

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

BEECH GROVE CITY SCHOOLS

MARION COUNTY, INDIANA

July 1, 2018 to June 30, 2020



**FILED**  
07/12/2021



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Cathy Statzer Kathy Comado	07-01-18 to 05-14-21 05-15-21 to 06-30-21
Superintendent of Schools	Paul A. Kaiser, Ph.D. (Vacant) Dr. Laura Hammack	07-01-18 to 03-31-21 04-01-21 to 05-31-21 06-01-21 to 06-30-21
President of the School Board	Christa Smiley April McManus	01-01-18 to 12-31-18 01-01-19 to 12-31-21



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 BEECH GROVE CITY SCHOOLS, MARION 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 Beech Grove City 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 June 15, 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, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2020-001 and 2020-002, that we consider to be material weaknesses.

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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2020-001.

***Beech Grove City Schools' Response to Findings***

The School Corporation's response to the 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 the financial statement, and, accordingly, we express no opinion on it.

***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 15, 2021



**STATE OF INDIANA**  
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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 BEECH GROVE CITY SCHOOLS, MARION COUNTY, INDIANA

**Report on Compliance for Each Major Federal Program**

We have audited the Beech Grove City 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. Except as discussed below, 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.

***Basis for Qualified Opinion on Title I Grants to Local Educational Agencies***

As described in item 2020-003 in the accompanying Schedule of Findings and Questioned Costs, we were unable to obtain sufficient appropriate audit evidence supporting compliance of the School Corporation with Title I Grants to Local Educational Agencies regarding Matching, Level of Effort, Earmarking. Consequently, we were unable to determine whether the School Corporation complied with those requirements applicable to the program.

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)

***Qualified Opinion on Title I Grants to Local Educational Agencies***

In our opinion, except for possible effects of the matter described in the *Basis for Qualified Opinion on Title I Grants to Local Educational Agencies* paragraph, 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 Title I Grants to Local Educational Agencies for the period of July 1, 2018 to June 30, 2020.

***Basis for Qualified Opinion on Child Nutrition Cluster***

As described in item 2020-004 in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with requirements regarding Program Income that are applicable to its Child Nutrition Cluster program. Compliance with such requirements is necessary, in our opinion, for the School Corporation to comply with the requirements applicable to that program.

***Qualified Opinion on Child Nutrition Cluster***

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Child Nutrition Cluster* paragraph, 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 Child Nutrition Cluster for the period of July 1, 2018 to June 30, 2020.

***Unmodified Opinion on Each of the Other Major Federal Programs***

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 other major federal programs identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs 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 2020-006. 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.

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)

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 2020-003, 2020-004, 2020-005, and 2020-006, 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.

### **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 15, 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 15, 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.

BEECH GROVE CITY 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	Total Federal Awards Expended 06-30-19	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			FY2019	\$ 380,652	\$ -
School Breakfast			FY2020	-	261,680
COVID-19 - School Breakfast Program	Indiana Department of Education	10.553			
School Breakfast			FY2020	-	19,287
Total - School Breakfast Program				<u>380,652</u>	<u>280,967</u>
National School Lunch Program	Indiana Department of Education	10.555			
School Lunch			FY2019	909,431	-
After School Snack Program			FY2019	19,702	-
Commodities			FY2019	118,187	-
School Lunch			FY2020	-	602,661
After School Snack Program			FY2020	-	17,122
Commodities			FY2020	-	114,578
Sub-total - National School Lunch Program				<u>1,047,320</u>	<u>734,361</u>
COVID-19 - National School Lunch Program	Indiana Department of Education	10.555			
School Lunch			FY2020	-	43,911
Total - National School Lunch Program				<u>1,047,320</u>	<u>778,272</u>
Summer Food Service Program for Children	Indiana Department of Education	10.559			
Summer Food Service			FY2019	15,230	-
Summer Food Service			FY2020	-	15,390
COVID-19 - Summer Food Service Program for Children	Indiana Department of Education	10.559			
Summer Food Service			FY2020	-	247,354
Total - Summer Food Service Program for Children				<u>15,230</u>	<u>262,744</u>
Total - Child Nutrition Cluster				<u>1,443,202</u>	<u>1,321,983</u>
Child and Adult Care Food Program	Indiana Department of Education	10.558			
Supper Program			FY2019	86,473	-
Supper Program			FY2020	-	135,046
Total - Child and Adult Care Food Program				<u>86,473</u>	<u>135,046</u>
Total - Department of Agriculture				<u>1,529,675</u>	<u>1,457,029</u>
<u>Department of Education</u>					
Special Education Cluster (IDEA)					
Special Education Grants to States	Indiana Department of Education	84.027			
IDEA Part B			14217-051-PN01	121	-
IDEA Part B			18611-051-PN01	182,646	-

