

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

MANCHESTER COMMUNITY SCHOOLS

WABASH COUNTY, INDIANA

July 1, 2018 to June 30, 2020



**FILED**  
06/24/2021



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Transmittal Letter .....	3
Audit Result and Comment: Overdrawn Cash Balances .....	4
Exit Conference .....	5

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Jeremy A. Markham	07-01-18 to 06-30-21
Superintendent of Schools	Michael E. Pettibone (interim)	07-01-18 to 12-31-18
	Russ Mikel (interim)	01-01-19 to 05-31-19
	Dr. Teresa Gremaux	06-01-19 to 06-30-21
President of the School Board	Stephen D. Flack	07-01-18 to 12-31-18
	Ruth Ayers	01-01-19 to 12-31-20
	David W. Terflinger	01-01-21 to 06-30-21



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

TO: THE OFFICIALS OF THE MANCHESTER COMMUNITY SCHOOLS, WABASH COUNTY, INDIANA

This report is supplemental to our audit report of the Manchester Community Schools (School Corporation), for the period from July 1, 2018 to June 30, 2020. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the School Corporation. It should be read in conjunction with our Financial Statement Audit Report of the School Corporation, which provides our opinions on the School Corporation's financial statement. This report may be found at [www.in.gov/sboa/](http://www.in.gov/sboa/).

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit Result and Comment contained herein describes the identified reportable instance of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Official Response to the Audit Result and Comment, incorporated within this report, was not verified for accuracy.

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

June 9, 2021

MANCHESTER COMMUNITY SCHOOLS  
AUDIT RESULT AND COMMENT

**OVERDRAWN CASH BALANCES**

*Condition and Context*

The financial statement presented for audit included the following funds with overdrawn cash balances at June 30, 2019 and 2020, which were not attributed to timing of reimbursements.

Fund	Amount Overdrawn June 30, 2019	Amount Overdrawn June 30, 2020
School Lunch	\$ 40,380	\$ 92,218
Curricular Materials Rental	49,509	-
Retirement/Severance Bond Debt Service	-	24,708

*Criteria*

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the unit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 1)

MANCHESTER COMMUNITY SCHOOLS  
EXIT CONFERENCE

The contents of this report were discussed on June 9, 2021, with Jeremy A. Markham, Treasurer; Darla Cain, Assistant Treasurer; and David W. Terflinger, President of the School Board.