

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

COMMUNITY SCHOOLS OF FRANKFORT

CLINTON COUNTY, INDIANA

July 1, 2019 to June 30, 2021



**FILED**  
06/16/2022



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Leslie L. Michael	07-01-19- to 06-30-22
Superintendent of Schools	Donald W. DeWeese Joel McKinney	07-01-19 to 10-02-20 10-03-20 to 06-30-22
President of the School Board	Karen Sutton Sandra L. Miller	07-01-19 to 12-31-20 01-01-21 to 06-30-22



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 COMMUNITY SCHOOLS OF FRANKFORT, CLINTON 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 Community Schools of Frankfort (School Corporation), for the period of July 1, 2019 to June 30, 2021, and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement and have issued our report thereon dated May 11, 2022, 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 item 2021-001, that we consider to be a material weakness.

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 2021-001.

***Community Schools of Frankfort's 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.



Beth Kelley, CPA, CFE  
Deputy State Examiner

May 11, 2022



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 COMMUNITY SCHOOLS OF FRANKFORT, CLINTON COUNTY, INDIANA

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

We have audited the Community Schools of Frankfort'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, 2019 to June 30, 2021. 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 Disclaimer Opinion on Title I Grants to Local Educational Agencies***

As described in item 2021-002, in the accompanying Schedule of Findings and Questioned Costs, we were unable to obtain sufficient documentation supporting the compliance of the School Corporation with Title I Grants to Local Educational Agencies regarding Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Cash Management, and Reporting, nor were we able to satisfy ourselves as to the School Corporation's compliance with those requirements by other auditing procedures.

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)

***Basis for Qualified Opinion on COVID-19 - Education Stabilization Fund***

As described in item 2021-004 in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with requirements regarding Reporting that are applicable to its COVID-19 - Education Stabilization Fund. The report submitted to the Indiana Department of Education contained numerous errors and was materially incorrect. Compliance with such requirements is necessary, in our opinion, for the School Corporation to comply with the requirements applicable to that program.

***Disclaimer of Opinion on Title I Grants to Local Educational Agencies***

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion on Title I Grants to Local Educational Agencies* paragraph; we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the School Corporation's compliance 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, 2019 to June 30, 2021.

***Qualified Opinion on COVID-19 - Education Stabilization Fund***

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion on COVID-19 - Education Stabilization Fund* 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 COVID-19 - Education Stabilization Fund for the period of July 1, 2019 to June 30, 2021.

***Unmodified Opinion on the Other 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 its other major federal program identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs for the period of July 1, 2019 to June 30, 2021.

***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 2021-003. 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 2021-002, 2021-003, and 2021-004, 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, 2019 to June 30, 2021, and the related notes to the financial statement. We issued our report thereon dated May 11, 2022, 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.



Beth Kelley, CPA, CFE  
Deputy State Examiner

May 11, 2022

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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.

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COMMUNITY SCHOOLS OF FRANKFORT  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Years Ended June 30, 2020 and 2021