BEECH GROVE CITY 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	Total Federal Awards Expended 06-30-19	Total Federal Awards Expended 06-30-20
IDEA Part B			19611-051-PN01	363,162	362,326
IDEA Part B			20611-145-PN01	-	660,855
Total - Special Education Grants to States				<u>545,929</u>	<u>1,023,181</u>
Special Education Preschool Grants	Indiana Department of Education	84.173			
IDEA Preschool			18619-051-PN01	8,440	11,565
IDEA Preschool			19619-051-PN01	-	6,682
Total - Special Education Preschool Grants				<u>8,440</u>	<u>18,247</u>
Total - Special Education Cluster (IDEA)				<u>554,369</u>	<u>1,041,428</u>
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010			
Title I Grant			S010A170014	260,601	-
Title I Grant			S010A180014	486,917	236,799
Title I Grant			S010A190014	-	462,741
Total - Title I Grants to Local Educational Agencies				<u>747,518</u>	<u>699,540</u>
English Language Acquisition State Grants	Indiana Department of Education	84.365			
Title III			S365A160014	10,205	-
Title III			S365A170014	8,243	777
Total - English Language Acquisition State Grants				<u>18,448</u>	<u>777</u>
Supporting Effective Instruction State Grants	Indiana Department of Education	84.367			
Title II Part A			S367A170013	50,094	-
Title II Part A			S367A180013	74,312	35,310
Title II Part A			S367A190013	-	74,102
Total - Supporting Effective Instruction State Grants				<u>124,406</u>	<u>109,412</u>
Student Support and Academic Enrichment Program	Indiana Department of Education	84.424			
Title IV			S424A180015	29,838	-
Total - Department of Education				<u>1,474,579</u>	<u>1,851,157</u>
<u>Department of Health and Human Services</u>					
Medicaid Cluster					
Medical Assistance Program					
INMAC	Indiana Department of Education	93.778	FY2019	59,531	-
INMAC			FY2020	-	67,239
IEP	Indiana Family and Social Services Administration		FY2020	-	17,458
Total - Supporting Effective Instruction State Grant				<u>59,531</u>	<u>84,697</u>
Total federal awards expended				<u>\$ 3,063,785</u>	<u>\$ 3,392,883</u>

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

BEECH GROVE CITY 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.

BEECH GROVE CITY 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?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	yes

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>
	Child Nutrition Cluster	Qualified
	Special Education Cluster (IDEA)	Unmodified
84.010	Title I Grants to Local Educational Agencies	Qualified

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**

**FINDING 2020-001**

Subject: Preparation of the Schedule of Expenditures of Federal Awards  
Audit Findings: Material Weakness, Noncompliance

*Repeat Finding*

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2018-001.

*Condition and Context*

The School Corporation had not established an internal control system over the federal award information entered into the Indiana Gateway for Government Units financial reporting system, which was the source of the School Corporation's Schedule of Expenditures of Federal Awards (SEFA).

BEECH GROVE CITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

The School Corporation did not have a proper system of internal controls in place to prevent, or detect and correct, errors on the SEFA.

Due to the lack of internal controls, the SEFA presented for audit included the following errors:

1. The National School Lunch Program Commodities were overstated for fiscal year 2018-2019 by \$9,737 and 2019-2020 by \$6,284.
2. The Summer Food Service Program for Children expenditures were understated for 2018-2019 by \$5,140 and overstated for 2019-2020 by \$50,762.
3. The Child and Adult Care Food program expenditures were understated for 2019-2020 by \$8,787.
4. The Special Education Grants to States expenditures were understated for 2018-2019 by \$125,536 and for 2019-2020 by \$362,326.
5. The Special Education Preschool Grants expenditures were understated for 2018-2019 by \$3,429 and for 2019-2020 by \$11,565.
6. The Title I Grants to Local Educational Agencies expenditures were overstated for 2018-2019 by \$50,513.
7. The Student Support and Academic Enrichment Program expenditures were overstated for 2019-2020 by \$8,518.
8. The Medical Assistance program was omitted, which understated expenditures for 2019-2020 by \$84,697.
9. Other errors included immaterial amounts on other programs, incorrect program names, and incorrect identifying numbers.

Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA presented in this report.

*Criteria*

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

BEECH GROVE CITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

2 CFR 200.303 states in part:

"The non-Federal entity must:

- (a) Establish and maintain effective internal control . . ."

2 CFR 200.62 states in part:

*"Internal control over compliance requirements for Federal awards* means a process implemented by a non-Federal entity designed to provide reasonable assurance regarding the achievement of the following objectives for Federal awards:

- (a) Transactions are properly recorded and accounted for, in order to:
  - (1) Permit the preparation of reliable financial statements . . ."

2 CFR 200.508 states in part:

"The auditee must: . . .

- (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with § 200.510 Financial statements. . . ."

2 CFR 200.510(b) states:

*"Schedule of expenditures of Federal awards.* The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502 Basis for determining Federal awards expended. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available. For a cluster of programs also provide the total for the cluster.

BEECH GROVE CITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

- (4) Include the total amount provided to subrecipients from each Federal program.
- (5) For loan or loan guarantee programs described in § 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.
- (6) Include notes that describe that significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in § 200.414 Indirect (F&A) costs."

*Cause*

Management had not established a system of internal controls that would have ensured proper reporting of the SEFA.

*Effect*

Without a proper system of internal controls in place that operated effectively, material misstatements of the SEFA remained undetected. The SEFA contained the errors identified in the *Condition and Context*.

*Views of Responsible Officials*

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

**FINDING 2020-002**

Subject: Financial Transactions and Reporting  
Audit Finding: Material Weakness

*Condition and Context*

There were deficiencies in the internal control system of the School Corporation related to financial transactions and reporting. The School Corporation had not separated incompatible activities related to receipts. The School Corporation had one person issue and post receipts without an oversight or review process.

*Criteria*

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

BEECH GROVE CITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

*Cause*

Management had not established an effective system of internal controls related to financial transactions and reporting.

*Effect*

Without a proper system of internal controls in place that operated effectively, material misstatements could have occurred and remained undetected.

*Views of Responsible Officials*

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

**Section III - Federal Award Findings and Questioned Costs**

**FINDING 2020-003**

Subject: Title I Grants to Local Educational Agencies - Earmarking  
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): S010A170014,  
S010A180014,  
S010A190014  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Matching, Level of Effort, Earmarking  
Audit Findings: Material Weakness, Modified Opinion

*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 Matching, Level of Effort, Earmarking compliance requirement.

The School Corporation was not able to identify and provide for audit all of the parental involvement expenditures for the applicable testing period.

The lack of internal controls and failure to maintain adequate supporting documentation were systemic issues throughout the audit period.

BEECH GROVE CITY SCHOOLS  
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). . . ."

20 USC 6318(a)(3) states in part:

"(A) In general. Each local educational agency shall reserve at least 1 percent of its allocation under subpart 2 to assist schools to carry out the activities described in this section, except that this subparagraph shall not apply if 1 percent of such agency's allocation under subpart 2 for the fiscal year for which the determination is made is \$5,000 or less. Nothing in this subparagraph shall be construed to limit local educational agencies from reserving more than 1 percent of its allocation under subpart 2 to assist schools to carry out activities described in this section. . . ."

(D) Use of Funds. Funds reserved under subparagraph (A) by a local educational agency shall be used to carry out activities and strategies consistent with the local educational agency's parent and family engagement policy, including not less than 1 of the following:

- (i) Supporting schools and nonprofit organizations in providing professional development for local educational agency and school personnel regarding parent and family engagement strategies, which may be provided jointly to teachers, principals, other school leaders, specialized instructional support personnel, paraprofessionals, early childhood educators, and parents and family members.
- (ii) Supporting programs that reach parents and family members at home, in the community, and at school.
- (iii) Disseminating information on best practices focused on parent and family engagement, especially best practices for increasing the engagement of economically disadvantaged parents and family members.
- (iv) Collaborating or providing subgrants to schools to enable such schools to collaborate, with community-based or other organizations or employers with a record of success in improving and increasing parent and family engagement.
- (v) Engaging in any other activities and strategies that the local educational agency determines are appropriate and consistent with such agency's parent and family engagement policy."

*Cause*

Management had not developed a system of internal controls that would have ensured compliance, or that supporting documentation would have been retained and made available for audit, related to the grant agreement and the Matching, Level of Effort, Earmarking compliance requirement.

