

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

KANKAKEE VALLEY SCHOOL CORPORATION

JASPER COUNTY, INDIANA

July 1, 2020 to June 30, 2022



FILED

03/17/2023

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chief Financial Officer/Treasurer	Carol Deardorff Chris Richie	07-01-20 to 01-09-23 01-10-23 to 06-30-23
Superintendent of Schools	Donald Street	07-01-20 to 06-30-23
President of the School Board	Jill Duttlinger	07-01-20 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 KANKAKEE VALLEY SCHOOL
CORPORATION, JASPER 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 Kankakee Valley 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 February 27, 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, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, as described in the accompanying Schedule of Findings and Questioned Costs as item 2022-001, that we consider to be material weaknesses.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(Continued)

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*.

Kankakee Valley School Corporation's Response to Findings

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

February 27, 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 KANKAKEE VALLEY SCHOOL CORPORATION, JASPER COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited the Kankakee Valley 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.

Qualified Opinion on Special Education Cluster (IDEA)

In our opinion, except for the noncompliance described in the *Basis for Qualified and Unmodified Opinions* section of our report, the School Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Special Education Cluster (IDEA) for the period of July 1, 2020 to June 30, 2022.

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 and Unmodified Opinions* section of our report, the School Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the COVID-19 - Education Stabilization Fund for the period of July 1, 2020 to June 30, 2022.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings and Questioned Costs for the period of July 1, 2020 to June 30, 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
(Continued)

Basis for Qualified and Unmodified Opinions

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.

Matter Giving Rise to Qualified Opinion on Special Education Cluster (IDEA)

As described in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with requirements regarding 84.027 Special Education Cluster (IDEA), as described in item 2022-003 for Matching, Level of Effort, Earmarking. Compliance with such requirement is necessary, in our opinion, for the School Corporation to comply with the requirements applicable to that program.

Matter Giving Rise to Qualified Opinion on COVID-19 - Education Stabilization Fund

As described in the accompanying Schedule of Findings and Questioned Costs, we were unable to obtain sufficient appropriate audit evidence supporting the compliance of the School Corporation with 84.425 COVID-19 - Education Stabilization Fund, as described in item 2022-006 for Special Tests and Provisions - Wage Rate Requirement. Consequently, we were unable to determine whether the School Corporation complied with those requirements applicable to that program.

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.

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.

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)

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 2022-004. 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.

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.

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. We consider the deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2022-002, 2022-003, 2022-004, 2022-005, and 2022-006, 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.

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 February 27, 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

February 27, 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.

