

**STATE BOARD OF ACCOUNTS  
302 West Washington Street  
Room E418  
INDIANAPOLIS, INDIANA 46204-2769**

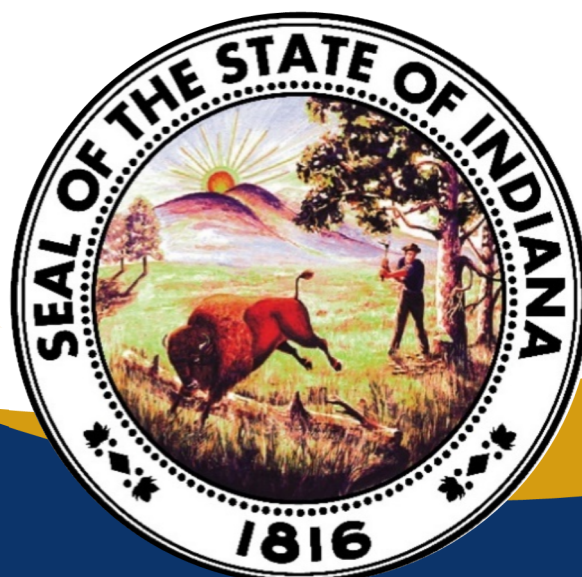
**Paul D. Joyce, CPA  
State Examiner**

FINANCIAL STATEMENT AND  
FEDERAL COMPLIANCE AUDIT REPORT

OF

PIONEER REGIONAL SCHOOL CORPORATION  
CASS COUNTY, INDIANA

July 1, 2022 to June 30, 2024



**FILED**

03/26/2025



Paul D. Joyce, CPA  
State Examiner

# INDIANA STATE BOARD OF ACCOUNTS

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March 26, 2025

To: The Officials of the Pioneer Regional School Corporation  
Pioneer Regional School Corporation  
Cass County, Indiana

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Pioneer Regional School Corporation. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period July 1, 2022 to June 30, 2024. Per the *Independent Auditor's Report*, the financial statements included in the report present fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2024, and its cash receipts, cash disbursements, and other financing sources (uses) for the period of July 1, 2022 to June 30, 2024 in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

We call your attention to the findings included in the report on pages 35 through 38. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on pages 40 through 42.

In our opinion, Crowe LLP prepared the audit report in accordance with the guidelines established by the Indiana State Board of Accounts.

In addition to the report presented herein, a supplemental report for Pioneer Regional School Corporation was prepared in accordance with the guidelines established by the Indiana State Board of Accounts.

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

Tammy R. White, CPA  
Deputy State Examiner

PIONEER REGIONAL SCHOOL CORPORATION  
Cass County, Indiana

FINANCIAL STATEMENT  
As of June 30, 2024, and for the  
period of July 1, 2022 through June 30, 2024

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PIONEER REGIONAL SCHOOL CORPORATION  
SCHEDULE OF OFFICIALS (Unaudited)  
For the period of July 1, 2022 through June 30, 2024

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<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Loretta Kimbrell	07-01-22 to 06-30-24
Superintendent of Schools	Dr. Charles Grable	07-01-22 to 06-30-24
President of the School Board	Lisa Kesling	01-01-22 to 12-31-24



## INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance  
Pioneer Regional School Corporation  
Cass County, Indiana

### **Report on the Audit of the Financial Statement**

#### ***Opinions***

We have audited the accompanying statement of receipts, disbursements, other financing sources (uses) and cash and investment balances of the Pioneer Regional School Corporation (the "School Corporation") as of June 30, 2024 and for the period of July 1, 2022 through June 30, 2024, and the related notes to the financial statement.

#### ***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statement presents fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2024, and its cash receipts, cash disbursements, and other financing sources (uses) for the period of July 1, 2022 through June 30, 2024 in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

#### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the School Corporation as of June 30, 2024, or changes in net position for the period of July 1, 2022 through June 30, 2024.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the School Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As discussed in Note 1 to the financial statement, the School Corporation prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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(Continued)

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### ***Responsibilities of Management for the Financial Statement***

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6) as described in Note 1, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibilities for the Audit of the Financial Statement***

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprise the School Corporation's financial statement. The accompanying Schedule of Expenditures of Federal Awards as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the financial statement.

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(Continued)

The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement as a whole.