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listings Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-20	Total Federal Awards Expended 06-30-20	Passed Through to Subrecipient 06-30-21	Total Federal Awards Expended 06-30-21
<b>Department of Agriculture</b>							
Child Nutrition Cluster							
SCHOOL BREAKFAST PROGRAM	INDIANA DEPARTMENT OF EDUCATION	10.553					
SCHOOL BREAKFAST PROGRAM			2019-2020	\$ -	\$ 261,963	\$ -	\$ -
SCHOOL BREAKFAST PROGRAM			2020-2021	-	-	-	40,599
Sub-total - SCHOOL BREAKFAST PROGRAM				-	261,963	-	40,599
COVID-19 - SCHOOL BREAKFAST PROGRAM	INDIANA DEPARTMENT OF EDUCATION	10.553					
SCHOOL BREAKFAST PROGRAM			2019-2020	-	21,606	-	-
SCHOOL BREAKFAST PROGRAM			2020-2021	-	-	-	79,823
Sub-total - COVID-19 - SCHOOL BREAKFAST PROGRAM				-	21,606	-	79,823
Total - SCHOOL BREAKFAST PROGRAM				-	283,569	-	120,422
NATIONAL SCHOOL LUNCH PROGRAM	INDIANA DEPARTMENT OF EDUCATION	10.555					
SCHOOL LUNCH			2019-2020	-	953,044	-	-
SCHOOL LUNCH			2020-2021	-	-	-	103,344
AFTER SCHOOL SNACK PROGRAM			2019-2020	-	4,595	-	-
AFTER SCHOOL SNACK PROGRAM			2020-2021	-	-	-	6,245
COMMODITIES			2020-2021	-	138,276	-	172,641
Sub-total - NATIONAL SCHOOL LUNCH PROGRAM				-	1,095,915	-	282,230
COVID-19 - NATIONAL SCHOOL LUNCH PROGRAM	INDIANA DEPARTMENT OF EDUCATION	10.555					
SCHOOL LUNCH			2019-2020	-	75,347	-	-
AFTER SCHOOL SNACK PROGRAM			2019-2020	-	332	-	-
SCHOOL LUNCH			2020-2021	-	-	-	237,632
AFTER SCHOOL SNACK PROGRAM			2020-2021	-	-	-	793
Sub-Total - COVID-19 - NATIONAL SCHOOL LUNCH PROGRAM				-	75,679	-	238,425
Total - NATIONAL SCHOOL LUNCH PROGRAM				-	1,171,594	-	520,655
SUMMER FOOD SERVICE PROGRAM FOR CHILDREN	INDIANA DEPARTMENT OF EDUCATION	10.559					
SUMMER FOOD SERVICE PROGRAM FOR CHILDREN			2019-2020	-	7,012	-	-
SUMMER FOOD SERVICE PROGRAM FOR CHILDREN			2020-2021	-	-	-	1,472,140
Sub-total - SUMMER FOOD SERVICE PROGRAM FOR CHILDREN				-	7,012	-	1,472,140
COVID-19 - SUMMER FOOD SERVICE PROGRAM FOR CHILDREN	INDIANA DEPARTMENT OF EDUCATION	10.559					
SUMMER FOOD SERVICE PROGRAM FOR CHILDREN				-	231,484	-	-
Total - SUMMER FOOD SERVICE PROGRAM FOR CHILDREN				-	238,496	-	1,472,140
Total - Child Nutrition Cluster				-	1,693,659	-	2,113,217
Total - Department of Agriculture				-	1,693,659	-	2,113,217

COMMUNITY SCHOOLS OF FRANKFORT  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Years Ended June 30, 2020 and 2021

