

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

GREENWOOD COMMUNITY SCHOOL CORPORATION

JOHNSON COUNTY, INDIANA

July 1, 2020 to June 30, 2022



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Veronica Crooke	07-01-20 to 06-30-23
Superintendent of Schools	Dr. Kent DeKoninck Dr. Terry Terhune	07-01-20 to 06-30-21 07-01-21 to 06-30-23
President of the School Board	Steve Moan Mike Metzger	07-01-20 to 12-31-20 01-01-21 to 06-30-23



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 GREENWOOD COMMUNITY SCHOOL
CORPORATION, JOHNSON 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 Greenwood Community School Corporation (School Corporation), for the period of July 1, 2020 to June 30, 2022, and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement and have issued our report thereon dated January 11, 2023, 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.

Report on 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) as a basis for designing 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

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)

Report on 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

January 11, 2023



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 GREENWOOD COMMUNITY SCHOOL CORPORATION, JOHNSON COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Greenwood Community School Corporation'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, 2020 to June 30, 2022. 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.

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 major federal programs for the period of July 1, 2020 to June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the School Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School Corporation's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the School Corporation's federal programs.

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)

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School Corporation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually, or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School Corporation's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the School Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

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 2022-001. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the School Corporation's response to the noncompliance findings identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. 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.

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)

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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. We consider the deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002, to be material weaknesses.

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 audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards require the auditor to perform limited procedures on the School Corporation's response to the internal control over compliance findings identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The School Corporation's response was not subjected to the other 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.

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)

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, 2020 to June 30, 2022, and the related notes to the financial statement. We issued our report thereon dated January 11, 2023, which contained a dual opinion on the financial statement. An adverse opinion was issued regarding the presentation in accordance with accounting principles generally accepted in the United States of America, and an unmodified opinion was issued regarding the presentation in accordance with the regulatory basis of accounting. Our audit was performed 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

January 11, 2023

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.

GREENWOOD COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2021 and 2022

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	Pass Through to Subrecipient 06-30-21	Total Federal Awards Expended 06-30-21	Pass Through to Subrecipient 06-30-22	Total Federal Awards Expended 06-30-22
Department of Agriculture							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553					
School Breakfast Program			FY2021	\$ -	\$ 274,416	\$ -	\$ -
School Breakfast Program			FY2022	-	-	-	421,463
COVID-19 - School Breakfast Program	Indiana Department of Education	10.553					
School Breakfast Program			FY2021	-	51,408	-	-
Total - School Breakfast Program				-	325,824	-	421,463
National School Lunch Program	Indiana Department of Education	10.555					
School Lunch Program			FY2021	-	832,298	-	-
School Lunch Program			FY2022	-	-	-	1,646,222
Commodities			FY2021	-	146,932	-	-
Commodities			FY2022	-	-	-	179,022
After School Snack Program			FY2021	-	1,717	-	-
After School Snack Program			FY2022	-	-	-	3,253
Subtotal - National School Lunch Program				-	980,947	-	1,828,497
COVID-19 - National School Lunch Program	Indiana Department of Education	10.555					
SNP Emergency Fund			FY2021	-	-	-	100,401
School Lunch Program			FY2021	-	175,966	-	-
After School Snack Program			FY2021	-	549	-	-
Subtotal - COVID-19 - National School Lunch Program				-	176,515	-	100,401
Total - National School Lunch Program				-	1,157,462	-	1,928,898
Summer Food Service Program for Children	Indiana Department of Education	10.559					
Summer Food Service Program for Children			FY2022	-	-	-	46,851
COVID-19 - Summer Food Service Program for Children	Indiana Department of Education	10.559					
Summer Food Service Program for Children			FY2021	-	34,343	-	-
Total - Summer Food Service Program for Children				-	34,343	-	46,851
Total - Child Nutrition Cluster				-	1,517,629	-	2,397,212
Pandemic EBT Administrative Costs	Indiana Department of Education	10.649					
Pandemic EBT Administrative Costs			FY2021	-	-	-	3,063
Total - Department of Agriculture				-	1,517,629	-	2,400,275