### ***Other Information***

Management is responsible for the other information included with the financial statement. The other information comprises the Schedule of Officials, Other Information Schedules, and State Reporting Information, marked as unaudited on the table of contents, but does not include the financial statement and our auditor's report thereon. Our opinion on the financial statement does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statement, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statement, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report February 25, 2025, our consideration of the School Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

*Crowe LLP*  
Crowe LLP

Indianapolis, Indiana  
February 25, 2025

PIONEER REGIONAL SCHOOL CORPORATION  
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),  
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
As of June 30, 2024 and for the period of July 1, 2022 through June 30, 2024

<u>Fund</u>	<u>Cash and Investments 07-01-2022</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Other Financing Sources (Uses)</u>	<u>Cash and Investments 06-30-2023</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Other Financing Sources (Uses)</u>	<u>Cash and Investments 06-30-2024</u>
Education	\$ 1,005,887	\$ 7,209,796	\$ 6,509,444	\$ (956,991)	\$ 749,248	\$ 7,827,848	\$ 6,884,048	\$ (819,913)	\$ 873,135
Debt Service	339,549	810,974	1,007,786	-	142,737	1,045,326	891,001	-	297,062
Retirement/Severance Bond Debt Service	91,643	152,297	156,423	-	87,517	162,262	158,323	-	91,456
Operations	2,581,793	2,577,166	3,622,175	991,964	2,528,748	2,703,206	4,401,248	1,486,988	2,317,694
Local Rainy Day	831,298	-	-	-	831,298	-	-	-	831,298
Construction -2022 Bond	2,500,100	-	2,396,151	-	103,949	786,693	334,316	(556,326)	-
School Lunch	342,355	560,239	737,880	233,104	397,818	426,631	642,764	231,522	413,207
Textbook Rental	178,425	173,119	105,358	-	246,186	159,717	63,372	-	342,531
Whin-Elearning Grant	-	21,390	9,445	-	11,945	-	11,945	-	-
Whin Elearning Grant Fy23	-	74,704	70,111	-	4,593	-	4,593	-	-
Whin Grant Elearning- Fy 24	-	-	-	-	-	23,412	23,412	-	-
Ag/Ffa Greenhouse	-	-	-	-	-	100,000	64,400	-	35,600
Slp-Logansport Kiwanis Club Donation	-	-	-	-	-	2,500	191	-	2,309
Educational License Plates	1,594	18	-	-	1,612	37	-	-	1,649
Formative Assessment	-	12,090	-	-	12,090	13,034	-	(25,124)	-
Indiana Preschool Grants	-	3,128	-	(3,128)	-	50,616	-	(50,616)	-
23-24 In Literacy Cadre	-	-	-	-	-	38,361	-	(25,574)	12,787
Early Literacy Achievement Grant	-	-	-	-	-	2,563	2,563	-	-
Medicaid Reimbursement-State	-	25	-	-	25	11,554	-	(11,529)	50
Secured Schools Safety Grant	-	-	-	-	-	35,667	39,584	-	(3,917)
Non-English Speaking Program-Fy 19-20	5,159	-	-	-	5,159	-	-	-	5,159
Non-English Speaking Program Fy 20-21	133	-	133	-	-	-	-	-	-
Non-English Speaking 21-22	6,881	-	6,881	-	-	-	-	-	-
Nesp Fy 22-23	-	6,293	2,722	-	3,571	-	3,571	-	-
Career And Technical Performance Grant	631	202	-	-	833	82	-	-	915
Performance Based Awards	-	34,035	34,035	-	-	32,667	32,667	-	-
High Ability Students	3,257	23,375	20,631	-	6,001	29,827	23,359	-	12,469
State Connectivity Grant	-	4,790	-	-	4,790	-	-	-	4,790
Title 1 Fy 21-22	(109,119)	151,795	42,676	-	-	-	-	-	-
Title 1 Fy 22-23	-	80,764	93,226	-	(12,462)	31,574	19,112	-	-
Title 1 Fy 23-24	-	-	-	-	-	100,903	89,620	-	11,283
Student Support Title Iv Fy 20	(2,962)	-	2,963	-	(5,925)	5,559	(366)	-	-

(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),  
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
As of June 30, 2024 and for the period of July 1, 2022 through June 30, 2024

