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April 14, 2023

To: The Officials of the Danville Community School Corporation  
Danville Community School Corporation  
200 Warrior Way  
Danville, IN 46122

This report is supplemental to the audit report of Danville Community 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/](http://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 Danville Community 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 pages 3 and 4.

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

Tammy R. White, CPA  
Deputy State Examiner

**DANVILLE COMMUNITY SCHOOL CORPORATION  
HENDRICKS COUNTY, INDIANA**

**COMPLIANCE REPORT**

**JULY 1, 2020 TO JUNE 30, 2022**



CPAs | CONSULTANTS | WEALTH ADVISORS

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**DANVILLE COMMUNITY SCHOOL CORPORATION  
HENDRICKS COUNTY, INDIANA  
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**DANVILLE COMMUNITY SCHOOL CORPORATION  
HENDRICKS COUNTY, INDIANA  
SCHEDULE OF OFFICIALS**

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chief Financial Officer	Corey Herbert	07-01-20 to 06-30-22
Superintendent of Schools	Dr. Tracey Shafer	07-01-20 to 06-30-22
President of the School Board	Christina Ward	07-01-20 to 06-30-22



The Officials of the  
Danville Community School Corporation  
Hendricks 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 Danville Community School Corporation (the School Corporation), which comprise the Statement of Receipts, Disbursements, Other Financing Sources (Uses), 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 30, 2023.

In connection with our audit, we noted 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 guidelines of the SBOA) issued by the Indiana State Board of Accounts and related provisions of laws, regulations, contracts and grant agreements, in so far as they relate to accounting matters as described in the Audit Results and Comments. However, our audit was not directed primarily toward obtaining knowledge as to whether the 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 terms, covenants, provisions, or conditions the guidelines of SBOA, 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 30, 2023

**DANVILLE COMMUNITY SCHOOL CORPORATION  
HENDRICKS COUNTY, INDIANA  
AUDIT RESULTS AND COMMENTS**

***APPROVAL OF SALARY FORMS FOR NONCERTIFIED EMPLOYEES***

*Criteria*

Officials and employees are required to use prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual, Chapter 1)

*Condition and Context*

Approved Salary Schedule was not uploaded for Noncertified employees.

***AVERAGE DAILY MEMBERSHIP (ADM) TESTING***

*Criteria*

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.

*Condition and Context*

CLA performed ADM testing over 3 samples of students. The virtual due to COVID sample noted the following exceptions: 11 of the 76 pupils sampled did not include the required age (birth certificate). The virtual sample noted the following exceptions: 3 of the 4 pupils sampled did not include the required proof of age (birth certificate). The brick-and-mortar sample noted the following exceptions: 7 of the 27 did not include a required proof of age (birth certificate)

***OVERDRAWN CASH BALANCE***

*Criteria*

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.

In an instance in which a unit receives a reimbursement grant, the unit must be claiming reimbursement in a timely manner. In this case, it would be possible for a fund to be overdrawn for a short period of time. (Accounting and Uniform Compliance Guidelines Manual for Public School Corporations, Chapter 1)

**DANVILLE COMMUNITY SCHOOL CORPORATION  
HENDRICKS COUNTY, INDIANA  
AUDIT RESULTS AND COMMENTS (CONTINUED)**

***OVERDRAWN CASH BALANCE (CONTINUED)***

*Condition and Context*

During testing of fund balances, we noted the following funds, which are not grant related, with a cash balance below zero:

<u>Fund</u>	<u>Amount Overdrawn June 30,2021</u>	<u>Amount Overdrawn June 30,2022</u>
Educational License Plates	\$ (1)	\$ (1)
Common School Loan	(7,866)	(36,311)
Vanco-Convenience Fees	(13,914)	(14,093)
Conv Fees--lc	-	(2,241)
Disability	-	(1)

**DANVILLE COMMUNITY SCHOOL CORPORATION  
HENDRICKS COUNTY, INDIANA  
EXIT CONFERENCE**

The contents of this report were discussed on March 24, 2023 with Corey Herbert, Chief Financial Officer, Kim Baker, Treasurer, and Dr. Tracey Schafer, Superintendent.



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