

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

CENTERVILLE-ABINGTON COMMUNITY SCHOOLS

WAYNE COUNTY, INDIANA

July 1, 2018 to June 30, 2020



FILED
06/23/2021

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Tyna Stover	07-01-18 to 06-30-21
Superintendent of Schools	Philip S. Stevenson Dr. Mike McCoy	07-01-18 to 06-30-20 07-01-20 to 06-30-21
President of the School Board	Bradley J. Lambright Michael T. Duke	07-01-18 to 06-30-20 07-01-20 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 CENTERVILLE-ABINGTON
COMMUNITY SCHOOLS, WAYNE 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 Centerville-Abington Community Schools (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 April 29, 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

April 29, 2021, except for the Schedule of Expenditures
of Federal Awards, for which the date is May 27, 2021



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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 CENTERVILLE-ABINGTON COMMUNITY SCHOOLS, WAYNE COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Centerville-Abington Community Schools (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.

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)

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.

Other Matters

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

The School Corporation's response to the noncompliance finding identified in our audit is described in the accompanying Corrective Action Plan. The School Corporation's response was not subjected to the auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as item 2020-001, that we consider to be material weaknesses.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statement of the School Corporation, as of and for the period of July 1, 2018 to June 30, 2020, and the related notes to the financial statement. We issued our report thereon dated April 29, 2021, which contained a dual opinion on the financial statement. An adverse opinion was issued regarding the presentation in accordance with U.S. Generally Accepted Accounting Principles, and an unmodified opinion was issued regarding the presentation in accordance with the Regulatory Basis of Accounting. Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement as a whole.

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

May 27, 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.

CENTERVILLE-ABINGTON COMMUNITY SCHOOLS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2019 and 2020

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-19	Total Federal Awards Expended 06-30-19	Passed Through to Subrecipient 06-30-20	Total Federal Awards Expended 06-30-20
<u>Department of Agriculture</u>							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553					
School Breakfast			FY 2020	\$ -	\$ 75,352	\$ -	\$ -
School Breakfast			FY 2020	-	-	-	89,311
Total - School Breakfast Program				-	75,352	-	89,311
National School Lunch Program							
National School Lunch Program	Indiana Department of Education	10.555					
National School Lunch Program			FY 2019	-	374,712	-	-
Commodities			FY 2020	-	-	-	214,319
				-	62,165	-	56,354
Sub-Total - National School Lunch Program				-	436,877	-	270,673
COVID-19 - National School Lunch Program							
National School Lunch Program	Indiana Department of Education	10.555					
			FY 2020	-	-	-	110,872
Total - National School Lunch Program				-	436,877	-	381,545
Total - Child Nutrition Cluster				-	512,229	-	470,856
Total - Department of Agriculture				-	512,229	-	470,856
<u>Department of Education</u>							
Special Education Cluster (IDEA)							
Special Education Grants to States							
17-18 CFSS	Indiana Department of Education	84.027					
18-19 CFSS			18611-065-PN01	-	119,551	-	-
19-20 CFSS			19611-065-PN01	-	303,720	-	107,641
			20611-065-PN01	-	-	-	313,517
Total - Special Education Grants to States				-	423,271	-	421,158
Special Education Preschool Grants							
18-19 CFSS Special Ed Preschool Grant	Indiana Department of Education	84.173					
19-20 CFSS Special Ed Preschool Grant			20619-068-PN01	-	10,345	-	-
			20619-068-PN01	-	-	-	13,994
Total - Special Education Preschool Grants				-	10,345	-	13,994
Total - Special Education Cluster (IDEA)				-	433,616	-	435,152
Title I Grants to Local Educational Agencies							
Title I 2018-2019	Indiana Department of Education	84.010					
			S0101A180014	-	181,402	-	-