Fund	Cash and Investments 07-01-2022	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2023	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2024
Title Iv Part A Fy21	\$ -	\$ -	\$ 2,037	\$ -	\$ (2,037)	\$ 2,787	\$ 5,750	\$ -	\$ (5,000)
Title Iv Part A Fy22	-	-	-	-	-	1,200	6,200	-	(5,000)
Title Iv Fy 23	-	-	-	-	-	5,000	5,000	-	-
Drug Free	458	-	-	-	458	-	-	-	458
Medicaid Reimb Special Ed	5,100	34,533	29,477	(14,881)	(4,725)	11,731	13,217	7,632	1,421
Title li Part A Fy 20	(8,728)	25,922	17,194	-	-	-	-	-	-
Title 2 Fy 21	(10,021)	-	(10,948)	-	927	16,909	17,836	-	-
Title 2 Fy 22	-	-	16,528	-	(16,528)	21,436	5,721	-	(813)
Title li Fy 23-24	-	-	-	-	-	14,531	18,605	-	(4,074)
Title lii	3,527	-	-	-	3,527	-	-	-	3,527
Elementary And High School Emergency Rel	(47,703)	637,680	610,717	-	(20,740)	71,641	50,901	-	-
Elementary And Secondary School Emergenc	(21,654)	190,875	356,613	-	(187,392)	202,592	15,200	-	-
Federal Stimulus - 18003 Educ. Stab Reli	(110,055)	110,055	-	-	-	-	-	-	-
Petty Cash-Hs Sign	461	-	-	-	461	-	-	-	461
Petty Cash-Panther Kids Club	450	-	-	-	450	-	-	-	450
Prepaid School Lunch Accounts	19,687	250,489	1,169	(247,463)	21,544	233,004	694	(231,522)	22,332
Payroll Withholdings-Federal Withholding	(14,671)	440,153	425,482	-	-	451,226	451,226	-	-
Payroll Withholdings-Teacher Retirement	-	-	-	-	-	-	(338)	-	338
Payroll Withholdings-Perf	103	28,376	28,373	-	106	30,051	30,389	-	(232)
Payroll Withholdings-Health Insurance	5,016	236,165	231,760	-	9,421	249,782	247,181	-	12,022
Payroll Withholdings-Annuities	-	106,869	106,819	-	50	-	-	-	50
Payroll Withholdings-Group Life	(2,479)	22,213	17,626	-	2,108	32,115	31,687	-	2,536
Payroll Withholdings-Cancer Ins.	11,684	59,111	61,957	-	8,838	59,160	58,811	-	9,187
Payroll Withholdings-Garnishment	268	12,752	12,660	-	360	10,939	10,857	-	442
Payroll Withholdings-Section 125	32	1,604	1,540	-	96	1,455	1,423	-	128
Other Clearing-Legal Shield	604	1,137	1,112	-	629	975	963	-	641
Other Clearing-United Way	-	2,501	2,501	-	-	2,790	2,790	-	-
Other Clearing-Retiree Health Insurance	1,919	31,207	26,529	-	6,597	19,050	19,828	-	5,819
<b>Totals</b>	<b>\$ 7,610,622</b>	<b>\$ 14,087,842</b>	<b>\$ 16,757,186</b>	<b>\$ 2,605</b>	<b>\$ 4,943,883</b>	<b>\$ 15,028,413</b>	<b>\$ 14,683,664</b>	<b>\$ 5,538</b>	<b>\$ 5,294,170</b>

See notes to financial statement.

PIONEER REGIONAL SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2024, and for the period of  
July 1, 2022 through June 30, 2024

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Reporting Entity: School Corporation, as used herein, shall include, but is not limited to, the following: school townships, school towns, school cities, consolidated school corporations, joint schools, metropolitan school districts, township school districts, county schools, united schools, school districts, cooperatives, educational service centers, community schools, community school corporations, and charter schools.

The School Corporation was established under the laws of the State of Indiana. The School Corporation operates under a Board of School Trustees form of government and provides educational services.

The accompanying financial statement presents the financial information for the School Corporation.

Basis of Accounting: The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred. The basis of accounting also requires presentation of certain information as Other Information.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP), in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred. The regulatory basis also allows for all investments to be stated at cost, while GAAP requires fair value for qualifying investments.

Cash and Investments: Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

Receipts: Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

*Local sources.* Amounts received from taxes, revenue from local governmental units other than school corporations, transfer tuition, transportation fees, investment income, food services, School Corporation activities, revenue from community service activities, and other revenue from local sources.

*Intermediate sources.* Amounts received as distributions from the County for fees collected for or on behalf of the School Corporation including, but not limited to, the following: educational license plate fees, congressional interest, riverboat distributions, and other similar fees.

*State sources.* Amounts received as distributions from the State of Indiana that are to be used by the School Corporation for various purposes, including, but not limited to, the following: unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

*Federal sources.* Amounts received as distributions from the federal government that are to be used by the School Corporation for various purposes, including, but not limited to, the following: unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

*Other receipts.* Amounts received from various sources, including, but not limited to, the following: return of petty cash, return of cash change, insurance claims for losses, sale of securities, and other receipts not listed in another category above.

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(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2024, and for the period of  
July 1, 2022 through June 30, 2024

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Disbursements: Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

*Instruction.* Amounts disbursed for regular programs, special programs, adult and continuing education programs, summer school programs, enrichment programs, remediation, and payments to other governmental units.

*Support services.* Amounts disbursed for support services related to students, instruction, general administration, school administration, outflows for central services, operation and maintenance of plant services, and student transportation.

*Noninstructional services.* Amounts disbursed for food service operations and community service operations.

*Facilities acquisition and construction.* Amounts disbursed for the acquisition, development, construction, and improvement of new and existing facilities.

*Debt services.* Amounts disbursed for fixed obligations resulting from financial transactions previously entered into by the School Corporation, including: all expenditures for the reduction of the principal and interest of the School Corporation's general obligation indebtedness.

*Nonprogrammed charges.* Amounts disbursed for donations to foundations, securities purchased, indirect costs, scholarships, and self-insurance payments.

Other Financing Sources and Uses: Other financing sources and uses are presented in the aggregate on the face of the financial statement. The aggregate other financing sources and uses include the following:

*Sale of capital assets.* Amounts received when land, buildings, or equipment owned by the School Corporation are sold.

*Transfers in.* Amounts received by one fund as a result of transferring money from another fund. The transfers are used for cash flow purposes as provided by various statutory provisions.

