance with 2 CFR 300.303 and 2 CFR 200.430(i). Personal Activity Reports are maintained by the Grants Budget Manager on a monthly basis and all expense reports related to Grants are sent to the Grants Budget Manager on a weekly basis for reconciliation purposes. All Certifications for a given Grant will be signed and dated in a timely manner.

Completion Date: July 1, 2019

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/>.