



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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April 12, 2023

To: The Officials of the Eastern Greene Schools
Eastern Greene Schools
1471 N State Road 43
Bloomfield, IN 47424

This report is supplemental to the audit report of Eastern Greene Schools (School Corporation), for the period July 1, 2020 to June 30, 2022. It has been provided as a separate report so that the reader may easily identify any Examination Findings that pertain to the School Corporation. It should be read in conjunction with the financial statement audit report of the School Corporation, which provides an opinion on the School Corporation's financial statements. This report may be found at www.in.gov/sboa/.

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

We have reviewed the Supplemental Audit Report for Eastern Greene Schools prepared by Crowe LLP, Independent Public Accountants, for the period July 1, 2020 to June 30, 2022. In our opinion, the Supplemental Audit Report was prepared in accordance with the guidelines established by the Indiana State Board of Accounts.

We call your attention to the findings in the report on pages 3 and 4.

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

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

Tammy R. White, CPA
Deputy State Examiner

COMPLIANCE EXAMINATION OF
EASTERN GREENE SCHOOLS
Greene County, Indiana
July 1, 2020 to June 30, 2022

EASTERN GREENE COMMUNITY SCHOOLS

Greene County, Indiana
July 1, 2020 to June 30, 2022

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EASTERN GREENE SCHOOLS
SCHEDULE OF OFFICIALS
July 1, 2020 to June 30, 2022

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Jill A. Martin	07-01-20 to 12-31-20
	Marilyn Burch	01-01-21 to 06-30-22
Superintendent of Schools	Trent Provo	07-01-20 to 06-30-22
President of the School Board	Troy Fields	07-01-20 to 12-31-20
	Scott Carmichael	01-01-21 to 02-08-21
	Matt Roberts	02-09-21 to 01-10-22
	Ron Childress	01-11-22 to 06-30-22

INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and
Management of the Eastern Greene Schools

We have examined the Eastern Greene Schools ("School Corporation") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations* during the period July 1, 2020 to June 30, 2022. Management of the School Corporation is responsible for the School Corporation's compliance with the specified requirements. Our responsibility is to express an opinion on the School Corporation's compliance with the specified requirements based on our examination.

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

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

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

Our examination disclosed material noncompliance with the *Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations* applicable to the School Corporation during the period July 1, 2020 to June 30, 2022, as described in items 2022-001 through 2022-003 on the following Schedule of Examination Findings and Results.

In our opinion, except for the material noncompliance described in the preceding paragraph, the School Corporation complied, in all material respects, with the aforementioned requirements during the period July 1, 2020 to June 30, 2022.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 30, 2023

EASTERN GREENE SCHOOLS
 SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
 July 1, 2020 to June 30, 2022

FINDING 2022-001: PREPAID MEALS ACCOUNT RECONCILIATIONS

Criteria: When a student puts money into their individual meal account, it should not be considered income to the child nutrition program until that student goes through the lunch line and charges a meal to their account. Therefore, while money is in the student's individual account, the balance should not be included in Fund 800 School Lunch. A school should set up a clearing account with the fund number of 8400 Prepaid School Lunch Accounts which is included in Chapter 4 of the State Board of Accounts Uniform Compliance Guidelines for Indiana Public School Corporations. When a student brings in a deposit the receipt should be recorded to Fund 8400 using receipt account 1630 Special Functions. After the student has charged meals, you should disburse the amount charged from Fund 8400 using expenditure account 31900 Other Food Services and receipt this into Fund 800 using the Food Services receipt accounts 1611-1623 at the time established in a written school policy to ensure accurate monthly reporting. At this point the receipts are considered program income and should be included on any reports that are required to be completed. Also, on a monthly basis it is required that the balance of Fund 8400 be reconciled with the total of the individual meal accounts. (The School Bulletin and Uniform Compliance Guidelines, February 2019)

Condition: During testing of prepaid meals account balances, we noted that the School Lunch Clearing Fund balance on the Annual Financial Report did not agree to subsidiary records of student accounts. Variances between the two are detailed below.

Report	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2022
Student Lunch Balances Subsidiary Report	\$ 11,313	\$ 9,828
Annual Financial Report	(19,070)	(85,848)
Variance	\$ (7,757)	\$ (76,020)

FINDING 2022-002: AVERAGE DAILY MEMBERSHIP (ADM) TESTING

Criteria: The Organizer is responsible for reporting ADM to the Indiana Department of Education (IDOE). The ADM Summary Report shall provide a written certification of ADM to properly document responsibility. The ADM Summary Report must be signed by the Superintendent/Principal/Director of Schools and the Trustee/Corporate Treasurer and be uploaded to IDOE for each reporting period in the fiscal year. Supporting documentation of enrollment and attendance/engagement information by grade and school must be maintained for audit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public Schools, Part 9).

Condition: During our testing, we noted there was no documented evidence of review of the September 2021 and February 2022 ADM counts. Additionally, the School Corporation was not able to provide proof of attendance for 9 students and proof of enrollment for 1 student in our sample of 44 students.

EASTERN GREENE SCHOOLS
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
July 1, 2020 to June 30, 2022

FINDING 2022-003: OVERDRAWN CASH BALANCES

Criteria: Chapter 1 of the Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations states in part, "The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the unit."

Condition: During testing of cash fund balances, we noted the following funds that were not cost-reimbursement grant based with a cash balance below zero as of June 30, 2021 or June 30, 2022:

<u>Fund</u>	Amount Overdrawn June 30, 2021	Amount Overdrawn June 30, 2022
Federal W/H Taxes	\$ -	\$ (3,928)
State W/H Taxes	(28,373)	(467)
Dep Life	(2)	(1,479)
Basic Vol Life	-	(101)
Aflac S125-26 Pay	(24)	(954)
Textbook Rental	(14)	(45)
Child Support	(130)	-
	<u>\$ (28,543)</u>	<u>\$ (6,974)</u>

EASTERN GREENE SHCOOLS
EXIT CONFERENCE
July 1, 2020 to June 30, 2022

The contents of this report were discussed on March 30, 2023, with Moriah Crane, Treasurer, Trent Provo, Superintendent, and Scott Carmichael, President of the Board.