



STATE OF INDIANA
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November 16, 2022

To: The Officials of Center Grove Community School Corporation
Center Grove Community School Corporation
4800 West Stones Crossing Road
Greenwood, IN 46143

This report is supplemental to the audit report of Center Grove Community School Corporation (School Corporation), for the period July 1, 2019 to June 30, 2021. 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 Center Grove Community School Corporation prepared by Crowe LLP, Independent Public Accountants, for the period July 1, 2019 to June 30, 2021. 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 on page 3.

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

A handwritten signature in black ink that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

COMPLIANCE EXAMINATION OF
CENTER GROVE COMMUNITY SCHOOL CORPORATION
Johnson County, Indiana
July 1, 2019 to June 30, 2021

CENTER GROVE COMMUNITY SCHOOL CORPORATION

Johnson County, Indiana
July 1, 2019 to June 30, 2021

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CENTER GROVE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF OFFICIALS
July 1, 2019 to June 30, 2021

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Catherine Statzer	07-01-19 to 06-30-21
Superintendent of Schools	Richard Arkanoff	07-01-19 to 06-30-21
President of the School Board	Carol Tumey	01-01-19 to 12-31-19
	Robert Daniels	01-01-20 to 12-31-20
	Jack Russell	01-01-21 to 12-31-21

INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and
Management of the Center Grove Community School Corporation

We have examined the Center Grove Community 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, 2019 to June 30, 2021. 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

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, 2019 to June 30, 2021, as described in items 2021-001 through 2021-002 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, 2019 to June 30, 2021.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
November 2, 2022

CENTER GROVE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
July 1, 2019 to June 30, 2021

FINDING 2021-001: OVERDRAWN CASH BALANCES

Criteria: Chapter 1 of the 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 balances, we noted the following funds, which are not grant related funds, with a cash balance below zero as of June 30, 2020 and 2021:

Fund	Amount Overdrawn June 30, 2020	Amount Overdrawn June 30, 2021
Construction Eoc	\$ -	\$ 510,376
Construction 2019 Hs	399	-
Center Grove CSC – A/R	872	776

FINDING 2021-002: PREPAID SCHOOL MEAL ACCOUNTS

Criteria: Prepaid school meals should not be considered income to the child nutrition program until students are charged a meal to their account. When a student deposits money into their school account the balance of their individual account it should not be included in Fund 800 School Lunch. The school should have a clearing account with the fund number 8400 Prepaid School Lunch Accounts, which is included in Chapter 5 of the State Board of Accounts Uniform Compliance Guidelines for Indiana Public School Corporations. The student deposits for school meals into their account should be recorded to fund 8400 using receipt account 1630 Special Functions. Once the student is charged meals, disburse that amount using expenditure account 31900 Other Food Services from fund 8400 and receipt this into fund 800 using the Food and Serviced receipt accounts 1611-1623 at the time established in a written policy to ensure accurate monthly reporting. The receipt at this point is considered program income and should be reported as such.

It is also a requirement that the balance of fund 8400 to be reconciled on a monthly basis to the individual meal accounts. (The School Bulletin and Uniform Compliance Guidelines, February 2019).

Condition: A monthly reconciliation between Fund 8400, Prepaid Food fund, and the detailed records by student did not agree as of June 30, 2020 and 2021, respectively. The Prepaid Food fund balance at June 30, 2020 was understated in comparison to the subsidiary records \$14,077. The Prepaid Food fund balance at June 30, 2021 was overstated in comparison to the subsidiary records \$314,905 due to a system error which did not allow transfer to Fund 0800. The issue was corrected in August 2021.

This is a repeat finding from report B54663.

CENTER GROVE COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE
July 1, 2019 to June 30, 2021

The contents of this report were discussed on November 2, 2022 with Catherine Statzer, Treasurer, Richard Arkanoff, Superintendent, Jason Taylor, Assistant Superintendent, and Scott Alexander, School Board Member.