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listings Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-20	Total Federal Awards Expended 06-30-20	Passed Through to Subrecipient 06-30-21	Total Federal Awards Expended 06-30-21
<b>Department of Education</b>							
Special Education Cluster (IDEA)							
SPECIAL EDUCATION GRANTS TO STATES	INDIANA DEPARTMENT OF EDUCATION	84.027					
SPECIAL ED PART B			18611-004-PN01	-	5,637	-	-
SPECIAL ED PART B FY 2019			19611-004-PN01	-	221,212	-	2,714
SPECIAL ED PART B FY 2020 611			20611-004-PN01	-	495,466	-	218,562
SPECIAL ED PART B FY 2021 611			21611-004-PN01	-	-	-	484,343
Total - SPECIAL EDUCATION GRANT TO STATES				-	722,315	-	705,619
SPECIAL EDUCATION PRESCHOOL GRANTS	INDIANA DEPARTMENT OF EDUCATION	84.173					
SPECIAL ED PRESCHOOL			18619-004-PN02	-	2,351	-	-
SPECIAL ED PRESCHOOL			19619-004-PN01	-	10,049	-	2,425
SPECIAL ED PRESCHOOL			20619-004-PN01	-	-	-	17,960
Total - SPECIAL EDUCATION PRESCHOOL GRANTS				-	12,400	-	20,385
Total - Special Education Cluster (IDEA)				-	734,715	-	726,004
TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES	INDIANA DEPARTMENT OF EDUCATION	84.010					
TITLE I			S010A180014	-	215,931	-	-
TITLE I			S010A190014	-	488,052	-	182,191
TITLE I			S010A200014	-	-	-	395,154
Total - TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES				-	703,983	-	577,345
CAREER AND TECHNICAL EDUCATION -- BASIC GRANTS TO STATES	INDIANA GOVERNOR'S WORKFORCE CABINET	84.048					
PERKINS			20-0512-1170	-	57,016	-	58,776
PERKINS ASSESSMENT GRANT			20-0512-A019	-	-	-	2,975
PERKINS 2020-2021			21-0512-1170	-	-	-	20,552
Total - CAREER AND TECHNICAL EDUCATION -- BASIC GRANTS TO STATES				-	57,016	-	82,303
RURAL EDUCATION	INDIANA DEPARTMENT OF EDUCATION	84.358					
RURAL AND LOW INCOME			S424A180015	-	64,016	-	-
RURAL AND LOW INCOME			S424A190015	-	-	-	62,707
Total - RURAL EDUCATION				-	64,016	-	62,707
ENGLISH LANGUAGE ACQUISITION STATE GRANTS	INDIANA DEPARTMENT OF EDUCATION	84.365					
TITLE III			01118-011-PN01	-	2,616	-	-
TITLE III			01119-013-PN01	-	31,463	-	3,344
TITLE III			01120-010	-	60,999	-	30,488
TITLE III			S365A200013	-	-	-	50,924
Total - ENGLISH LANGUAGE ACQUISITION STATE GRANTS				-	95,078	-	84,756

COMMUNITY SCHOOLS OF FRANKFORT  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Years Ended June 30, 2020 and 2021

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listings Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-20	Total Federal Awards Expended 06-30-20	Passed Through to Subrecipient 06-30-21	Total Federal Awards Expended 06-30-21
SUPPORTING EFFECTIVE INSTRUCTION STATE GRANTS	INDIANA DEPARTMENT OF EDUCATION	84.367					
TITLE II			S367A170013	-	56,090	-	-
TITLE II			S367A180010	-	65,544	-	45,708
TITLE II			S367A190013	-	17,676	-	89,918
TITLE II			S367A200013	-	-	-	14,226
Total - SUPPORTING EFFECTIVE INSTRUCTION STATE GRANTS				-	139,310	-	149,852
STUDENT SUPPORT AND ACADEMIC ENRICHMENT PROGRAM	INDIANA DEPARTMENT OF EDUCATION	84.424					
TITLE IV FY 2020			S367A20013	-	-	-	17,343
TITLE IV			S424A180015	-	8,811	-	1,617
TITLE IV FY 2019			S424A190015	-	21,290	-	13,397
Total - STUDENT SUPPORT AND ACADEMIC ENRICHMENT PROGRAM				-	30,101	-	32,357
COVID-19 - EDUCATION STABILIZATION FUND	INDIANA DEPARTMENT OF EDUCATION	84.425					
CARES ACT FY 2020 EDUCATION STABILIZATION RELIEF		84.425D	S425D200013	-	-	-	617,904
ESSER II		84.425D	S425D210013	-	-	-	68,386
Total - COVID-19 EDUCATION STABILIZATION FUND				-	-	-	686,290
Total - Department of Education				-	1,824,219	-	2,401,614
<u>Department of Health and Human Services</u>							
Medicaid Cluster							
MEDICAL ASSISTANCE PROGRAM		93.778					
IEP SERVICES	INDIANA DEPARTMENT OF EDUCATION		FY 2020	-	131,082	-	-
IEP SERVICES			FY 2021	-	-	-	147,931
INDIANA MAC REIMB PROGRAM	INDIANA FAMILY AND SOCIAL SERVICES ADMINISTRATION		FY 2020	-	61,237	-	-
INDIANA MAC REIMB PROGRAM			FY 2021	-	-	-	64,641
Total - MEDICAL ASSISTANCE PROGRAM				-	192,319	-	212,572
Total - Medicaid Cluster				-	192,319	-	212,572
Total - Department of Health and Human Services				-	192,319	-	212,572
Total federal awards expended				\$ -	\$ 3,710,197	\$ -	\$ 4,727,403

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

COMMUNITY SCHOOLS OF FRANKFORT  
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, 2020 and 2021. 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.