KANKAKEE VALLEY 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	Passed Through to Subrecipient 06-30-21	Total Federal Awards Expended 06-30-21	Passed 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	SY2020-2021	\$ -	\$ 19,490	\$ -	\$ -
School Breakfast Program							
National School Lunch Program							
National School Lunch Program	Indiana Department of Education	10.555	SY2020-2021	-	97,972	-	-
Commodities		10.555	SY2020-2021	-	140,828	-	-
Commodities		10.555	SY2021-2022	-	-	-	159,493
Total - National School Lunch Program				-	238,800	-	159,493
COVID-19 - Summer Food Service Program for Children							
COVID-19 - Summer Food Service Program for Children	Indiana Department of Education	10.559	SY2021-2022	-	-	-	1,931,901
Summer Food Service Program COVID Waiver		10.559	SY2020-2021	-	1,331,715	-	-
Total - Child Nutrition Cluster				-	1,590,005	-	2,091,394
Pandemic EBT Administrative Costs							
P-EBT Admin Funds	Indiana Department of Education	10.649	SY2021-2022	-	-	-	3,063
Total - Department of Agriculture				-	1,590,005	-	2,094,457
Federal Communications Commission							
Emergency Connectivity Fund Program							
Emergency Connectivity Fund	Direct Grant	32.009	ECF2190007811	-	-	-	80,000
Total - Federal Communications Commission				-	-	-	80,000
Department of Education							
Special Education Cluster (IDEA)							
Special Education Grants to States							
FY2020 Federal Part B 611 Grant	Indiana Department of Education	84.027	20611-047-PN01	-	335,813	-	-
FY2020 Federal Part B 611 Grant		84.027	20611-047-PN01	-	-	-	24,581
FY2021 Federal Part B 611 Grant		84.027	21611-047-PN01	-	466,583	-	-
FY2021 Federal Part B 611 Grant		84.027	21611-047-PN01	-	-	-	346,189
FY2022 Federal Part B 611 Grant		84.027	22611-047-PN01	-	-	-	437,906
Total - Special Education Grants to States				-	802,396	-	808,676
Special Education Preschool Grants							
FY2020 Federal Preschool 619 Grant	Indiana Department of Education	84.173	20619-047-PN01	-	21,863	-	-
FY2020 Federal Preschool 619 Grant		84.173	20619-047-PN01	-	-	-	3,823
FY2021 Federal Preschool 619 Grant		84.173	21619-047-PN01	-	-	-	27,131
FY2022 Federal Preschool 619 Grant		84.173	22619-047-PN01	-	-	-	1,806
Total - Special Education Preschool Grants				-	21,863	-	32,760
Total - Special Education Cluster (IDEA)				-	824,259	-	841,436
Title I Grants to Local Educational Agencies							
Title I Part A 2019-2020	Indiana Department of Education	84.010	S010A190014	-	42,163	-	-
Title I Part A 2020-2021		84.010	S010A200014	-	256,913	-	-
Title I Part A 2020-2021		84.010	S010A200014	-	-	-	64,196
Title I Part A 2021-2022		84.010	S010A210014	-	-	-	262,743
Total - Title I Grants to Local Education Agencies				-	299,076	-	326,939

KANKAKEE VALLEY 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	Passed Through to Subrecipient 06-30-21	Total Federal Awards Expended 06-30-21	Passed Through to Subrecipient 06-30-22	Total Federal Awards Expended 06-30-22
Career and Technical Education-Basic Grants to States Career and Technical Education-Basic Grants to States	Indiana Department of Education	84.048	20-0512-PP17	-	5,000	-	-
English Language Acquisition State Grants Title III 2019-2021 Title III 2019-2021 Title III 2020-2022 Title III 2020-2022 Title III 2021-2023	Indiana Department of Education	84.365 84.365 84.365 84.365 84.365	S365A190014 S365A190014 S365A200014 S365A200014 S365A210014	- - - - -	2,936 - 8,889 - -	- - - - -	- 1,000 - 2,000 8,977
Total - English Language Acquisition State Grants				-	11,825	-	11,977
Supporting Effective Instruction State Grants Title II Improving Teacher Quality 2018-2020 Title II Improving Teacher Quality 2019-2021 Title II Improving Teacher Quality 2019-2021 Title II Improving Teacher Quality 2020-2022 Title II Improving Teacher Quality 2020-2022 Title II Improving Teacher Quality 2021-2023	Indiana Department of Education	84.367 84.367 84.367 84.367 84.367 84.367	S367A180013 S367A190013 S367A190013 S367A200013 S367A200013 S367A210013	- - - - - -	9,358 7,461 - 41,992 - -	- - - - - -	- - 39,719 - 27,536 32,349
Total - Supporting Effective Instruction State Grants				-	58,811	-	99,604
Student Support and Academic Enrichment Program Title IV Part A Student Support & Academic Enrichment 2019-2021	Indiana Department of Education	84.424	S424A190015	-	22,794	-	-
COVID-19 - Education Stabilization Fund Governor's Emergency Education Relief Funds Elementary and Secondary School Emergency Relief Fund Elementary and Secondary School Emergency Relief Fund Elementary and Secondary School Emergency Relief Fund	Indiana Department of Education	84.425C 84.425D 84.425D 84.425U	S425C200018 S425D200013 S425D210013 S425U210013	- - - -	41,189 259,794 - -	- - - -	84,768 - 417,820 596,813
Total - COVID-19 - Education Stabilization Fund				-	300,983	-	1,099,401
Total - Department of Education				-	1,522,748	-	2,379,357
Department of Health and Human Services							
Medicaid Cluster Medical Assistance Program Medical Assistance Program Medical Assistance Program	Indiana Department of Education	93.778 93.778	SY2021-2022 SY2020-2021	- -	- 92,257	- -	(60,725) -
Total - Medical Assistance Program				-	92,257	-	(60,725)
Total - Medicaid Cluster				-	92,257	-	(60,725)
Total - Department of Health and Human Services				-	92,257	-	(60,725)
Total federal awards expended				\$ -	\$ 3,205,010	\$ -	\$ 4,493,089