*Transfers out.* Amounts paid by one fund to another fund. The transfers are used for cash flow purposes as provided by various statutory provisions.

Fund Accounting: Separate funds are established, maintained, and reported by the School Corporation. Each fund is used to account for amounts received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the School Corporation. The amounts accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the School Corporation in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and, therefore, the funds cannot be used for any expenditures of the School Corporation itself.

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(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2024, and for the period of  
July 1, 2022 through June 30, 2024

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**NOTE 2 - BUDGETS**

The operating budget is initially prepared and approved at the local level. The fiscal officer of the School Corporation submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

**NOTE 3 - PROPERTY TAXES**

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the School Corporation in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by December 31 of the year preceding the budget year or January 15 of the budget year if the School Corporation is issuing debt after December 1 or intends on filing a shortfall appeal. These rates were based upon the assessed valuations adjusted for various tax credits from the preceding year's lien date of January 1. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana, at year end, should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the School Corporation to invest in securities including, but not limited to, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

From time to time, the School Corporation holds certificates of deposit with financial institutions that maintain the FDIC and PDIF coverages, as applicable. At June 30, 2024, the School Corporation had \$46,168 invested in certificates of deposit.

**NOTE 5 - RISK MANAGEMENT**

The School Corporation may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters. These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the School Corporation to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

The School Corporation has purchased insurance to address the risks described above.

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(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2024, and for the period of  
July 1, 2022 through June 30, 2024

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**NOTE 6 - CASH BALANCE DEFICITS**

The financial statement contains some funds with deficits in cash. This is a result of certain funds being set up for reimbursable grants, but for which reimbursement was not yet received by June 30, 2023, and 2024. The deficit in the Payroll Withholdings-PERF fund at June 30, 2024, was the result of disbursements exceeding receipts due to under-estimating current requirements for the fund. This deficit will be repaid from future receipts.

**NOTE 7 - HOLDING CORPORATIONS**

The School Corporation has entered into a series of capital leases with the Pioneer School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments for the period July 1, 2022 through June 30, 2023 totaled \$302,625. Lease payments for the period July 1, 2023 through June 30, 2024 totaled \$661,906.

**NOTE 8 - PENSION PLANS**

**Public Employees Retirement Fund**

*Plan Description*

The Indiana Public Employees' Retirement Fund Defined Benefit Plan (PERF DB) is a cost sharing multiple-employer defined benefit plan and provides retirement, disability, and survivor benefits to plan members. PERF DB is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2 and IC 5-10.3) and administrative code (35 IAC 1.2), which govern most requirements of the system and give the School Corporation authority to contribute to the plan.

The Public Employees' Hybrid Plan (PERF Hybrid) consists of two components: PERF DB, the employer-funded monthly defined benefit component, and the Public Employees' Hybrid Members Defined Contribution Account, the defined contribution component.

The Retirement Savings Plan for Public Employees (My Choice) is a multiple-employer defined contribution plan. It is administered through the INPRS Board in accordance with state statutes (IC 5-10.2 and IC 5-10.3) and administrative code (35 IAC 1.2), which govern most requirements of the system and give the School Corporation authority to contribute to the plan.

New employees hired have a one-time election to join either the PERF Hybrid or the My Choice.

*Financial Report*

INPRS issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System  
One North Capitol, Suite 001  
Indianapolis, IN 46204  
Ph. (844) 464-6777

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(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2024, and for the period of  
July 1, 2022 through June 30, 2024

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**NOTE 8 - PENSION PLANS** (Continued)

*Contributions*

Members' contributions are set by state statute at 3 percent of compensation for both the defined contribution component of PERF Hybrid and My Choice. The employer may elect to make the contribution on behalf of the member of the defined contribution component of PERF Hybrid and My Choice members may receive additional employer contribution in lieu of the PERF DB. Contributions to the PERF DB are determined by INPRS Board based on actuarial valuation.

**Teachers' Retirement Fund**

*Plan Descriptions*

The Indiana Teachers' Hybrid Plan (TRF Hybrid) consists of two components: Indiana Teachers' Pre-1996 Defined Benefit Account (Teachers' Pre-1996 DB) or Indiana Teachers' 1996 Defined Benefit Account (Teachers' 1996 DB) the monthly employer-funded defined benefit components, along with the Indiana Teachers' Defined Contribution Account (TRF DC), the defined contribution component. Generally, members hired before 1996 participate in the Teachers' Pre-1996 DB and members hired after 1995 participate in the Teachers' 1996 DB.

The Teachers' 1996 DB is a cost-sharing multiple-employer defined benefit pension plan and provides retirement, disability, and survivor benefits to plan members. All legally qualified and regularly employed licensed teachers serving in State of Indiana public schools are eligible to participate in the Teachers' 1996 DB.

The Teachers' Pre-1996 DB is a pay-as-you-go, cost-sharing multiple-employer defined benefit pension plan and provides retirement, disability, and survivor benefits to plan members. Membership in the Teachers' Pre-1996 DB is closed to new entrants.