COMMUNITY SCHOOLS OF FRANKFORT  
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:

Assistance Listings Number	Name of Federal Program or Cluster	Opinion Issued
84.010	Special Education Cluster (IDEA) Title I Grants to Local Educational Agencies	Unmodified Disclaimer
84.425	COVID-19 - Education Stabilization Fund	Qualified

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**

**FINDING 2021-001**

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 2019-001.

COMMUNITY SCHOOLS OF FRANKFORT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Condition and Context*

The School Corporation had not established internal controls over the federal award information entered in 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). The School Corporation did not have a proper system of internal control 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:

- The National School Lunch Program commodities were not reported for fiscal years 2019-2020 or 2020-2021, which resulted in expenditures being understated by \$138,276 and \$172,641, respectively.
- The Medical Assistance Program expenditures related to IEP services for 2019-2020 and 2020-2021 were overstated by \$53,714 and \$88,650, respectively, and the expenditures related to MAC services for 2019-2020 were understated by \$3,978, and for 2020-2021 were overstated by \$7,189.
- Other immaterial misstatements identified resulted in an overstatement of \$24,090.
- Not all program names, grants, and identifying numbers were correct on the SEFA.

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. . . .

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 . . ."

COMMUNITY SCHOOLS OF FRANKFORT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

2 CFR 200.1 states in part:

". . . *Internal controls* for non-Federal entities means:

- (1) Processes designed and implemented by non-Federal entities to provide reasonable assurance regarding the achievement of objectives in the following categories:
  - (i) Effectiveness and efficiency of operations;
  - (ii) Reliability of reporting for internal and external use; . . ."

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. . . ."

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. 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 Assistance Listings Number or other identifying number when the Assistance Listings information is not available. For a cluster of programs also provide the total for the cluster.
- (4) Include the total amount provided to subrecipients from each Federal program.
- (5) For loan or loan guarantee programs described in § 200.502(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.

COMMUNITY SCHOOLS OF FRANKFORT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

- (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."

*Cause*

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

*Effect*

Without a proper system of internal control 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.

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

**FINDING 2021-002**

Subject: Title I Grants to Local Educational Agencies - Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Cash Management, Reporting  
Federal Agency: Department of Education  
Federal Program: Title I Grants to Local Educational Agencies  
Assistance Listings Number: 84.010  
Federal Award Numbers and Years (or Other Identifying Numbers): S010A180014, S010A190014, S010A200014  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Cash Management, Reporting  
Audit Findings: Material Weakness, Modified Opinion

*Condition and Context*

An effective internal control system, which would include segregation of duties, was not in place at the School Corporation to ensure compliance with requirements related to the grant agreement and the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Cash Management, and Reporting compliance requirements. The School Corporation did not have adequate internal controls in place to ensure that the reimbursement requests and Final Expenditure Reports were accurate and were for actual expenditures that had already occurred.

The School Corporation used the appropriation reports month-to-date column to determine the amount of expenditures for the reimbursement requests instead of actual expenditures for the grant. The School Corporation was unable to provide adequate supporting documentation for 29 out of 49 requests for reimbursements, as the requests often exceeded the actual expenditures at the time of the request. Without adequate supporting documentation we were not able to test all federal funding received. The excess reimbursement amounts were considered questioned costs in the amount of \$45,745.

COMMUNITY SCHOOLS OF FRANKFORT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

Additionally, the School Corporation paid salaries for four employees without adequate supporting documentation or personnel activity reports, such as time and effort logs or Semi-Annual Certifications. These expenditures were considered questioned costs totaling \$96,183.

