



STATE OF INDIANA
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B61292

STATE BOARD OF ACCOUNTS
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April 14, 2023

To: The Officials of the Jay School Corporation
Jay School Corporation
414 Floral Ave
Portland, IN 47371

This report is supplemental to the audit report of Jay 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 Jay School Corporation prepared by CliftonLarsonAllen 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. Management's response is on page 5.

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

Tammy R. White, CPA
Deputy State Examiner

**JAY SCHOOL CORPORATION
JAY COUNTY, INDIANA**

COMPLIANCE REPORT

JULY 1, 2020 TO JUNE 30, 2022



CPAs | CONSULTANTS | WEALTH ADVISORS

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**JAY SCHOOL CORPORATION
JAY COUNTY, INDIANA
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**JAY SCHOOL CORPORATION
JAY COUNTY, INDIANA
SCHEDULE OF OFFICIALS**

<u>Office</u>	<u>Official</u>	<u>Term</u>
Business Manager/Treasurer	Tarinna Morris	03-04-19 to 11-17-20
	Shannon Current	11-18-20 to 06-30-21
		07-01-21 to 06-30-22
Superintendent of Schools	Jeremy Gulley	07-01-18 to 06-30-21
		07-01-21 to 06-30-24
President of the School Board	Phil Ford	01-01-18 to 12-31-21
	Ronald Laux	01-01-22 to 12-31-26



CliftonLarsonAllen LLP
CLAconnect.com

The Officials of the Jay School Corporation
Jay 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 Jay School Corporation, which comprise the Statement of Receipts, Disbursements, Other Financing Sources, and Cash and Investment Balances - Regulatory Basis as of June 30, 2022 and for the period of July 1, 2020 to June 30, 2022, and the related notes to the financial statement, and have issued our report thereon date March 27, 2023.

In connection with our audit, we noted Jay School Corporation failed to comply with certain provisions established by the Accounting and Uniform Compliance Guidelines Manual for Indiana Audits of Hospitals and State and Local Governments by Authorized Independent Public Accounts (the SBOA Manual) issued by the Indiana State Board of Accounts, in so far as they relate to accounting matters as described in the Audit Results and Comments. Our audit was not directed primarily toward obtaining knowledge as to whether Jay School Corporation failed to comply with the terms, covenants, provisions, or conditions of the guidelines of SBOA insofar as they relate to accounting matters. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding noncompliance with the above-referenced provisions of the SBOA Manual, insofar as they relate to accounting matters.

The purpose of this report is solely to describe the scope of our testing of compliance relating to the provisions of the Guidelines of the SBOA and the results of that testing, and not to provide an opinion on compliance. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Indianapolis, Indiana
March 27, 2023

**JAY SCHOOL CORPORATION
JAY COUNTY, INDIANA
AUDIT RESULTS AND COMMENTS**

ANNUAL FINANCIAL REPORT

Criteria:

The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. Indiana Code 5-11-1-4(a) states reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7.

Results:

The Schools Annual Financial Report for the fiscal year ended June 30, 2021 was not submitted electronically until September 27, 2021, which was 28 days past the due date.

ADM Testing

Criteria

Indiana Code 5-15-6-3 states Officials shall maintain records (enrollment cards, rosters, reporting forms, etc.) which substantiate the number of students claimed for ADM. The building level official (Principal, Assistant Principal, etc.) is responsible for reporting ADM to the School Corporation Central Office, must provide a written certification of ADM to properly document responsibility. The certification must at a minimum include a statement detailing the names and location of the records used (these records must be retained for public inspection and audit) to substantiate ADM claimed. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9).

Results:

We performed ADM testing over 3 samples of students, of which 2 samples had compliance findings. The virtual due to COVID sample noted the following exceptions: 14 of the 60 pupils sample did not include a required proof of age (birth certificate). The brick and mortar sample noted the following exceptions; 3 of the 26 pupils sample did not include a required proof of age (birth certificate).

**JAY SCHOOL CORPORATION
JAY COUNTY, INDIANA
EXIT CONFERENCE**

The contents of this report were discussed on March 27, 2023, with Jeremy Gulley, Superintendent; Shannon Current, Business Manager; and Ronald Laux, School Board President.



Jay School Corporation

Quality Schools. Caring Community

OFFICIAL RESPONSE

March 28, 2023

Indiana State Board of Accounts
302 West Washington St. Room E418
Indianapolis, IN 46204-2765

Re:

The audit that concluded in March of 2023, to cover the timeframe from July 1, 2020 to June 30, 2022, resulted with 1 finding that required a Corrective Action Plan and two audit comments. There is reasonable cause for the finding and comments that I would like to address. The finding was due to internal controls over program compliance. Construction costs were not paid at prevailing wage. The reason for this was that we were unaware of the requirement to have wages paid at prevailing wage rate if using federal funds. My corrective action plan is included in the audit documents. The first audit comment was that our Annual Financial Report ending June 30, 2021 was not submitted in a timely manner. The reason for this was due to a transition between Deputy Treasurers and it was missed being submitted on time. However, it was submitted. The second audit comment was that there were missing required proof of age documents (birth certificate) for a sample of pupils. The schools contact parents and guardians multiple times and keep proof of communication to try and obtain the birth certificates. However, these documents are not always supplied. To help with this issue, we plan to change our enrollment policy language to employ various means to verify age.

Shannon Current
Business Manager/Treasurer



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