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

KANKAKEE VALLEY 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 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. Negative amounts shown on the SEFA represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

KANKAKEE VALLEY SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

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. Special Education Cooperative

The School Corporation is a member of the Cooperative School Services (Cooperative), which operates the special education program for the School Corporation. 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.

Note 4. Medicaid Reimbursement by the School Corporation

In May of 2022, the School Corporation returned \$1,026,770 in Medicaid reimbursement monies as a result of a possible overpayment for services rendered over a seven-year period. The School Corporation had contracted with an outside vendor as its Medicaid reimbursement provider. The vendor did not require providers to acknowledge receipt of doctors' referrals for speech and occupational therapy services received. Upon advice of counsel, the School Corporation voluntarily reimbursed all federal and state Medicaid payments received over the seven-year period. The State of Indiana is currently working on determining the amount of funding that will be returned to the School Corporation for the state portion, which was returned in an abundance of caution.

Since the June 30, 2021 school year was included in the amount returned, the SEFA shows the federal amount of Medical Assistance Program funds received as of June 30, 2021. The Medical Assistance Program amount recorded for the June 30, 2022 SEFA amounts was the amount received in that year less the amount received in the prior year, resulting in a negative amount.

KANKAKEE VALLEY 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?	yes
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
84.425	Special Education Cluster (IDEA) COVID-19 - Education Stabilization Fund Child Nutrition Cluster	Qualified Qualified 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

FINDING 2022-001

Subject: Financial Transactions and Reporting
Audit Finding: Material Weakness

Condition and Context

There were deficiencies in the internal control system of the School Corporation related to financial transactions and reporting.

The School Corporation had not established internal controls over the financial information entered into the Indiana Gateway for Government Units (Gateway) financial reporting system, which was the source of the School Corporation's Annual Financial Report (AFR). The Treasurer prepared and submitted the AFR in Gateway without an oversight or review process in place to prevent, or detect and correct, errors on the AFR.

KANKAKEE VALLEY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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. . . ."

Cause

Management had not established a system of internal controls to ensure proper reporting of the AFR.

Effect

The failure to establish a system of internal controls could have enabled material misstatements or irregularities to remain undetected. The failure to monitor the internal control system placed the School Corporation at risk that internal controls may not be either designed properly or operating effectively to provide reasonable assurance that internal controls will prevent, or detect and correct, misstatements in a timely manner.

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 2022-002

Subject: Special Education Cluster (IDEA) - Suspension and Debarment

Federal Agency: Department of Education

Federal Programs: Special Education Grants to States, Special Education Preschool Grants

Assistance Listings Numbers: 84.027, 84.173

Federal Award Numbers and Years (or Other Identifying Numbers): 21611-047-PN01, 21619-047-PN01,
22611-047-PN01, 22619-047- PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

Audit Finding: Material Weakness

KANKAKEE VALLEY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Repeat Finding

This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2020-003.

Condition and Context

The School Corporation is a member of the Cooperative School Services (Cooperative). The Cooperative operated the special education programs on behalf of the School Corporation and managed the Special Education grant funds. As the grant agreement was between the Indiana Department of Education and the School Corporation, the School Corporation was responsible for compliance with the grant agreement and the suspension and debarment requirements of the Procurement and Suspension and Debarment compliance requirement.