Finally, total expenditures reported on the 2019 and 2020 project year Final Expenditure Reports did not agree to the School Corporation's financial records or the amounts reported on the Request for Reimbursement reports.

The above issues resulted in total questioned costs of \$141,928.

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). . . ."

20 USC 6314(a)(1)(A) states in part:

". . . in order to upgrade the entire educational program of a school that serves an eligible school attendance area in which not less than 40 percent of the children are from low-income families, or not less than 40 percent of the children enrolled in the school are from such families. . . ."

2 CFR 200.403 states in part:

"Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards:

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items. . . .
- (g) Be adequately documented. . . ."

2 CFR 200.430(i) states in part:

"*Standards for Documentation of Personnel Expenses* (1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

COMMUNITY SCHOOLS OF FRANKFORT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

- (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- (ii) Be incorporated into the official records of the non-Federal entity;
- (iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities . . .
- (vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. . . ."

2 CFR 200.305(b) states in part:

"For non-Federal entities other than states, payments methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity whether the payment is made by electronic funds transfer, or issuance or redemption of checks, warrants, or payment by other means. . . .

- (3) Reimbursement is the preferred method when the requirements in paragraph (b) cannot be met, when the Federal awarding agency sets a specific condition per § 200.208, or when the non-Federal entity requests payment by reimbursement. . . ."

2 CFR 200.302(b) states in part:

"The financial management system of each non-Federal entity must provide for the following . . .

- (2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.328 and 200.329. . . ."

*Cause*

Management had not developed a system of internal control that would have ensured compliance with the grant agreement and the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Cash Management, and Reporting compliance requirements.

*Effect*

The failure to establish an effective internal control system, as well as to adequately support reimbursed costs of the federal award, prevented the determination of the School Corporation's compliance with the grant agreement and the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Cash Management, and Reporting compliance requirements.

*Questioned Costs*

Questioned costs of \$141,928 were identified, as described in the *Condition and Context*.

COMMUNITY SCHOOLS OF FRANKFORT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

*Recommendation*

We recommended that the School Corporation's management establish a system of internal control, and appropriately document and identify federal award expenditures requested for reimbursement to ensure compliance with the grant agreement and the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Cash Management, and Reporting 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 2021-003**

Subject: Title I Grants to Local Educational Agencies - Matching, Level of Effort, Earmarking  
Federal Agency: Department of Education  
Federal Program: Title I Grants to Local Educational Agencies  
Assistance Listings Number: 84.010  
Federal Award Numbers and Years (or Other Identifying Numbers): S010A180014, S010A190014,  
S010A200014  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Matching, Level of Effort, Earmarking  
Audit Findings: Material Weakness, Other Matters

*Condition and Context*

An effective internal control system was not in place at the School Corporation to ensure compliance with requirements related to the grant agreement and the Matching, Level of Effort, Earmarking compliance requirement.

The School Corporation did not comply with the parental involvement and/or the homeless earmarking requirement for the Title I program. The total expenditures for parental involvement and homeless were less than the required set aside per the grant application.

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). . . ."

COMMUNITY SCHOOLS OF FRANKFORT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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."

20 USC 6313(c)(3) states in part:

**"(A) In General**

A local educational agency shall reserve such funds as are necessary under this part, determined in accordance with subparagraphs (B) and (C), to provide services comparable to those provided to children in schools funded under this part to serve—

- (i) homeless children and youths, including providing educationally related support services to children in shelters and other locations where children may live;
- (ii) children in local institutions for neglected children; and

COMMUNITY SCHOOLS OF FRANKFORT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

(iii) if appropriate, children in local institutions for delinquent children, and neglected or delinquent children in community day programs. . . .

**(C) Homeless children and youths**

Funds reserved under subparagraph (A)(i) may be— . . .