GREENWOOD COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2021 and 2022

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	Pass Through to Subrecipient 06-30-21	Total Federal Awards Expended 06-30-21	Pass Through to Subrecipient 06-30-22	Total Federal Awards Expended 06-30-22
Department of Housing and Urban Development							
CDBG - Entitlement Grants Cluster							
COVID-19 - Community Development Block Grants/Entitlement Grants	Direct Grant	14.218		-	-	-	52,016
COVID-19 - Community Development Block Grants/Entitlement Grants				-	-	-	52,016
Total - Department of Housing and Urban Development				-	-	-	52,016
Federal Communications Commission							
COVID-19 - Emergency Connectivity Fund Program							
Emergency Connectivity Fund Program	Direct Grant	32.009	ECF202111859	-	-	-	106,000
Total - Federal Communications Commission				-	-	-	106,000
Department of Education							
Special Education Cluster (IDEA)							
Special Education Grants to States							
Federal Part B 611 2019	Indiana Department of Education	84.027	19611-031-PN01	-	76	-	-
Federal Part B 611 2020			20611-031-PN01	-	220,889	-	-
Federal Part B 611 2021			21611-031-PN01	-	717,104	-	192,815
Federal Part B 611 2022			22611-031-PN01	-	-	-	803,128
Subtotal - Special Education Grants to States				-	938,069	-	995,943
COVID-19 - Special Education Grants to States							
ARP IDEA 611 2022	Indiana Department of Education	84.027	22611-031-ARP	-	-	-	60,545
Total - Special Education Grants to States				-	938,069	-	1,056,488
Special Education Preschool Grants							
Federal Part B 619 2019	Indiana Department of Education	84.173	19619-031-PN01	-	2	-	-
Federal Part B 619 2020			20619-031-PN01	-	5,292	-	-
Federal Part B 619 2021			21619-031-PN01	-	14,128	-	5,363
Federal Part B 619 2022			22619-031-PN01	-	-	-	16,314
Total - Special Education Preschool Grants				-	19,422	-	21,677
Total - Special Education Cluster (IDEA)				-	957,491	-	1,078,165
Title I Grants to Local Educational Agencies							
Title I 19/20	Indiana Department of Education	84.010	S010A190014	-	176,588	-	325
Title I 20/21			S010A200014	-	264,358	-	161,649
Title I 21/22			S010A210014	-	-	-	252,696
Subtotal - Title I Grants to Local Educational Agencies				-	440,946	-	414,670

GREENWOOD COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2021 and 2022

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	Pass Through to Subrecipient 06-30-21	Total Federal Awards Expended 06-30-21	Pass Through to Subrecipient 06-30-22	Total Federal Awards Expended 06-30-22
Title I Grants to Local Educational Agencies Title I 20/21 Title I 21/22	Perry Township Schools	84.010	S010A200014 S010A210014	- -	8,184 -	- -	- 7,036
Title I Grants to Local Educational Agencies Title I 21/22	Clark-Pleasant Community School Corporation	84.010	S010A210014	-	-	-	14,553
Total - Title I Grants to Local Educational Agencies				-	449,130	-	436,259
English Language Acquisition State Grants Title III Ltd. Eng Prof 2018-20 Title III Ltd. Eng Prof 2019-21 Title III Ltd. Eng Prof 2020-22	Indiana Department of Education	84.365	S365A180014 S365A190014 S365A200014	- - -	1,242 1,175 -	- - -	- 12,448 700
Total - English Language Acquisition State Grants				-	2,417	-	13,148
Supporting Effective Instruction State Grants Title II Part A/FFY 2018 Title II Part A/FFY 2019 Title II Part A/FFY 2020	Indiana Department of Education	84.367	S367A180013 S367A190013 S367A200013	- - -	25,383 24,081 -	- - -	29,052 76,842 12,929
Total - Supporting Effective Instruction State Grants				-	49,464	-	118,823
Student Support and Academic Enrichment Program Title IV Part A FY 2018 Title IV Part A FY 2019 Title IV Part A FY 2020	Indiana Department of Education	84.424	S424A180015 S424A190015 S424A200015	- - -	8,578 23,251 1,603	- - -	- 6,942 11,382
Total - Student Support and Academic Enrichment Program				-	33,432	-	18,324
COVID-19 - Education Stabilization Fund Governor's Emergency Education Relief Fund Cares Act Elementary and Secondary School Emergency Relief Fund II Elementary and Secondary School Emergency Relief Fund III	Indiana Department of Education	84.425	84.425C S425C200018 84.425D S425D200013 84.425D S425D210013 84.425U S425U210013	- - - -	369,405 61,730 - -	- - - -	- 46,422 929,979 301,353
Subtotal - COVID-19 - Education Stabilization Fund				-	431,135	-	1,277,754
COVID-19 - Education Stabilization Fund Cares Act	Perry Township Schools	84.425	84.425D S425D200013	-	9,338	-	-
Total - COVID-19 - Education Stabilization Fund				-	440,473	-	1,277,754
Total - Department of Education				-	1,932,407	-	2,942,473