The School Corporation did not have adequate internal controls in place to ensure the Cooperative complied with the suspension and debarment requirements. The Special Education Director obtained suspension and debarment certifications for contracted vendors over \$25,000 without an oversight or review process.

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). . . ."

Cause

Management had not developed a system of internal controls that would have ensured compliance with the grant agreement and the suspension and debarment requirements of the Procurement and Suspension and Debarment 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 suspension and debarment requirements of the Procurement and Suspension and Debarment compliance requirement.

Questioned Costs

There were no questioned costs identified.

KANKAKEE VALLEY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Recommendation

We recommended that the School Corporation's management establish internal controls to ensure compliance 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 2022-003

Subject: Special Education Cluster (IDEA) - Earmarking
Federal Agency: Department of Education
Federal Programs: Special Education Grants to States, Special Education Preschool Grants
Assistance Listings Numbers: 84.027, 84.173
Federal Award Numbers and Years (or Other Identifying Numbers): 20611-047-PN01, 20619-047-PN01
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Matching, Level of Effort, Earmarking
Audit Findings: Material Weakness, Modified Opinion

Condition and Context

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

The School Corporation did not have effective internal controls in place to ensure that the required level of expenditures for non-public students for private school and homeschooled students were met. The School Corporation did not spend all of the required proportionate share for grant 20611-047-PN01. Additionally, the School Corporation did not spend any of the required proportionate share amount for grant 20619-047-PN01.

For grant 20611-047-PN01, the amounts spent for one of the four teachers was not supported by timesheets.

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). . . ."

KANKAKEE VALLEY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 200.400 states in part:

". . . (a) The non-Federal entity is responsible for the efficient and effective administration of the Federal award through the application of sound management practices.

(b) The non-Federal entity assumes responsibility for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award. . . ."

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: . . .

(g) Be adequately documented . . ."

2 CFR 200.208(b) states in part: "The Federal awarding agency or pass-through entity may adjust specific Federal award conditions as needed . . ."

511 IAC 7-34-7(b) states:

"The public agency, in providing special education and related services to students in nonpublic schools must expend at least an amount that is the same proportion of the public agency total subgrant under 20 U.S.C. 1411(f) as the number of nonpublic school students with disabilities, who are enrolled by their parents in nonpublic schools within its boundaries, is to the total number of students with disabilities of the same age range."

Cause

Management had not developed a system of internal controls that would have ensured compliance with the earmarking requirements of the Matching, Level of Effort, Earmarking compliance requirement.

Effect

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement and the earmarking requirements of the Matching, Level of Effort, Earmarking compliance requirement could result in the loss of future federal funds to the School Corporation.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish internal controls 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.

KANKAKEE VALLEY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2022-004

Subject: COVID-19 - Education Stabilization Fund - Equipment and Real Property Management
Federal Agency: Department of Education
Federal Program: COVID-19 - Education Stabilization Fund
Assistance Listings Number: 84.425C, 84.425D, 84.425U
Federal Award Numbers and Years (or Other Identifying Numbers): S425C200018, S425D200013,
S425D210013, S425U210013
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Equipment and Real Property Management
Audit Findings: Material Weakness, Other Matters

Condition and Context

An effective internal control system was not designed or implemented at the School Corporation to ensure compliance with requirements related to the grant agreement and the Equipment and Real Property Management compliance requirement.

The School Corporation paid for various pieces of equipment with Education Stabilization Funds. Although these assets were added to a detailed listing of capital assets, this listing did not include a serial number or other identification number, the source of funding for the property (including the federal award identification number), who holds title, the acquisition date, cost of the property, percentage of federal participation in the project costs for the federal award under which the property was acquired, the location, and the use and condition of the property.

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). . . ."

2 CFR 200.313(d)(1) states:

"Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, cost of the property, percentage of federal participation in the project costs for the federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sales price of the property."