BEECH GROVE CITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Effect*

The failure to establish an effective internal control system and to retain and provide appropriate supporting documentation prevented the determination of the School Corporation's compliance with the compliance requirement list above.

*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 that documentation will be maintained and available for audit related to the grant agreement and the Matching, Level of Effort, Earmarking 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: Child Nutrition Cluster - Program Income  
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): FY2019, FY2020  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Program Income  
Audit Findings: Material Weakness, Modified Opinion

*Repeat Finding*

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2018-004.

*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 Program Income compliance requirement.

The School Corporation had not designed or implemented adequate policies and procedures to ensure that program income was properly recorded in the financial records. The School Corporation established the Prepaid School Lunch Funds fund (8400) to account for prepaid school lunch account balances. The amounts transferred from the prepaid school lunch account during the audit period were less than the sales recorded in the School Corporation's records during the audit period by \$143,531 for fiscal year 2018-2019 and by \$104,778 for 2019-2020.

The lack of internal controls and noncompliance were systemic issues throughout the audit period.

BEECH GROVE CITY SCHOOLS  
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). . . ."

7 CFR 210.14(c) states:

*Financial assurances.* The school food authority shall meet the requirements of the State agency for compliance with § 210.19(a) including any separation of records of nonprofit school food service from records of any other food service which may be operated by the school food authority as provided in paragraph (a) of this section."

7 CFR 220.7(e) states in part:

"Each school food authority approved to participate in the program shall enter into a written agreement with the State agency or the Department through the FNSRO, as applicable, that may be amended as necessary. . . . Such agreements shall provide that the School Food Authority shall, with respect to participating schools under its jurisdiction: . . .

(12) Maintain a financial management system as prescribed by the State agency, or FNSRO where applicable; . . ."

7 CFR 210.14(f)(3) states: "All revenue from the sale of nonprogram foods shall accrue to the nonprofit school food service account of a participating school food authority."

When a student puts money into their individual meal account, it should not be considered income to the child nutrition program until that student goes through the lunch line and charges a meal to their account. Therefore, while money is in the student's individual account, the balance should not be included in Fund 800 School Lunch. A school should set up a clearing account with the fund number of 8400 Prepaid School Lunch Accounts, which is included in Chapter 4 of the State Board of Accounts Uniform Compliance Guidelines for Indiana Public School Corporations. When a student brings in a deposit the receipt should be recorded to fund 8400 using receipt account 1630 Special Functions. After the student has charged meals, you should disburse the amount charged from 8400 using expenditure account 31900 Other Food Services and receipt this into fund 800 using the Food Services receipt accounts 1611-1623 at the time established in a written school policy to ensure accurate monthly reporting. At this point the receipts are considered program income and should be included on any reports that are required to be completed. Also, on a monthly basis it is required that the balance of the 8400 fund be reconciled with the total of individual meal accounts. (The School Bulletin and Uniform Compliance Guidelines, February 2019)

*Cause*

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

BEECH GROVE CITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Effect*

The failure to establish an effective system of internal controls enabled material noncompliance to go undetected. Noncompliance with the grant agreement and the compliance requirement listed above 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 related to the grant agreement and the Program Income 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 2020-005**

Subject: Child Nutrition Cluster - Activities Allowed or Unallowed, Allowable Costs/Cost Principles  
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): FY2019, FY2020

Pass-Through Entity: Indiana Department of Education

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

Audit Finding: Material Weakness

*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 compliance requirements listed above.

The School Corporation did not have internal controls in place to ensure that the invoices from the Food Service Management company were accurate and for allowable expenditures and items of cost.

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:

BEECH GROVE CITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

(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 compliance requirements listed above.

*Effect*

The failure to establish an effective system of internal controls placed the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements listed above.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation's management establish a system of internal controls related to the grant agreement and the Activities Allowed and Unallowed and 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.

**FINDING 2020-006**

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): FY2019, FY2020  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Cash Management  
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 2018-003.

BEECH GROVE CITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*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 Cash Management compliance requirement.

The School Corporation did not ensure that the net cash resources of the School Corporations School Lunch fund had not exceeded three months average expenditures for its nonprofit school food service program. The net cash resources in the School Lunch fund had exceeded the three months average expenditures for seven months during the audit period.

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). . . ."

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 resource to an amount that does not exceed three months average expenditure for its nonprofit school food service or such other amount as may be approved by the State agency; . . ."

*Cause*

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

*Effect*

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

BEECH GROVE CITY SCHOOLS  
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 related to the grant agreement and the Cash Management compliance requirement.