The TRF DC is a multiple-employer defined contribution plan providing supplemental retirement benefits to Teachers' 1996 DB and Teachers' Pre-1996 DB members.

The Retirement Savings Plan for Public Teachers (My Choice) is a multiple-employer defined contribution plan. New employees hired after June 30, 2019, have a one-time election to join either the TRF Hybrid plan that is not closed to new entrants or the My Choice plan.

All these plans are administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2, IC 5-10.3, and IC 5-10.4) and administrative code (35 IAC 14), which govern most requirements of the system and give the School Corporation authority to contribute to the plan when applicable.

*Financial Report*

INPRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRF plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System  
One North Capitol, Suite 001  
Indianapolis, IN 46204  
Ph. (844) 464-6777

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(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2024, and for the period of  
July 1, 2022 through June 30, 2024

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**NOTE 8 - PENSION PLANS** (Continued)

*Contributions*

The School Corporation contributes the employer's share to Teachers' 1996 DB for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995. The School Corporation currently receives partial funding, through the school funding formula, from the State of Indiana for this contribution. These contributions are determined by the INPRS Board based on actuarial valuation. The employer's share of contributions for certified personnel who are not employed under a federally funded program and were hired before July 1, 1995 (Teachers' Pre-1996 DB) is an obligation of, and is paid by, the State of Indiana.

Contributions for the defined contribution component of TRF Hybrid are determined by statute and the INPRS Board at 3 percent of covered payroll. The employer may choose to make these contributions on behalf of the member. Under certain limitations, voluntary contributions up to 10 percent can be made solely by the member.

My Choice plan is funded with employer contributions and member contributions. The employer contributions must equal the contribution rate for monthly employer-funded defined benefit components of TRF Hybrid. The amount deposited into the employer contribution subaccount for the member is the normal cost of participation. The variable rate contribution can be no less than 3 percent. Member contributions are determined by statute and the Board at 3 percent of covered payroll. The employer must make these contributions on behalf of the member. Under certain limitations, voluntary contributions up to 10 percent can be made solely by the member.

**NOTE 9 - SUBSEQUENT EVENTS**

In October 2024, the School Corporation issued the GO Bond of 2024 in the amount of \$1,875,000. The bond was issued to fund renovations and improvements to facilities throughout the School Corporation, which includes new roofing. The term of the bond is from October 2024 through December 2029. The first principal payment is due June 30, 2025, in the amount of \$175,000.

**OTHER INFORMATION (Unaudited)**

PIONEER REGIONAL SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2023

	Education	Debt Service	Retirement/ Severance Bond Debt Service	Operations	Local Rainy Day	Construction - 2022 Bond	School Lunch	Textbook Rental	Whin- Elearning Grant	Whin Elearning Grant Fy23	Educational License Plates	Formative Assessment	Indiana Preschool Grants
Cash and investments - beginning	\$ 1,005,887	\$ 339,549	\$ 91,643	\$ 2,581,793	\$ 831,298	\$ 2,500,100	\$ 342,355	\$ 178,425	\$ -	\$ -	\$ 1,594	\$ -	\$ -
Receipts:													
Local sources	329,734	810,974	152,297	2,495,333	-	-	4,331	-	21,390	74,704	-	-	-
Intermediate sources	100	-	-	-	-	-	-	-	-	-	18	-	-
State sources	6,653,904	-	-	35,833	-	-	4,778	35,529	-	-	-	12,090	3,128
Federal sources	226,058	-	-	-	-	-	551,130	-	-	-	-	-	-
Other receipts	-	-	-	46,000	-	-	-	137,590	-	-	-	-	-
Total receipts	7,209,796	810,974	152,297	2,577,166	-	-	560,239	173,119	21,390	74,704	18	12,090	3,128
Disbursements:													
Instruction	4,849,218	-	-	-	-	-	-	-	-	-	-	-	-
Support services	1,480,899	-	-	3,429,244	-	652,798	-	35,529	9,445	-	-	-	-
Noninstructional services	177,677	-	-	-	-	-	736,711	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	192,931	-	1,743,353	1,169	-	-	70,111	-	-	-
Debt services	-	1,007,786	156,423	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	1,650	-	-	-	-	-	-	69,829	-	-	-	-	-
Total disbursements	6,509,444	1,007,786	156,423	3,622,175	-	2,396,151	737,880	105,358	9,445	70,111	-	-	-
Excess (deficiency) of receipts over disbursements	700,352	(196,812)	(4,126)	(1,045,009)	-	(2,396,151)	(177,641)	67,761	11,945	4,593	18	12,090	3,128
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	2,605	-	-	-	-	-	-	-	-	-
Transfers in	18,459	-	-	989,359	-	-	247,463	-	-	-	-	-	-
Transfers out	(975,450)	-	-	-	-	-	(14,359)	-	-	-	-	-	(3,128)
Total other financing sources (uses)	(956,991)	-	-	991,964	-	-	233,104	-	-	-	-	-	(3,128)
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(256,639)	(196,812)	(4,126)	(53,045)	-	(2,396,151)	55,463	67,761	11,945	4,593	18	12,090	-
Cash and investments - ending	\$ 749,248	\$ 142,737	\$ 87,517	\$ 2,528,748	\$ 831,298	\$ 103,949	\$ 397,818	\$ 246,186	\$ 11,945	\$ 4,593	\$ 1,612	\$ 12,090	\$ -

