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STATE OF INDIANA

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February 22, 2022

To: The Officials of Northeast Dubois County School Corporation
Northeast Dubois County School Corporation
5379 E. Main St.
Dubois, IN 47527

This report is supplemental to the audit report of Northeast Dubois County School Corporation (the School Corporation), for the period July 1, 2018 to June 30, 2020. It has been provided as a separate report so that the reader may easily identify any Examination Findings that pertain to the School Corporation. It should be read in conjunction with the financial statement audit report of the School Corporation, which provides an opinion on the School Corporation's financial statements. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the School Corporation and perform procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Examination Findings and Results contained herein describe the identified reportable instances of noncompliance found as a result of these procedures.

We have reviewed the Supplemental Audit Report for Northeast Dubois County School Corporation prepared by Crowe LLP, Independent Public Accountants, for the period July 1, 2018 to June 30, 2020. In our opinion, the Supplemental Audit Report was prepared in accordance with the guidelines established by the State Board of Accounts.

We call your attention to the findings in the report. Page 3 contains two Examination Findings and Results.

The report is filed with this letter in our office as a matter of public record.

Paul D. Joyce

Paul D. Joyce, CPA
State Examiner

COMPLIANCE EXAMINATION OF
NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
Dubois County, Indiana
July 1, 2018 to June 30, 2020

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION

Dubois County, Indiana
July 1, 2018 to June 30, 2020

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NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
SCHEDULE OF OFFICIALS
July 1, 2018 to June 30, 2020

Office	Official	Term
Treasurer	DeAnn Meyer	07-01-18 to 06-30-20
Superintendent of Schools	William G. Hochgesang	07-01-18 to 06-30-20
President of the School Board	Mary Pankey	07-01-18 to 06-30-20

Crowe LLP
Independent Member Crowe Global

INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and
Management of the Northeast Dubois County School Corporation

We have examined the Northeast Dubois County School Corporation ("School Corporation") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations* during the period July 1, 2018 to June 30, 2020. Management of the School Corporation is responsible for the School Corporation's compliance with the specified requirements. Our responsibility is to express an opinion on the School Corporation's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the School Corporation complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the School Corporation complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our qualified opinion.

Our examination does not provide a legal determination on the School Corporation's compliance with specified requirements.

Our examination disclosed material noncompliance with the *Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations* applicable to the School Corporation during the period July 1, 2018 to June 30, 2020, as described in items 2020-001 and 2020-002 on the following Schedule of Examination Findings and Results.

In our opinion, except for the material noncompliance described in the preceding paragraph, the School Corporation complied, in all material respects, with the aforementioned requirements during the period July 1, 2018 to June 30, 2020.

Crowe LLP

Crowe LLP

Indianapolis, Indiana
February 16, 2022

FINDING 2020-001: OVERDRAWN CASH BALANCES

Criteria: Chapter 1 of Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations states in part, "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."

Condition: During testing of cash, we noted the School Lunch fund with a cash balance below zero as of 6/30/20.

FINDING 2020-002: RECONCILEMENT OF THE PREPAID FOOD ACCOUNT

Criteria: 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 Fund 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 the individual meal accounts. (The School Bulletin and Uniform Compliance Guidelines, February 2019)

Condition: The School Corporation maintains a Prepaid Lunch fund (8400 fund). A separate accounting of prepaid meal accounts was not maintained. A listing of prepaid accounts balances at June 30, 2020, was not provided for audit. Therefore, the amount of prepaid cash included in the School Lunch cash balance reported could not be determined.

The contents of this report were discussed on December 8, 2021 with DeAnn Meyer, Treasurer, and Kelly Knies, Board President.