

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK

GREENE COUNTY, INDIANA

July 1, 2018 to June 30, 2020



FILED

06/23/2021

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with <i>Government Auditing Standards</i>	3-4
Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	5-7
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards	10-11
Notes to Schedule of Expenditures of Federal Awards.....	12
Schedule of Findings and Questioned Costs.....	13-15
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings.....	18-19
Corrective Action Plan	20
Other Reports.....	21

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Jennifer Barcus	07-01-18 to 06-30-21
Superintendent of Schools	Daniel Noel Nick Karazsia (interim) Jeff Gambill Nick Karazsia (interim)	07-01-18 to 11-13-19 11-14-19 to 12-31-20 01-01-21 to 05-06-21 05-07-21 to 06-30-21
President of the School Board	Jeffery Miller Robert Wise	07-01-18 to 12-31-20 01-01-21 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 METROPOLITAN SCHOOL DISTRICT
OF SHAKAMAK, GREENE 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 Metropolitan School District of Shakamak (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 June 2, 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

June 2, 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 METROPOLITAN SCHOOL DISTRICT
OF SHAKAMAK, GREENE COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Metropolitan School District of Shakamak's (School Corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the period of July 1, 2018 to June 30, 2020. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School Corporation's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School Corporation's compliance.

Opinion on Each Major Federal Program

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the period of July 1, 2018 to June 30, 2020.

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

Other Matters

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

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.

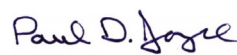
The School Corporation's response to the internal control over compliance finding identified in our audit is described in the accompanying Corrective Action Plan. The School Corporation's response was not subjected to the auditing procedures applied in the audit of compliance, and, accordingly, we express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

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 June 2, 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

June 2, 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.

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK
 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	FY 18-19	\$ -	\$ 63,278	\$ -	\$ -
School Breakfast Program			FY 19-20	-	-	-	47,728
School Breakfast Program							
COVID-19 - School Breakfast Program	Indiana Department of Education	10.553	FY19-20	-	-	-	9,963
School Breakfast Program							
Total - School Breakfast Program				-	63,278	-	57,691
National School Lunch Program							
School Lunch Program	Indiana Department of Education	10.555	FY 18-19	-	181,511	-	-
School Lunch Program			FY 19-20	-	-	-	128,424
School Snack Program			FY 18-19	-	5,380	-	-
School Snack Program			FY 19-20	-	-	-	3,551
Commodities			FY 18-19	-	29,604	-	-
Commodities			FY 19-20	-	-	-	29,287
Subtotal - National School Lunch Program				-	216,495	-	161,262
COVID-19 - National School Lunch Program	Indiana Department of Education	10.555	FY19-20	-	-	-	19,626
National School Lunch Program							
Total - National School Lunch Program				-	216,495	-	180,888
Total - Child Nutrition Cluster				-	279,773	-	238,579
Total Department of Agriculture				-	279,773	-	238,579
Department of Education							
Special Education Cluster (IDEA)							
Special Education Grants to States							
FY2017 Federal Part B 611	Indiana Department of Education	84.027	14217-022-PN01	-	12,521	-	-
FY2018 Federal Part B 611			14218-022-PN01	-	37,794	-	-
FY2018 Federal Part B 611			18611-022-PN01	-	-	-	633
FY2019 Federal Part B 611			19611-022-PN01	-	162,209	-	-
FY2019 Federal Part B 611			19611-022-PN01	-	-	-	11,931
FY2020 Federal Part B 611			20611-022-PN01	-	-	-	160,083
Total - Special Education Grants to States				-	212,524	-	172,647
Special Education Preschool Grants							
FY2020 Federal Preschool 619	Indiana Department of Revenue	84.173	18619-022-PN01	-	-	-	6,385
FY2018 Federal Preschool 619			18619-022-PN01	-	11,484	-	-
FY2018 Federal Preschool 619			18619-022-PN01	-	-	-	784
FY2019 Federal Preschool 619			19619-022-PN01	-	2,408	-	-
FY2019 Federal Preschool 619			19619-022-PN01	-	-	-	32,890
Total - Special Education Preschool Grants				-	13,892	-	40,059
Total - Special Education Cluster (IDEA)				-	226,416	-	212,706
Title I Grants to Local Educational Agencies							
Title I FY2017-2018	Indiana Department of Education	84.010	S010A150014	-	41,616	-	-
Title I FY2018-2019			S010A170014	-	185,934	-	-