(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2023

	Medicaid Reimbursement- State	Non-English Speaking Program-Fy 19- 20	Non-English Speaking Program Fy 20-21	Non-English Speaking 21-22	Nesp Fy 22-23	Career And Technical Performance Grant	Performance Based Awards	High Ability Students	State Connectivity Grant	Title 1 Fy 21-22	Title 1 Fy 22-23	Student Support Title Iv Fy 20	Title Iv Part A Fy21
Cash and investments - beginning	\$ -	\$ 5,159	\$ 133	\$ 6,881	\$ -	\$ 631	\$ -	\$ 3,257	\$ -	\$ (109,119)	\$ -	\$ (2,962)	\$ -
Receipts:													
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	25	-	-	-	6,293	202	34,035	23,375	4,790	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	151,795	80,764	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	25	-	-	-	6,293	202	34,035	23,375	4,790	151,795	80,764	-	-
Disbursements:													
Instruction	-	-	-	293	2,722	-	34,035	20,631	-	42,676	93,226	2,963	2,037
Support services	-	-	133	6,588	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	133	6,881	2,722	-	34,035	20,631	-	42,676	93,226	2,963	2,037
Excess (deficiency) of receipts over disbursements	25	-	(133)	(6,881)	3,571	202	-	2,744	4,790	109,119	(12,462)	(2,963)	(2,037)
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	14,881	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	(14,881)	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	25	-	(133)	(6,881)	3,571	202	-	2,744	4,790	109,119	(12,462)	(2,963)	(2,037)
Cash and investments - ending	\$ 25	\$ 5,159	\$ -	\$ -	\$ 3,571	\$ 833	\$ -	\$ 6,001	\$ 4,790	\$ -	\$ (12,462)	\$ (5,925)	\$ (2,037)

(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2023

	Drug Free	Medicaid Reimb Special Ed	Title li Part A Fy 20	Title 2 Fy 21	Title 2 Fy 22	Title lii	Elementary And High School Emergency Rel	Elementary And Secondary School Emergenc	Federal Stimulus - 18003 Educ. Stab Reli	Petty Cash- Hs Sign	Petty Cash- Panther Kids Club	Prepaid School Lunch Accounts	Payroll Withholdings- Federal Withholding
Cash and investments - beginning	\$ 458	\$ 5,100	\$ (8,728)	\$ (10,021)	\$ -	\$ 3,527	\$ (47,703)	\$ (21,654)	\$ (110,055)	\$ 461	\$ 450	\$ 19,687	\$ (14,671)
Receipts:													
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	(24,105)	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	58,638	25,922	-	-	-	637,680	190,875	110,055	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	250,489	440,153
Total receipts	-	34,533	25,922	-	-	-	637,680	190,875	110,055	-	-	250,489	440,153
Disbursements:													
Instruction	-	13,313	17,194	(10,948)	16,528	-	43,005	23,760	-	-	-	-	-
Support services	-	5,500	-	-	-	-	28,285	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	10,664	-	-	-	-	539,427	332,853	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	1,169	425,482
Total disbursements	-	29,477	17,194	(10,948)	16,528	-	610,717	356,613	-	-	-	1,169	425,482
Excess (deficiency) of receipts over disbursements	-	5,056	8,728	10,948	(16,528)	-	26,963	(165,738)	110,055	-	-	249,320	14,671
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	(14,881)	-	-	-	-	-	-	-	-	-	(247,463)	-
Total other financing sources (uses)	-	(14,881)	-	-	-	-	-	-	-	-	-	(247,463)	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	-	(9,825)	8,728	10,948	(16,528)	-	26,963	(165,738)	110,055	-	-	1,857	14,671
Cash and investments - ending	\$ 458	\$ (4,725)	\$ -	\$ 927	\$ (16,528)	\$ 3,527	\$ (20,740)	\$ (187,392)	\$ -	\$ 461	\$ 450	\$ 21,544	\$ -