GREENWOOD COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2021 and 2022

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	Pass Through to Subrecipient 06-30-21	Total Federal Awards Expended 06-30-21	Pass Through to Subrecipient 06-30-22	Total Federal Awards Expended 06-30-22
Department of Health and Human Services							
Medicaid Cluster							
Medical Assistance Program	Indiana Department of Education	93.778					
Federal Medicaid Reimbursement 20-21 - MAC			FY2021	-	129,640	-	-
Federal Medicaid Reimbursement 21-22 - MAC			FY2022	-	-	-	88,514
Medical Assistance Program	Indiana Family Social Services Administration	93.778					
Federal Medicaid Reimbursement 20-21 - IEP			FY2021	-	124,448	-	-
Federal Medicaid Reimbursement 21-22 - IEP			FY2022	-	-	-	133,847
Total - Medical Assistance Program				-	254,088	-	222,361
Total - Medicaid Cluster				-	254,088	-	222,361
Total - Department of Health and Human Services				-	254,088	-	222,361
Department of Homeland Security							
COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Indiana Department of Homeland Security	97.036					
COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)			FY2020	-	-	-	105,174
Total - Department of Homeland Security				-	-	-	105,174
Total federal awards expended				\$ -	\$ 3,704,124	\$ -	\$ 5,828,299

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

GREENWOOD COMMUNITY SCHOOL CORPORATION
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, 2021 and 2022. 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.

Note 3. Earlywood Educational Services

The School Corporation is a member of the Earlywood Educational Services (Cooperative). As a result, the activity for the Special Education Cluster (IDEA) that is presented on the SEFA is not presented as receipts and disbursements in the financial statement for the School Corporation. This activity is presented in the financial statement of the Cooperative's fiscal agent.

GREENWOOD COMMUNITY SCHOOL CORPORATION
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?	no
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

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
	Child Nutrition Cluster	Unmodified
	Special Education Cluster (IDEA)	Unmodified
84.425	COVID-19 - Education Stabilization Fund	Unmodified

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

No matters are reportable.

GREENWOOD COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III - Federal Award Findings and Questioned Costs

FINDING 2022-001

Subject: Child Nutrition Cluster

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

Assistance Listings Numbers: 10.553, 10.555, 10.559

Federal Award Numbers and Years (or Other Identifying Numbers): FY2021, FY2022

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

Audit Findings: Material Weakness, Other Matters

Condition and Context

An effective internal control system was not designed, nor implemented at the School Corporation to ensure compliance with requirements related to the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

Federal regulations allow for informal procurement methods when the value of the procurement for property or services does not exceed the simplified acquisition threshold, which is set at \$150,000, this informal process allows for methods other than the formal bid process. The informal process is divided between two methods based on thresholds. Micro-purchases, typically for those purchases \$10,000 or under, and small purchase procedures for those purchases above the micro-purchase threshold, but below the simplified acquisition threshold. Micro-purchases may be awarded without soliciting competitive price rate quotations. If small purchase procedures are used, then price or rate quotations must be obtained from an adequate number of qualified sources.

The School Corporation did not obtain price or rate quotes for five of the six vendors tested that were less than the simplified acquisition threshold of \$150,000 but exceeded the \$10,000 micro-purchase threshold. The micro-purchase threshold may be increased, but the School Corporation did not provide documentation that the threshold had been increased. Documentation detailing the history of procurement, which must include the reason for the procurement method used, was not available for audit.

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). . . ."

GREENWOOD COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 200.318(i) states:

"The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to, the following: Rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price."

