

From: Carrie Smith <carries@monticellomontessori.com>  
Sent: Tuesday, February 28, 2023 6:58 PM  
To: [REDACTED]  
Subject: Fwd: 2019 Dishonored Check IRS  
Attachments: Dishonored Check Information.pdf

----- Forwarded message -----

From: Carrie Smith <carries@monticellomontessori.com>  
Date: Mon, Oct 31, 2022 at 2:16?PM  
Subject: 2019 Dishonored Check IRS  
To: Jenn Thompson <Jenn.Thompson@osbe.idaho.gov>, Jacob Smith  
<jacob.smith@osbe.idaho.gov>,  
<Mel.Rivera@osbe.idaho.gov>  
Cc: Jeanne Johnson <administrator@monticellomontessori.com>

All,

I've been reviewing old record scans for information on the \$242,479.00 dishonored payment from January of 2019. I was unable to find where a check of that size was reissued. I contacted Nari Mendenhall who was the business manager at that time. She said the payment was made through the EFTPS website. She normally entered payments for each payroll as three separate payments - one for employee FICA/Medicare withholding, one for employer FICA/Medicare benefits and the third for federal tax withholding. She said she accidentally entered a federal tax withholding payment for \$2,424.79 as \$242,479.00. This incorrect amount was not paid by MMCS's bank, because there were not sufficient funds in the bank account at that time.

Attached please find a copy of the IRS notice, the payroll benefits report showing a total of \$5,106.23 for the employer share of FICA/Medicare, the paycheck list showing the employee withholding for FICA/Medicare of \$5,106.23 and federal tax withholding of \$2,424.79, and the January 2019 bank statement showing IRS withdrawals of \$5,106.22 and \$5,106.24.

I discussed this issue with Kurt Folke who is our auditor. The bad check penalty on the February 18, 2019 notice was \$4,849.58. It appears to be a percentage of the dishonored payment amount. I asked Mr. Folke if we should send the IRS a letter now asking that this amount be adjusted to reflect a percentage of the payment due instead of the incorrect payment. He suggested waiting and submitting

one request related to the penalties and interest.

Please let me know if you have any questions.

Carrie Smith  
Business Manager  
Monticello Montessori Charter School