Cause

Management had not developed a system of internal controls that would have ensured compliance with the Equipment and Real Property Management compliance requirement.

KANKAKEE VALLEY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Effect

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

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish internal controls to ensure compliance and comply with the grant agreement and the Equipment and Real Property Management compliance requirement.

Views of Responsible Officials

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

FINDING 2022-005

Subject: COVID-19 - Education Stabilization Fund - Reporting
Federal Agency: Department of Education
Federal Program: COVID-19 - Education Stabilization Fund
Assistance Listings Number: 84.425C, 84.425D, 84.425U
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 or 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 or implemented a system of internal controls 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:

KANKAKEE VALLEY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

Cause

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

Effect

The failure to establish an effective internal control system could have enabled material noncompliance to go undetected.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish internal controls to ensure compliance with the grant agreements 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.

FINDING 2022-006

Subject: COVID-19 - Education Stabilization Fund - Special
Tests and Provisions - Wage Rate Requirements

Federal Agency: Department of Education

Federal Program: COVID-19 - Education Stabilization Fund

Assistance Listings Number: 84.425C, 84.425D, 84.425U

Federal Award Numbers and Years (or Other Identifying Numbers): S425C200018, S425D200013,
S425D210013, S425U210013

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Special Tests and Provisions - Wage Rate Requirements

Audit Findings: Material Weakness, Modified Opinion

Condition and Context

An effective internal control system was not designed or implemented at the School Corporation to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - Wage Rate Requirements compliance requirement.

KANKAKEE VALLEY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Construction contracts in excess of \$2,000 financed by federal assistance funds must pay wages not less than those established for the locality of the project (prevailing wage rates) by the Department of Labor (DOL) to their laborers and mechanics. Nonfederal entities are to include in their construction contracts subject to the Wage Rate Requirements a provision that the contractor or subcontractor comply with these requirements and the DOL regulations. This would include a requirement to submit a copy of the payroll and statement of compliance to the entity for each week in which contract work was performed.

The School Corporation did not have adequate policies or procedures to ensure that construction contracts in excess of \$2,000 paid from federal grant funds included a prevailing wage rate clause. For one of two contracts tested, the required prevailing wage rate clause was not included in the contract. Additionally, none of the required certified payrolls were presented 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). . . ."

29 CFR 5.5 states in part:

"(a) The Agency head shall cause or require the contracting officer to insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a public building or public work, or building or work financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in § 5.1, the following clauses . . .

(1) *Minimum wages.*

- (i) All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. . . .

KANKAKEE VALLEY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

(3) . . .

(ii)

(A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the (write in name of appropriate federal agency) if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant, sponsor, or owner, as the case may be, for transmission to the (write in name of agency). . . ."

2 CFR 200 Appendix II states in part:

"In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable. . . .

2(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, 'Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction'). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. . . ."

Cause

Management had not designed or implemented a system of internal controls that would have ensured compliance with the grant agreement and the Special Tests and Provisions - Wage Rate Requirements compliance requirement.

Effect

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement and the Special Tests and Provisions - Wage Rate Requirement could result in the loss of future federal funds to the School Corporation.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management establish internal controls to ensure compliance and comply with the grant agreement and the Special Tests and Provisions - Wage Rate Requirement 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.



Kankakee Valley School Corporation

12021 N 550 W
PO Box 278
Wheatfield, Indiana 46392-0278

Telephone: 219-987-4711
Fax: 219-987-4710

Mission statement:

*Our mission is to guide students
to become informed, engaged
citizens, and curious, lifelong
learners.*

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2020-0001 Financial Transactions

Fiscal year in which the finding initially occurred: FY2020

Status of Audit Finding:

The corrective action plan was implemented in 2021.

Fund transfers are now done by issuing a check and receipt. The check is included on the claim docket that is approved by the Board of Education, the accounts payable voucher is reviewed and approved by the accounts payable clerk and the treasurer, and the receipt is listed on the monthly report that is reviewed by the deputy treasurer and compared to the receipt issued to verify that the receipt was posted correctly.