CENTERVILLE-ABINGTON COMMUNITY SCHOOLS
 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			S0101A180014	-	-	-	193,871
Title I 2019-2020			S010A190014	-	-	-	199,297
Total - Title I Grants to Local Educational Agencies				-	181,402	-	393,168
Supporting Effective Instruction State Grants Title II	Indiana Department of Education	84.367	S367A190013	-	50,422	-	-
Total - Supporting Effective Instruction State Grants				-	50,422	-	-
Rural Education	Indiana Department of Education	84.358					
Rural Low-Income School Grant Program			S424A180015	-	16,422	-	-
Rural Low-Income School Grant Program			S424A180015	-	-	-	19,207
Total - Rural Education				-	16,422	-	19,207
Student Support and Academic Enrichment Program	Indiana Department of Education	84.424					
Title IV 18-19			S424A170015	28,296	61,113	-	38,887
Title IV A 18-20			S424A180015	-	-	-	22,110
Title IV A 19-21			S424A190015	-	-	-	543
Total - Student Support and Academic Enrichment Program				28,296	61,113	-	61,540
Total - Department of Education				28,296	742,975	-	909,067
<u>Department of Health and Human Services</u>							
Medicaid Cluster							
Medical Assistance Program	Indiana Department of Education	93.778					
IndianaMAC			DS #A58-1-11DL-04	-	28,986	-	-
IndianaMAC			DS #A58-1-11DL-04	-	-	-	33,660
Total - Medicaid Cluster				-	28,986	-	33,660
Total - Department of Health and Human Services				-	28,986	-	33,660
Total federal awards expended				\$ 28,296	\$ 1,284,190	\$ -	\$ 1,413,583

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

CENTERVILLE-ABINGTON COMMUNITY SCHOOLS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the years ended June 30, 2019 and 2020. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position of the School Corporation.

The Uniform Guidance requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$750,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with Indiana Code (IC 5-11-1-25), audits of school corporations shall be conducted biennially. Such audits shall include both years within the biennial period.

B. Other Significant Accounting Policies

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received.

Note 2. Indirect Cost Rate

The School Corporation has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3. Special Education Cooperative

The School Corporation is a member of the Centerville Fayette Special Services Cooperative (Cooperative). As a result, some activity for the Special Education Cluster (IDEA) that is presented as federal awards expended in the SEFA is not presented as receipts and disbursements in the financial statement of the School Corporation. This activity is reported on the financial statement of the Cooperative.

CENTERVILLE-ABINGTON COMMUNITY SCHOOLS
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
84.010	Child Nutrition Cluster Title I Grants to Local Educational Agencies	Unmodified Unmodified

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

Auditee qualified as low-risk auditee?	no
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Section II - Financial Statement Findings

No matters are reportable.

CENTERVILLE-ABINGTON COMMUNITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III - Federal Award Findings and Questioned Costs

FINDING 2020-001

Subject: Child Nutrition Cluster - Procurement
Federal Agency: Department of Agriculture
Federal Programs: 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: Procurement and Suspension and Debarment
Audit Findings: Material Weakness, Other Matters

Condition and Context

An effective internal control system was not in place at the School Corporation to ensure compliance with requirements related to the grant agreement and the procurement requirements of the Procurement and Suspension and Debarment compliance requirement.

The School Corporation was a member of HPS, LLC (a GPO) which solicited, evaluated, and awarded bids for commodities and cafeteria products on behalf of its members. The Indiana Department of Education considered a GPO as a single source for the goods procured by the members of the Service Center. Therefore, the pricelist provided by this organization for goods and services counted as one of the required number of sources.

The School Corporation did not obtain price or rate quotations from additional qualified sources for the purchase of commodities and cafeteria products beyond those provided by the GPO. Therefore, the School Corporation did not obtain price or rate quotations from an adequate number of sources for purchases of goods or services exceeding \$10,000 which fell under the small purchase procedures. Additionally, no sealed bids were obtained for purchases of goods or services exceeding the \$150,000 simplified acquisition threshold.

The lack of 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). . . ."

CENTERVILLE-ABINGTON COMMUNITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 200.320 states in part:

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

(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 do 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.

(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. . . ."

Cause

Management had not developed a system of internal controls that would have ensured compliance with the grant agreement and the procurement requirements.