*Views of Responsible Officials*

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

#### AUDITEE-PREPARED DOCUMENTS

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

# *Beech Grove City Schools*

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## SUMMARY SCHEDULE OF PRIOR FINDINGS

### FINDING 2018-001

Fiscal year in which the finding initially occurred: 2014

#### STATUS OF AUDIT FINDING:

During this time audit period, I was unable to keep a spreadsheet with federal award amounts due to Tornado and COVID. All Federal Award/Grant information is approved by two of the following: Grant Director, Treasurer, or Assistant Superintendent. However, there was not a second review of the information entered into Gateway. As part of the training of the new treasurer, the Assistant Superintendent or Deputy Treasurer will review the amounts entered prior to submitting in Gateway.

Cathy Statzer

Cathy Statzer, Treasurer

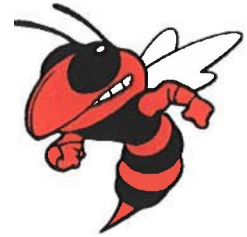
June 10, 2021

Date

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## **SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

### ***FINDING 2018-002***

Fiscal year in which the finding initially occurred: 2016

#### **STATUS OF AUDIT FINDING:**

As of August 1, 2018, Food Service Director is reviewing and approving all applications and testing for submission. The Treasurer's office views those approvals randomly each quarter.

  
Cathy Statzer, Treasurer

December 10, 2020  
Date

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## SUMMARY SCHEDULE OF PRIOR FINDINGS

### FINDING 2018-003

Fiscal year in which the finding initially occurred: 2016

### STATUS OF AUDIT FINDING:

Due to time constraints during this time with the Tornado and COVID balances were not reconciled. As of June 1, 2021 as part of the training of the new corporation treasurer, a copy of the monthly ending balance fund report along with the three month average will be emailed to the Food Service Director and to the Assistant Superintendent of Business.

Cathy Statzer  
Cathy Statzer, Treasurer

June 10, 2021  
Date

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## SUMMARY SCHEDULE OF PRIOR FINDINGS

### FINDING 2018-004

Fiscal year in which the finding initially occurred: 2016

### STATUS OF AUDIT FINDING:

Due to time constraints with the Tornado and COVID during this time, transfers were not made on a monthly basis. As of June 1, 2021 as part of the training of the new corporation treasurer, the Food Service Director will email a report of sales at the end of each month and a transfer will be made accordingly.

Cathy Statzer

Cathy Statzer, Treasurer

June 10, 2021

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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### **FINDING 2018-005**

Fiscal year in which the finding initially occurred: 2016

#### **STATUS OF AUDIT FINDING:**

As of June, 2019, Dulcie Holcomb, Food Service Director and myself, Cathy Statzer, completed an equipment inventory and it is maintained by the Food Service Director via Google Sheets giving the Business Office access to view it.

  
Cathy Statzer, Treasurer

December 10, 2020  
Date

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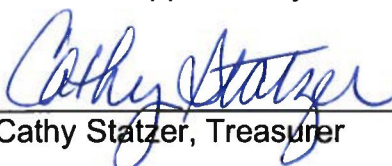
## **SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

### ***FINDING 2018-006***

Fiscal year in which the finding initially occurred: 2016

#### **STATUS OF AUDIT FINDING:**

As of August 1, 2018, The Annual Financial Report has been completed since by the Treasurer and approved/signed off by the Asst Superintendent of Business and Food Service Director. Monthly reports are completed by the Food Service Director and approved by the Treasurer.

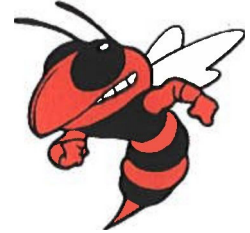
  
\_\_\_\_\_  
Cathy Statzer, Treasurer

December 10, 2020  
Date

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## **SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

### ***FINDING 2018-007***

Fiscal year in which the finding initially occurred: 2014

#### **STATUS OF AUDIT FINDING:**

As of August 1, 2018, The Schoolwide Programs have been updated and revised each year by the school's diverse Title team and approved by the School Principals, Grant Director, and Asst Superintendent of Curriculum.

  
\_\_\_\_\_

Cathy Statzer, Treasurer

December 10, 2020

Date

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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### **FINDING 2018-008**

Fiscal year in which the finding initially occurred: 2014

### **STATUS OF AUDIT FINDING:**

As of May 1, 2019, The Special Education Grants 611 and 619 along with the MOE are completed by the Grant Director and Treasurer. With the new format from IDOE we are better able to calculate our MOE with back up and have successfully done that the past two years.