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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2020-002 Child Nutrition Cluster - Cash Management

Fiscal Year in which the finding initially occurred: SY2020-21

Person Responsible for Corrective Action: Michelle Flick, Former Director of Food Services(2020-21)

Person Responsible for Corrective Action: Michael Hale, Former Director of Food Services (2021-22)

Contact Person Responsible for Corrective Action: Andrea Kelleher, Director of Food Services (Current)

Phone Number and email: 219-987-4711 ex. 1117 and akelleher@kv.k12.in.us

Status of Audit Finding:

By establishing more effective internal control procedures, which included tracking and monitoring the daily and monthly cash balance of the Food Service Program while working to maintain a three-month operating balance, funds were able to be allocated to areas of need. In the SY2020-21 the Food Service Program was able to allocate funds for equipment and maintenance needs. Excess Funds were also allocated and spent on equipment upgrades, to pay increasing food costs, and by an increase in salary schedules for Food Service Employees.

In the SY 2021-22 the Food Service Program started with a substantial lower amount of access funds. The beginning of the school year the State made all breakfast and lunches free for every student for the entire school year. Higher Reimbursement Claims were given to schools based on this free status for all students which increased our access funds. A spend down plan was implemented and equipment updates were proposed and purchases were made later in the SY 2021-22. Also, Salary increases were board approved for the SY2022-23. Funds were also allocated for Food Services to pay for Universal free breakfast for all students for SY 2022-23 which was on the Spend down plan.



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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2020-0003 Special Education Cluster – Procurement and Suspension and Debarment

Fiscal year in which the finding initially occurred: FY 2019 and FY2020

Status of Audit Finding:

The Director of Cooperative School Services advertised bids on the IDOE website and other similar sites for all contracts and contracted services. The Director informed the Cooperative School Services board of the advertised bids, and the bids were approved by the Rensselaer Central Schools Corp. Board of Education, which is the LEA. In the future, Cooperative School Services will also place legal ads in the local newspapers

The Suspension and Debarment portion of the issue is still ongoing during the current audit period. Cooperative School Services is working to implement procedures to correct it in the future.



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CORRECTIVE ACTION PLAN

FINDING 2022-001

Contact Person Responsible for Corrective Action: Chris Richie
Contact Phone Number: 219-987-4711 ext. 1113

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Business Manager/Treasurer and Deputy Treasurer will compare Annual Financial Report with Form 9 to verify accuracy. For School Lunch Funds, Food Service Director and Assistant Food Service Director will compare Annual Financial Report with Form 9 to verify accuracy. Individuals will initial and date a hard copy of final the report.

Anticipated Completion Date: The next filling of the Annual Financial Report.



CORRECTIVE ACTION PLAN

FINDING 2022-002

Contact Person Responsible for Corrective Action: Chris Richie

Contact Phone Number: 219 987 4711 ext.113

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

Cooperative School Services will implement the following procedures:

- Post open position on IDOE site and other similar job sites that might be appropriate: print and save the posting/advertisement.
- Post on Cooperative School Services website.
- Advertise the position in a newspaper if it is a shortage area and few responses are anticipated through the posting on IDOE such that it might be a contracted position. Keep a copy of the advertisement.
- Send posting to contracting companies/vendors if it is a shortage area and few responses are anticipated through posting on IDOE such that it might be a contracted position. Document contacts with the companies.
- Hold interviews with any prospective staff member(s) and review qualifications.
- Review the potential contract and salary/hourly rate of potential staff member(s) for non- contract company candidates and contracting company candidates.
- If there is only one potential staff member and that person is available through contracting companies, inquire with other companies as to the rate for a comparable individual's contract with their companies and/or other school districts to see what their rates are for the same position.
- Make a determination about the person to hire based upon interviews, references, skills, experience, etc.
- If using a contracting company, verify Suspension/Debarment status of the selected company. Have two (2) individuals within the CSS office review and verify the S/D status, then sign off on the S/D form provided through CSS after the vendor has completed the form.
- Send letter to Fiscal Agent Superintendent and School Board seeking approval of contract.
- Following board approval, sign contract and return to contracting company.
- Check for returned contract, signed by representative of the company.
- Send copies of fully signed contract to Fiscal Agent School Corporation Treasurer and CSS Bookkeeper.
- Provide the CSS board with information regarding the contracting arrangements and the S/D status of the vendor.
- Send copies of Susp/Debarment documentation to each corporation Attn: Supt and Treasurer with the spreadsheet of contracting information.