Effect

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement and the procurement requirements could have resulted in the loss of 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 to ensure compliance and comply with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

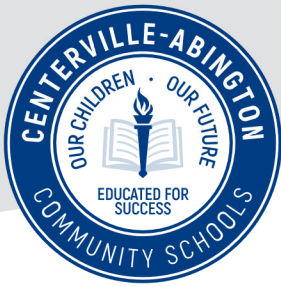
Views of Responsible Officials

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

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AUDITEE-PREPARED DOCUMENTS

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



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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2018-001

Fiscal year in which the finding initially occurred: FY 2016/2017, FY 2017/2018

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

Contact Person Responsible for Corrective Action: Mark Campbell, Assistant Superintendent (Retired 02/05/2021) Sean Stevenson, Assistant Superintendent (Hired 03/31/2021) Tyna Stover, Corporation Treasurer

Contact Phone Number: 765-855-3475

Cash Management

Status of Audit Finding: A three month average expenditure calculation is done per guidance from the Indiana Department of Education. Specifically, the average monthly operation expenses are divided by the prior year expenses total, as reported on the Annual Financial Report, and multiplied by three. The Board of School Trustees receives a quarterly lunch fund report. The report includes the three month average expenditures total. The Board of School Trustees approves the report presented for consideration.

Eligibility

Policy #8501 includes instructions for the second audit that is performed by an additional employee that is not the original approver. This employee reviews 20% of all students enrolled in the school corporation to verify accuracy. This employee also reviews every fifth student in alphabetical order until the 20% benchmark is reached. A copy of policy #8501 is attached.

Program Income

The Deputy Treasurer completes the worksheet used to calculate advanced sales transfer to the lunch fund. The worksheet is emailed to the FSD for review and approval. The email with the approval is printed and attached to the monthly reports for the transfer.

Reporting

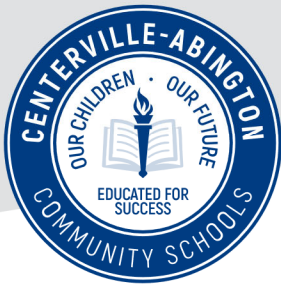
The Deputy Treasurer completes the claim for reimbursement of free & reduced meals and emails the claim to the FSD for review and approval. The emails with the approval will be printed and attached to the monthly reports for the reimbursement. The same process will be followed for the Annual Financial Report. The FSD will review and approve the AFR. The emails with the approval will be printed and attached to the AFR. The Administrative Assistant inputs all data on the IDOE website for the Verification Summary Report of free and reduced meals. The Administrative Assistant then emails the report the FSD for review and approval. The email with the approval is printed and attached to the Verification Summary Report.

Special Tests & Provisions

The FSD prepares the Paid Lunch Equity tool using the provided IDOE spreadsheet. The report and tools is sent to the Assistant Superintendent for review of accuracy. The determination of future lunch



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pricing will be discussed by the FSD and Assistant Superintendent. A recommendation is then presented to the Board of School Trustees for approval.

Completion Date

The above processes were implemented in April of 2019 and are conducted according to each schedule.

FINDING 2018-002

Fiscal year in which the finding initially occurred: FY 2016/2017, FY 2017/2018

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

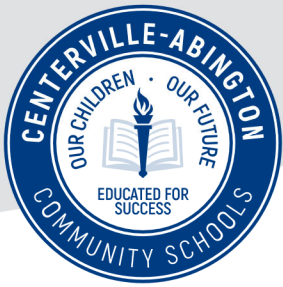
Contact Person Responsible for Corrective Action: Mark Campbell, Assistant Superintendent (Retired 02/05/2021) Sean Stevenson, Assistant Superintendent (Hired 03/31/2021) Tyna Stover, Corporation Treasurer

Contact Phone Number: 765-855-3475

Status of Audit Finding: The internal controls for Procurement Suspension and Debarment of vendors of the National School Lunch Program have been implemented and followed as scheduled. A change of personnel throughout the school corporation including the FSD and Assistant Superintendent has taken place. Both of these positions were filled with qualified individuals that have been made aware of these requirements and will continue to complete the procedures as required.



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CORRECTIVE ACTION PLAN

FINDING 2020-001

Contact Person Responsible for Corrective Action: Sean Stevenson, Assistant Superintendent & Tyna Stover, Corporation Treasurer

Contact Phone Number: 765-855-3475

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: The Food Service Director will obtain price or rate quotations from additional qualified sources for the purchase of commodities and cafeteria goods & services \$10,000 which fall under the small purchase and purchases exceeding the simplified acquisition threshold procedures beyond those product prices & rate quotations provided by HPS LLC.

Anticipated Completion Date: This will begin with obtaining prices & rate quotations for the 2021-2022 school year.

Sean Stevenson, Assistant Superintendent

Tyna M. Stover, Corporation Treasurer

JUN 01 2021

Date



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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/>.