(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2023

	Payroll Withholdings- Perf	Payroll Withholdings- Health Insurance	Payroll Withholdings- Annuities	Payroll Withholdings- Group Life	Payroll Withholdings- Cancer Ins.	Payroll Withholdings- Garnishment	Payroll Withholdings- Section 125	Other Clearing- Legal Shield	Other Clearing- United Way	Other Clearing- Retiree Health Insurance	Totals
Cash and investments - beginning	\$ 103	\$ 5,016	\$ -	\$ (2,479)	\$ 11,684	\$ 268	\$ 32	\$ 604	\$ -	\$ 1,919	\$ 7,610,622
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	3,888,763
Intermediate sources	-	-	-	-	-	-	-	-	-	-	118
State sources	-	-	-	-	-	-	-	-	-	-	6,789,877
Federal sources	-	-	-	-	-	-	-	-	-	-	2,032,917
Other receipts	28,376	236,165	106,869	22,213	59,111	12,752	1,604	1,137	2,501	31,207	1,376,167
Total receipts	28,376	236,165	106,869	22,213	59,111	12,752	1,604	1,137	2,501	31,207	14,087,842
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	5,150,653
Support services	-	-	-	-	-	-	-	-	-	-	5,648,421
Noninstructional services	-	-	-	-	-	-	-	-	-	-	914,388
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	2,890,508
Debt services	-	-	-	-	-	-	-	-	-	-	1,164,209
Nonprogrammed charges	28,373	231,760	106,819	17,626	61,957	12,660	1,540	1,112	2,501	26,529	989,007
Total disbursements	28,373	231,760	106,819	17,626	61,957	12,660	1,540	1,112	2,501	26,529	16,757,186
Excess (deficiency) of receipts over disbursements	3	4,405	50	4,587	(2,846)	92	64	25	-	4,678	(2,669,344)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	2,605
Transfers in	-	-	-	-	-	-	-	-	-	-	1,270,162
Transfers out	-	-	-	-	-	-	-	-	-	-	(1,270,162)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	2,605
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	3	4,405	50	4,587	(2,846)	92	64	25	-	4,678	(2,666,739)
Cash and investments - ending	\$ 106	\$ 9,421	\$ 50	\$ 2,108	\$ 8,838	\$ 360	\$ 96	\$ 629	\$ -	\$ 6,597	\$ 4,943,883

PIONEER REGIONAL SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2024

	Education	Debt Service	Retirement/ Severance Bond Debt Service	Operations	Local Rainy Day	Construction - 2022 Bond	School Lunch	Textbook Rental	Whin-Elearning Grant	Whin Elearning Grant Fy23	Whin Grant Elearning- Fy 24	Ag/Ffa Greenhouse
Cash and investments - beginning	\$ 749,248	\$ 142,737	\$ 87,517	\$ 2,528,748	\$ 831,298	\$ 103,949	\$ 397,818	\$ 246,186	\$ 11,945	\$ 4,593	\$ -	\$ -
Receipts:												
Local sources	264,767	1,045,326	162,262	2,684,098	-	786,693	5,233	-	-	-	23,412	100,000
Intermediate sources	100	-	-	-	-	-	-	-	-	-	-	-
State sources	6,820,994	-	-	19,108	-	-	6,447	138,121	-	-	-	-
Federal sources	740,787	-	-	-	-	-	414,951	-	-	-	-	-
Other receipts	1,200	-	-	-	-	-	-	21,596	-	-	-	-
Total receipts	7,827,848	1,045,326	162,262	2,703,206	-	786,693	426,631	159,717	-	-	23,412	100,000
Disbursements:												
Instruction	5,188,736	-	-	-	-	-	-	-	-	-	-	-
Support services	1,488,624	-	-	3,481,173	-	500	-	63,372	11,945	-	-	-
Noninstructional services	205,488	-	-	-	-	-	642,105	-	-	-	-	-
Facilities acquisition and construction	-	-	-	920,075	-	333,816	659	-	-	4,593	23,412	64,400
Debt services	-	891,001	158,323	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	1,200	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	6,884,048	891,001	158,323	4,401,248	-	334,316	642,764	63,372	11,945	4,593	23,412	64,400
Excess (deficiency) of receipts over disbursements	943,800	154,325	3,939	(1,698,042)	-	452,377	(216,133)	96,345	(11,945)	(4,593)	-	35,600
Other financing sources (uses):												
Sale of capital assets	-	-	-	5,538	-	-	-	-	-	-	-	-
Transfers in	82,312	-	-	1,481,575	-	-	231,522	-	-	-	-	-
Transfers out	(902,225)	-	-	(125)	-	(556,326)	-	-	-	-	-	-
Total other financing sources (uses)	(819,913)	-	-	1,486,988	-	(556,326)	231,522	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	123,887	154,325	3,939	(211,054)	-	(103,949)	15,389	96,345	(11,945)	(4,593)	-	35,600
Cash and investments - ending	\$ 873,135	\$ 297,062	\$ 91,456	\$ 2,317,694	\$ 831,298	\$ -	\$ 413,207	\$ 342,531	\$ -	\$ -	\$ -	\$ 35,600