A handwritten signature in blue ink that reads "Cathy Statzer".

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Cathy Statzer, Treasurer

December 10, 2020  
Date

# Beech Grove City Schools



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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### **Finding 2018-009**

Fiscal year in which the finding initially occurred: 2018

### **STATUS OF AUDIT FINDING:**

Starting 2018-19 school year we have taken over our Special Ed Grant. The Director of Quality Learners and Treasurer work on this application and submits it together. The claims are signed off/approved by both as well.

  
\_\_\_\_\_  
Cathy Statzer, Treasurer

December 10, 2020  
\_\_\_\_\_  
Date

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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### FINDING 2018-010

Fiscal year in which the finding initially occurred: 2014

#### STATUS OF AUDIT FINDING:

The cooperative no longer handles our Federal Special Education Grants. The Grants are completed, reviewed and maintained by the Director of Quality Learner and the Treasurer.

  
Cathy Statzer, Treasurer

December 10, 2020  
Date

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## CORRECTIVE ACTION PLAN

### FINDING 2020-001

Contact Person Responsible for Corrective Action: Cathy Statzer & Kathy Comado, Corporation Treasurer  
Contact Phone Number: 317-788-4481

Views of Responsible Official: We concur with the findings.

#### Description of Corrective Action Plan:

In training of new Treasurer we will implement a spreadsheet to record all receipts for each Federal Award. The Deputy Treasurer, Grant Director or Asst Superintendent of Business will review the amounts, prior to entering them into Gateway and submission.

Anticipated Completion Date: December, 2021

### FINDING 2020-002

Contact Person Responsible for Corrective Action: Cathy Statzer & Kathy Comado, Corporation Treasurer  
Contact Phone Number: 317-788-4481

Views of Responsible Official: We concur with the findings.

#### Description of Corrective Action Plan:

We will implement the signing of all receipt reports being approved by Deputy Treasurer or Asst. Superintendent.

Anticipated Completion Date: December, 2021

FINDING 2020-003

Contact Person Responsible for Corrective Action: Cathy Statzer & Kathy Comado, Corporation Treasurer  
Contact Phone Number: 317-788-4481

Views of Responsible Official: We concur with the findings.

Description of Corrective Action Plan:

Account lines are put into place to segregate the purchases made. There will be an approval process implemented that all Title I purchases need to be approved and allocated by the Grant Director, who knows the budget.

Anticipated Completion Date: December, 2021

FINDING 2020-004

Contact Person Responsible for Corrective Action: Cathy Statzer & Kathy Comado, Corporation Treasurer;  
Dulcie Holcomb, Food Service Director  
Contact Phone Number: 317-788-4481

Views of Responsible Official: We concur with the findings.

Description of Corrective Action Plan:

As of June 1, 2021 as part of the training of the new corporation treasurer, the Food Service Director will email a report of sales at the end of each month to be reconciled with the monthly bank statement and a transfer will be made accordingly.

Anticipated Completion Date: December, 2021

FINDING 2020-005

Contact Person Responsible for Corrective Action: Cathy Statzer & Kathy Comado, Corporation Treasurer;  
Dulcie Holcomb, Food Service Director  
Contact Phone Number: 317-788-4481

Views of Responsible Official: We concur with the findings.

Description of Corrective Action Plan:

Going forward the Food Service Director will forward all monthly invoicing and purchase information along with the monthly Profit & Loss report and Operating report to be reconciled and then returned to Food Service.

Anticipated Completion Date: December, 2021

FINDING 2020-006

Contact Person Responsible for Corrective Action: Cathy Statzer & Kathy Comado, Corporation Treasurer;  
Dulcie Holcomb, Food Service Director  
Contact Phone Number: 317-788-4481

Views of Responsible Official: We concur with the findings.

Description of Corrective Action Plan:

We had tried to send a monthly cash fund balance report to keep notice of the balance and were keeping it under the \$350,000 three month balance. Which we calculated from the total of expenses from 0800 and divided by 12 months to determine the \$350,000. As of June 1, 2021 as part of the training of the new corporation treasurer, a copy of the monthly ending balance fund report along with the three month average will be emailed to the Food Service Director and to the Assistant Superintendent of Business.

Anticipated Completion Date: December, 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/>.