2 CFR 200.320(b) states:

"Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources."

2 CFR 200.320 states:

"The non-Federal entity must have and use document procurement procedures, consistent with the standards of this section and §§ 200.317, 200.318, and 200.319 for any of the following methods of procurement used for the acquisition of property or services required under a Federal award or sub-award.

(a) *Informal procurement methods.* When the value of the procurement for property or services under a Federal award does not exceed the *simplified acquisition threshold (SAT)*, as defined in § 200.1, or a lower threshold established by a non-Federal entity, formal procurement methods are not required. The non-Federal entity may use informal procurement methods to expedite the completion of its transactions and minimize the associated administrative burden and cost. The informal methods used for procurement of property or services at or below the SAT include: . . .

(2) *Small purchases -*

(i) *Small purchase procedures.* The acquisition of property or services, the aggregate dollar amount of which is higher than the micro-purchase threshold but does not exceed the simplified acquisition threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources as determined appropriate by the non-Federal entity. . . ."

Cause

Management had not developed or implemented a system of internal control that would have ensured compliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

Effect

The failure to establish an effective internal control system enabled noncompliance to go undetected. Noncompliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement could result in the loss of future federal funds to the School Corporation.

Questioned Costs

There were no questioned costs identified.

GREENWOOD COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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 Procurement and Suspension and Debarment 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 2022-002

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): S425C200018, S425D200013,
S425D210013, S425U210013

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Reporting

Audit Finding: Material Weakness

Condition and Context

An effective internal control system was not designed, nor implemented at the School Corporation to ensure compliance with requirements related to the grant agreement and the Reporting compliance requirement.

The School Corporation had not designed, nor implemented a system of internal control to ensure that the annual Elementary and Secondary School Emergency Relief (ESSER) and the Governor's Emergency Education Relief (GEER) annual Data Collection reports (Reports) were complete and accurately submitted. The Reports were prepared by one employee without an oversight or review process in place to prevent, or detect and correct, errors.

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:

- (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). . . ."

GREENWOOD COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Cause

Management had not developed or implemented 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 placed the School Corporation at risk of noncompliance with the grant agreement and the Reporting 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 related to 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.

Greenwood Community School Corporation


605 West Smith Valley Road Telephone: (317) 889-4060
Greenwood, IN 46142 Fax: (317) 889-4068

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2020-001

Fiscal year in which the finding initially occurred: FY 2019

Status of Audit Finding: Preparation of the Schedule of Expenditures of Federal Awards – corrective action was taken

FINDING 2020-002

Fiscal year in which the finding initially occurred: FY 2019

Status of Audit Finding: Child Nutrition Cluster - Special Tests and Provisions - Paid Lunch Equity – corrective action plan was made but we have not had to do this report since this was found.

FINDING 2020-003

Fiscal year in which the finding initially occurred: FY 2019

Status of Audit Finding: Child Nutrition Cluster - Program Income – corrective action was taken

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CORRECTIVE ACTION PLAN

FINDING 2022-001 (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Todd Pritchett
Contact Phone Number: 317-889-4060

Views of Responsible Official:

The finding is not disputed. The corporation experienced turnover during the audit period in the cafeteria manager's position which may have contributed to inability to provide documentation of three quotes for the specified purchase.

Description of Corrective Action Plan:

On-going training and additional and more experience will continue to address proper documentation procedures.

Anticipated Completion Date:

Immediate

Greenwood Community School Corporation

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Fax: (317) 889-4068

FINDING 2022-002 (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Todd Pritchett
Contact Phone Number: 317-889-4060

Views of Responsible Official:

In reviewing and investigating the core of this finding, it was determined that there were three reports that did not have a secondary review signature on them. As this finding is in review of ESSER funding, it should be noted that most all guidance and direction for these grants came after they were issued. It should be noted that the three reports cited were interpreted as progress monitoring by the district and not "formal", therefore, not requiring signatures. All financial transactions related to this grant did receive a second review and signature in addition to the reporting of these grants on the annual SEFA report.

Description of Corrective Action Plan:

As controls are already established and the procedure for these grants established, a second signature (review) will be secured on all future reports.

Anticipated Completion Date:

Immediate

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/>.