



STATE OF INDIANA
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April 13, 2023

To: The Officials of the Randolph Southern School Corporation
Randolph Southern School Corporation
1 Rebel Drive
Lynn, IN 47355

This report is supplemental to the audit report of Randolph Southern School Corporation (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 Randolph Southern School Corporation 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 State Board of Accounts.

We call your attention to the findings in the report on page 3.

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

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

Tammy R. White, CPA
Deputy State Examiner

COMPLIANCE EXAMINATION OF
RANDOLPH SOUTHERN SCHOOL CORPORATION
Randolph County, Indiana
July 1, 2020 to June 30, 2022

RANDOLPH SOUTHERN SCHOOL CORPORATION

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

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RANDOLPH SOUTHERN SCHOOL CORPORATION
SCHEDULE OF OFFICIALS
July 1, 2020 to June 30, 2022

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Melissa Kosisko	07-01-20 to 06-30-22
Superintendent of Schools	Donnie Bowsman	07-01-20 to 06-30-22
President of the School Board	Jan Caudle Don Pruitt	07-01-20 to 12-31-20 01-01-21 to 06-30-22

INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and
Management of the Randolph Southern School Corporation

We have examined the Randolph Southern School Corporation ("School Corporation") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations* during the period July 1, 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 and 2022-002 on the following Schedule of Examination Findings and Results.

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 30, 2023

RANDOLPH SOUTHERN SCHOOL CORPORATION
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
July 1, 2020 to June 30, 2022

FINDING 2022-001: MISSING GATEWAY UPLOADS

Criteria: The Indiana State Board of Accounts (SBOA) Directive 2018-1 states in part, " Beginning with July 2018 files, which will be due September 15, 2018, all cities, towns, townships, libraries, and special districts will use the Upload App to upload files containing financial and governmental unit information on Gateway to allow the State Board of Accounts (SBOA) to conduct audit planning and audit processes prior to on-site work at a unit. This remote process will provide for more efficient data processing and save audit costs for our clients.

The following files and governmental unit information are required to be uploaded monthly by all units:

- Bank Reconcilements, Bank Statements, and Outstanding Check Lists
 - Approved Board Minutes, please see the user guide for more information and examples
 - Funds Ledger, summarizing total receipts, disbursements, and beginning and ending balances by fund
- The following files and governmental unit information are required to be uploaded annually by all units:

- Detail of Receipts for the year
- Detail of Disbursements for the year
- Current year Salary Ordinance (or Schedule)
- Annual Vendor History Report
- Annual Payroll History Report, without social security numbers
- Annual Funds Ledger, summarizing year-to-date total receipts, year-to-date disbursements, and beginning and ending balances by fund

Condition: During testing, we noted the School Corporation did not upload the annual uploads for fiscal years 2021 and 2022. Additionally, we noted the School Corporation did not upload the required monthly uploads for August – December and all of 2022.

FINDING 2022-002: RECONCILEMENT OF THE PREPAID FOOD ACCOUNT

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 the 8400 fund be reconciled with the total of the individual meal accounts. (The School Bulletin and Uniform Compliance Guidelines, February 2019)

Condition: The School Corporation maintains a Prepaid Lunch fund (8400 fund). However, the School Corporation did not properly record activity in the fund or reconcile the activity in the fund during the audit period. The only activity recorded in the fund during the audit period was a minimal amount of receipts in fiscal year 2022. No disbursements were recorded for the audit period. The ending fund cash balance at June 30, 2021 and June 30, 2022 did not agree to the student balance meal reports.

RANDOLPH SOUTHERN SCHOOL CORPORATION
EXIT CONFERENCE
July 1, 2020 to June 30, 2022

The contents of this report were discussed on March 30, 2023 with Melissa Kosisko, Treasurer, Donnie Bowsman, Superintendent, and Eric Retter, Board President.