(ii) used to provide homeless children and youths with services not ordinarily provided to other students under this part, including providing—

(I) funding for the liaison designated pursuant to section 11432(g)(1)(J)(ii) of title 42; and

(II) transportation pursuant to section 11432(g)(1)(J)(iii) of such title."

*Cause*

Management had not developed a system of internal control that would have ensured compliance with the grant agreement and the Matching, Level of Effort, Earmarking compliance requirement.

*Effect*

The failure to establish an effective internal control system enabled noncompliance with the grant agreement and the Matching, Level of Effort, Earmarking compliance requirement.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

We recommended that the School Corporation's management establish a system of internal control to ensure compliance and comply with 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 2021-004**

Subject: COVID-19 - Education Stabilization Fund - Reporting  
Federal Agency: Department of Education  
Federal Program: COVID-19 - Education Stabilization Fund  
Assistance Listings Number: 84.425  
Federal Award Numbers and Years (or Other Identifying Numbers): S425D200013, S425D210013  
Pass-Through Entity: Indiana Department Education  
Compliance Requirement: Reporting  
Audit Findings: Material Weakness, Modified Opinion

COMMUNITY SCHOOLS OF FRANKFORT  
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 Reporting compliance requirement. The School Corporation had not established procedures to ensure the amounts reported on the Elementary and Secondary School Emergency Relief (ESSER) Data Report (Report) agreed to the School Corporation's records.

Financial report amounts on the original Report were incorrect. The Indiana Department of Education (IDOE) notified the School Corporation of the reporting error with respect to the financial expenditure amounts on July 7, 2021. At which time, the IDOE requested corrected amounts be resubmitted. The School Corporation resubmitted corrected amounts to the IDOE on July 26, 2021.

The original Report included the following errors:

1. The Subgrant Funds Expended for Public Schools amount was overstated by \$427,557.
2. The Subgrant Used Funds for Educational Technology amount was overstated by \$400,965.
3. The Subgrant Used Funds for Sanitation amount was overstated by \$89,928.
4. The Subgrant Used Funds for Other for amount was understated by \$63,336.

Additionally, the amounts reported for full-time equivalent positions were overstated based on the supporting documentation provided for the time periods September 30, 2018, September 30, 2019, March 13, 2020, and September 30, 2020, by 77, 89, 83, and 82 positions, respectively. These amounts were not corrected in correspondence with and resubmission to the IDOE.

Finally, the number of Elementary Students with Dedicated Devices was reported as 1,533; however, the total Elementary Students Enrolled was only reported at 1,443.

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). . . ."

COMMUNITY SCHOOLS OF FRANKFORT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

2 CFR 200.302(b) states in part:

"The financial management system of each non-Federal entity must provide for the following:

...

- (2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.328

..."

34 CFR 76.722 states: "A State may require a subgrantee to submit reports in a manner and format that assists the State in complying with the requirements under 34 CFR 76.720 and in carrying out other responsibilities under the program."

*Cause*

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

*Effect*

The failure to establish an effective internal control system enabled material noncompliance with the Reporting compliance requirement. Continued funding is contingent upon correct submission of information.

*Questioned Costs*

There were no questioned costs identified.

*Recommendation*

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

*Views of Responsible Officials*

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

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#### AUDITEE-PREPARED DOCUMENTS

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



Joel McKinney, Ed.S., Superintendent of Schools  
Dr. Matt Rhoda, Assistant Superintendent

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**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**FINDING 2019-001**

Fiscal year in which the finding initially occurred: 2019  
Pass-Through Entity, if pass-through or Federal Grantor Agency, if Direct:  
Contact Person Responsible for Corrective Action: Leslie Michael  
Contact Phone Number: (765)654-5585

Status of Audit Finding

Due to unforeseen circumstances of employee turnover in the 2020 school year the AFR was reviewed by the Deputy Treasurer and submitted by the Director of Finance. The SEFA is included with submission of the AFR. The 2021 AFR was completed and submitted by the Director of Finance and was not reviewed by the new Deputy Treasurer or the Assistant Superintendent.