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK
 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 FY2018-2019			S010A170014	-	-	-	48,601
Title I FY2019-2020			S010A190014	-	-	-	147,124
Total - Title I Grants to Local Educational Agencies				-	227,550	-	195,725
Twenty-First Century Community Learning Centers	Indiana Department of Education	84.287					
21st CCLC Year 2			S287C170014	-	124,057	-	-
21st CCLC Year 2			S287C170014	-	-	-	13,196
21st CCLC Year 3			S287C180014	-	-	-	93,049
Total - Twenty-First Century Community Learning Centers				-	124,057	-	106,245
Gaining Early Awareness and Readiness for Undergraduate Programs	Indiana Department of Education	84.334					
FY19			P334S160023	-	679	-	-
FY20			P334S160023	-	-	-	5,443
Total - Gaining Early Awareness and Readiness for Undergraduate Programs				-	679	-	5,443
Rural Education	Indiana Department of Education	84.358					
Rural/Low FY17			S358B0170014	-	9,778	-	-
Rural/Low FY18			S424A180015	-	6,510	-	-
Rural/Low FY18			S424A180015	-	-	-	9,421
Total - Rural Education				-	16,288	-	9,421
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367					
Title IIA CSR FY17			S367A170013	-	659	-	-
Title IIA CSR FY18			S367A180013	-	14,733	-	-
Title IIA CSR FY18			S367A180013	-	-	-	12,857
Title IIA CSR FY19			S367A190013	-	-	-	29,521
Total - Supporting Effective Instruction State Grants				-	15,392	-	42,378
Student Support and Academic Enrichment Program	Indiana Department of Revenue	84.424					
Title IV FY19			S367A190013	-	-	-	16,664
Title IV FY18			S424A180015	-	16,384	-	-
Total - Student Support and Academic Enrichment Program				-	16,384	-	16,664
Total - Department of Education				-	626,766	-	588,582
Department of Health and Human Services							
Medicaid Cluster	Indiana Department of Education	93.778					
Medical Assistance Program							
Medicaid Federal			FY 2019	-	2,293	-	-
Medicaid Federal			FY 2020	-	-	-	5,180
Total - Medicaid Cluster				-	2,293	-	5,180
Total - Department of Health and Human Services				-	2,293	-	5,180
Total federal awards expended				\$ -	\$ 908,832	\$ -	\$ 832,341

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

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK
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 Greene-Sullivan Special Education Cooperative (Cooperative), which operates the special education program for the School Corporation. As a result, some activity for the Special Education Cluster (IDEA) that is presented on the SEFA is not presented as receipts and disbursements in the financial statement of the School Corporation. This activity is reported on the financial statement of the Cooperative.

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	yes

Identification of Major Programs and type of auditor's report issued on compliance for each:

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

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

Auditee qualified as low-risk auditee?	no
--	----

Section II - Financial Statement Findings

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

FINDING 2020-001

Subject: Child Nutrition Cluster - Cash Management
 Federal Agency: Department of Agriculture
 Federal Programs: School Breakfast Program, COVID-19 - School Breakfast Program, National School Lunch Program, COVID-19 - National School Lunch Program
 CFDA Numbers: 10.553, 10.555
 Federal Award Numbers and Years (or Other Identifying Numbers): FY 18-19, FY 19-20
 Pass-Through Entity: Indiana Department of Education
 Compliance Requirement: Cash Management
 Audit Findings: Material Weakness, Other Matters

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Repeat Finding

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2018-003.

Condition and Context

An effective internal control system was not in place at the School Corporation to ensure that the School Lunch fund monthly cash balance, which is the net cash resources, did not exceed the three months average expenditures.

The School Corporation's cash balance (net cash resources), exceeded the three months average expenditures for 19 of the 24 months of the audit period. In addition, the School Corporation did not submit a plan to the Indiana Department of Education for the spend down of the excessive cash balance.

The lack of internal controls and noncompliance were 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). . . ."