Anticipated Completion Date: 3/31/23



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CORRECTIVE ACTION PLAN

FINDING 2022-0003

Contact Person Responsible for Corrective Action: Chris Richie
Contact Phone Number: 219-987-4711 ext. 1113

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

- 1) At the beginning of each school year, Cooperative School Services (CSS) will issue step by step instructions regarding documentation of services to any school personnel providing services for non-public school students with Service Plans for Special Education. The instructions will include but not be limited to a list of current non-public school students on his/her caseload, Time and Effort (T&E) logs with examples, etc. The building principal will be asked to review and co-sign the completed T&E logs. (If there are additional students identified over the course of the school year, CSS will provide the appropriate information to any new service providers.)
- 2) During each school year, CSS will obtain the hourly rate (salary, benefits and other appropriate expenditures) for school personnel providing Special Education or Related Services to non-public school students from the school corporation Treasurer.
- 3) On monthly basis, the signed T&E logs will be submitted to the CSS office. The amount of federal Proportionate Share funds that can be claimed for each participating school corporation will be calculated by CSS and the school corporation Treasurer.
- 4) The school corporation will submit a claim to CSS for reimbursement for the funds expended to provide services for non-public school students at least twice per school year. CSS will submit the claim to the Fiscal Agent school corporation for reimbursement. The reimbursement claim will be paid through the Fiscal Agent school corporation's school board procedures from the IDEA Proportionate Share funds.

Anticipated Completion Date: March 31, 2023



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CORRECTIVE ACTION PLAN

FINDING 2022-0004

Contact Person Responsible for Corrective Action: Chris Richie
Contact Phone Number: 219-987-4711 ext. 1113

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: In the future, the treasurer will maintain a list of capital assets that includes serial number or other identification number, the source of funding for the property (including the federal award identification number), who holds title, the acquisition date, cost of the property, percentage of federal participation in the project costs for the federal award under which the property was acquired, the location, and the use and condition of the property. The list will be verified by a central office employee each December and June. Individuals will initial and date a hard copy of final the report.

Anticipated Completion Date: June 30, 2023



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CORRECTIVE ACTION PLAN

FINDING 2022-0005

Contact Person Responsible for Corrective Action: Chris Richie
Contact Phone Number: 219-987-4711 ext. 1113

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Before submissions, grant reports will be reviewed by someone other than the preparer of the report to ensure the information submitted was accurate. Individuals will initial and date a hard copy of final the report acknowledging the accuracy and submission of the report.

Anticipated Completion Date: March 31, 2023



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CORRECTIVE ACTION PLAN

FINDING 2022-0006

Contact Person Responsible for Corrective Action: Chris Richie
Contact Phone Number: 219-987-4711 ext. 1113

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Construction contracts in excess of \$2,000 financed by federal assistance must pay wages not less than those established for the locality of the project (prevailing wage rates) by the Department of Labor (DOL) to their laborers and mechanics. Future construction contracts, subject to the Wage Rate Requirements, will include a provision that the contractor or subcontractor comply with these requirements and the DOL regulations. Contractors will be required to submit weekly pay statements. Statements will be reviewed by 2 corporation staff members to ensure compliance. Individuals will initial and date a hard copy of final the report.

Anticipated Completion Date: March 31, 2023

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/>.