



# MT. VERNON

COMMUNITY SCHOOL CORPORATION

*Engage, Educate & Empower Today's Students*

To: Mt. Vernon School Board of Trustees

cc: Dr. Jack Parker, Superintendent, Doris Johnson, Food Service Director, Kasey Pasyk

From: Greg Elkins, CFO

Re: Food Service Corrective Action Regarding Bad Debt

Date: September 16, 2022

In response to the administrative review finding regarding bad debt in the Food Service Fund, I am recommending that \$78,266.37 be transferred to Fund 800 from the Rainy Day Fund to put the corporation in compliance with IDOE School Nutrition and federal grant guidelines. I have read the summary provided by Kasey Pasyk in the memo dated August 26, 2022. I am in agreement with the details outlined in the memo and support moving forward with this corrective action. I am also recommending that the board accept the close out bad debt dated February 1, 2020 to June 30, 2022 at an estimated amount of \$9,209.26. That corrective action will take place by end-of-year 2022. Lastly, the corporation will make the closing out of bad debt in Food Service an annual end-of-year procedure as required by the federal grant. Those amounts are TBD as needed. The transfers will take place by the July board meeting annually.

The corporation will continue to hold these outstanding accounts in collections in an attempt to recoup as much of the debts as possible. All proceeds from collections will be deposited into the lending fund.

SCHOOL BOARD: Kellie Freeman Tony May Chad Gray Shannon Walls Phil Edwards

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