7 CFR 210.14(b) states: "*Net cash resources.* The school food authority shall limit its net cash resources to an amount that does not exceed 3 months average expenditures for its nonprofit school food service or such other amount as may be approved by the State agency in accordance with § 210.19(a)."

7 CFR 220.7(e) states in part:

". . . the School Food Authority shall, with respect to participating schools under its jurisdiction:
. . .

(iv) Limit its net cash resources to an amount that does not exceed three month average expenditure for its nonprofit school food service or such other amount as may be approved by the State agency; and . . ."

Cause

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

Effect

The failure to establish as 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.

METROPOLITAN SCHOOL DISTRICT OF SHAKAMAK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish a system of internal controls to ensure compliance and comply with the grant agreement and the Cash Management compliance requirement.

Views of Responsible Officials

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

(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.

JEFF GAMBILL, SUPERINTENDENT
JENNIFER E. BARCUS, CORPORATION TREASURER
BRENDA E. CULLER, PAYROLL-DEPUTY TREASURER



BOARD OF SCHOOL TRUSTEES
ROBERT WISE
JOHN F. GAMBILL
JAMES E. GADBERRY
JODI L. BARTON
DAVID M. SMITH

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2018-001

Fiscal year in which the finding initially occurred: 2018

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

Contact Person Responsible for Corrective Action: Jennifer Barcus, Corporation Treasurer; Tammy Street, Cafeteria Supervisor

Contact Phone Number: 812-665-3550

Status of Audit Finding: Corrected

FINDING 2018-002

Fiscal year in which the finding initially occurred: 2018

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

Contact Person Responsible for Corrective Action: Tammy Street, Cafeteria Supervisor

Contact Phone Number: 812-665-3550

Status of Audit Finding: Corrected

FINDING 2018-003

Fiscal year in which the finding initially occurred: 2018

Pass-through entity, if pass-through or Federal Grantor Agency, if direct: Indiana Dept. of Education

Contact Person Responsible for Corrective Action: Jennifer Barcus, Corporation Treasurer; Tammy Street, Cafeteria Supervisor

Status of Audit Finding: Partially Corrected

This has only been partially corrected. We have implemented controls but we still didn't submit a spend down plan as required since we had an excessive cash balance.

FINDING 2018-004

Fiscal year in which the finding initially occurred: 2018

Pass-through entity, if pass-through or Federal Grantor Agency, if direct: Indiana Dept. of Education

Contact Person Responsible for Corrective Action: Jennifer Barcus, Corporation Treasurer; Tammy Street, Cafeteria Supervisor

Status of Audit Finding: Corrected

FINDING 2018-005

Fiscal year in which the finding initially occurred: 2018

Pass-through entity, if pass-through or Federal Grantor Agency, if direct: Indiana Dept. of Education

Contact Person Responsible for Corrective Action: Jennifer Barcus, Corporation Treasurer; Jeff Gambill & Brenton Anderson, Building Administrators

Status of Audit Finding: Corrected

JEFF GAMBILL, SUPERINTENDENT
JENNIFER E. BARCUS, CORPORATION TREASURER
BRENDA E. CULLER, PAYROLL-DEPUTY TREASURER



BOARD OF SCHOOL TRUSTEES
ROBERT WISE
JOHN F. GAMBILL
JAMES E. GADBERRY
JODI L. BARTON
DAVID M. SMITH

CORRECTIVE ACTION PLAN

FINDING 2020-001

Contact Person Responsible for Corrective Action: Jennifer Barcus, Corporation Treasurer; Tammy Street, Cafeteria Supervisor

Contact Phone Number: 812-665-3550

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

1. (Lack of Internal Controls to ensure compliance - Cash Management) The Cafeteria Supervisor and the Corporation Treasurer will review the monthly cash balances in the School Lunch Fund, noting if the amount exceeds three months average expenditures. If the net cash resources exceed three months average expenditures, the Corporation will submit a detailed plan with a timeline, to the IDOE.

Anticipated Completion Date:

2. The Cafeteria Supervisor and the Corporation Treasurer began reviewing the monthly cash balance in the School Lunch Fund, in August 2018. The Cafeteria and Corporation Treasurer will begin submitting a detailed plan with timeline to the IDOE, in June 2021.

OTHER REPORTS

In addition to this report, other reports may have been issued for the School Corporation. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.