CSF has a plan in place moving forward that will put the responsibility of compiling the information for the report onto the Deputy Treasurer, to be reviewed and submitted by the Director of Finance after review by the Assistant Superintendent or their designee. During fiscal year end we will review the progress each week during our weekly meetings, making sure the report is submitted before the deadline with no errors.

**FINDING 2019-002**

Fiscal year in which the finding initially occurred: 2019  
Pass-Through Entity, if pass-through or Federal Grantor Agency, if Direct: Special Education – Indiana Dept. of Education  
Contact Person Responsible for Corrective Action: Eric Farley  
Contact Phone Number: (765)654-5585

Status of Audit Finding

1. The Director of Finance signs off on each grant application prior to submission as Evidenced by the application to the IDOE prior to grant approval. These approvals have been uploaded into the provided One Drive Account
2. Director of Exceptional Needs Creates and keeps an ongoing record of Proportionate Share with an excel spreadsheet. Supporting documents available.
3. Reimbursement forms are signed before each submission to the IDOE. These forms indicate proportionate share portions and have been uploaded into the provided OneDrive account.
4. Any discrepancies are reviewed and, if needed, budget modifications are created and signed off by the Director of Finance.

**FINDING 2019-003**

Fiscal year in which the finding initially occurred: 2019  
Pass-Through Entity, if pass-through or Federal Grantor Agency, if Direct: Title I – Indiana Dept. of Education  
Contact Person Responsible for Corrective Action: Lesley Miller, Michelle Wolfe  
Contact Phone Number: (765)654-5585

Status of Audit Finding

The school corporation is exempt as outlined in ESEA section 1118(b)(2)

Sandy Miller	Mandi Mitchell	James McQuade	Karen Sutton	Kristen Beardsley	Barb Gerald	Bob Marcum
<i>President</i>	<i>Vice President</i>	<i>Secretary</i>	<i>Board Member</i>	<i>Board Member</i>	<i>Board Member</i>	<i>Board Member</i>



*Joel McKinney, Ed.S., Superintendent of Schools*  
*Dr. Matt Rhoda, Assistant Superintendent*

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## CORRECTIVE ACTION PLAN

### **FINDING 2021-001**

Contact Person Responsible for Corrective Action: Leslie Michael  
Contact Phone Number: (765)654-5585

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan:

The Director of Finance shall submit the Annual Financial report after the Deputy Treasurer compiles the information and reviewed by the Superintendent or his designee. Such segregation of duties will prevent future misstatements of expenditures and provide the proper internal controls over funding.

Anticipated Completion Date: Effective immediately and ongoing

### **FINDING 2021-002**

Contact Person Responsible for Corrective Action: Michelle Wolfe and Leslie Michael  
Contact Phone Number: (765)654-5585

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: There was a refund of \$300 in the grant period which was reflected on the total of the final report, however did not match our final annual expenditure report. We have modified the reimbursement procedure to be in arrears of the request. Semi annuals are now kept in a central location and signatures are gathered twice a year after work is completed.

Anticipated Completion Date: Effective immediately and ongoing

Sandy Miller    Mandi Mitchell    James McQuade    Karen Sutton    Annie Bacon    Kristen Beardsley    Barb Gerald  
*President      Vice President      Secretary      Board Member      Board Member      Board Member      Board Member*

**FINDING 2021-003**

Contact Person Responsible for Corrective Action: Michelle Wolfe and Leslie Michael  
Contact Phone Number: (765)654-5585

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: Director of Title I is working with counselors within each building will determine needs of those identified as homeless and use funds to support and engage parents and families.

Anticipated Completion Date: Effective immediately and ongoing

**FINDING 2021-004**

Contact Person Responsible for Corrective Action: Michelle Wolfe and Leslie Michael  
Contact Phone Number: (765)654-5585

Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan: The Cares Act Data error was corrected with the IDOE per email on July 26, 2021. Title I Assistant shall keep a record of all FTE employees.

Anticipated Completion Date: Effective immediately and ongoing

## 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/>.