(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2024

	Slp-Logansport Kiwanis Club Donation	Educational License Plates	Formative Assessment	Indiana Preschool Grants	23-24 In Literacy Cadre	Early Literacy Achievement Grant	Medicaid Reimbursement- State	Secured Schools Safety Grant	Non-English Speaking Program-Fy 19- 20	Nesp Fy 22-23	Career And Technical Performance Grant	Performance Based Awards
Cash and investments - beginning	\$ -	\$ 1,612	\$ 12,090	\$ -	\$ -	\$ -	\$ 25	\$ -	\$ 5,159	\$ 3,571	\$ 833	\$ -
Receipts:												
Local sources	2,500	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	37	-	-	-	-	-	-	-	-	-	-
State sources	-	-	13,034	50,616	38,361	2,563	11,554	35,667	-	-	82	32,667
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	2,500	37	13,034	50,616	38,361	2,563	11,554	35,667	-	-	82	32,667
Disbursements:												
Instruction	191	-	-	-	-	2,563	-	-	-	2,034	-	32,667
Support services	-	-	-	-	-	-	-	39,584	-	1,537	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	191	-	-	-	-	2,563	-	39,584	-	3,571	-	32,667
Excess (deficiency) of receipts over disbursements	2,309	37	13,034	50,616	38,361	-	11,554	(3,917)	-	(3,571)	82	-
Other financing sources (uses):												
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	(25,124)	(50,616)	(25,574)	-	(11,529)	-	-	-	-	-
Total other financing sources (uses)	-	-	(25,124)	(50,616)	(25,574)	-	(11,529)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	2,309	37	(12,090)	-	12,787	-	25	(3,917)	-	(3,571)	82	-
Cash and investments - ending	\$ 2,309	\$ 1,649	\$ -	\$ -	\$ 12,787	\$ -	\$ 50	\$ (3,917)	\$ 5,159	\$ -	\$ 915	\$ -

(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2024

	High Ability Students	State Connectivity Grant	Title 1 Fy 22-23	Title 1 Fy 23-24	Student Support Title Iv Fy 20	Title Iv Part A Fy21	Title Iv Part A Fy22	Title Iv Fy 23	Drug Free	Medicaid Reimb Special Ed	Title 2 Fy 21
Cash and investments - beginning	\$ 6,001	\$ 4,790	\$ (12,462)	\$ -	\$ (5,925)	\$ (2,037)	\$ -	\$ -	\$ 458	\$ (4,725)	\$ 927
Receipts:											
Local sources	425	-	-	-	-	-	1,200	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	29,402	-	-	-	-	-	-	-	-	3,218	-
Federal sources	-	-	31,574	100,903	5,559	2,787	-	5,000	-	8,513	16,909
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	29,827	-	31,574	100,903	5,559	2,787	1,200	5,000	-	11,731	16,909
Disbursements:											
Instruction	23,359	-	19,112	89,620	(366)	5,750	6,200	5,000	-	1,200	17,836
Support services	-	-	-	-	-	-	-	-	-	7,731	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	4,286	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	23,359	-	19,112	89,620	(366)	5,750	6,200	5,000	-	13,217	17,836
Excess (deficiency) of receipts over disbursements	6,468	-	12,462	11,283	5,925	(2,963)	(5,000)	-	-	(1,486)	(927)
Other financing sources (uses):											
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	7,632	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	7,632	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	6,468	-	12,462	11,283	5,925	(2,963)	(5,000)	-	-	6,146	(927)
Cash and investments - ending	\$ 12,469	\$ 4,790	\$ -	\$ 11,283	\$ -	\$ (5,000)	\$ (5,000)	\$ -	\$ 458	\$ 1,421	\$ -

(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2024

	Title 2 Fy 22	Title li Fy 23-24	Title lii	Elementary And High School Emergency Rel	Elementary And Secondary School Emergenc	Petty Cash-Hs Sign	Petty Cash- Panther Kids Club	Prepaid School Lunch Accounts	Payroll Withholdings- Federal Withholding	Payroll Withholdings- Teacher Retirement	Payroll Withholdings-Perf
Cash and investments - beginning	\$ (16,528)	\$ -	\$ 3,527	\$ (20,740)	\$ (187,392)	\$ 461	\$ 450	\$ 21,544	\$ -	\$ -	\$ 106
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	21,436	14,531	-	71,641	202,592	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	233,004	451,226	-	30,051
Total receipts	21,436	14,531	-	71,641	202,592	-	-	233,004	451,226	-	30,051
Disbursements:											
Instruction	5,721	18,605	-	25,013	-	-	-	-	-	-	-
Support services	-	-	-	25,243	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	645	15,200	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	694	451,226	(338)	30,389
Total disbursements	5,721	18,605	-	50,901	15,200	-	-	694	451,226	(338)	30,389
Excess (deficiency) of receipts over disbursements	15,715	(4,074)	-	20,740	187,392	-	-	232,310	-	338	(338)
Other financing sources (uses):											
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	(231,522)	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	(231,522)	-	-	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	15,715	(4,074)	-	20,740	187,392	-	-	788	-	338	(338)
Cash and investments - ending	\$ (813)	\$ (4,074)	\$ 3,527	\$ -	\$ -	\$ 461	\$ 450	\$ 22,332	\$ -	\$ 338	\$ (232)

(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2024

	Payroll Withholdings- Health Insurance	Payroll Withholdings- Annuities	Payroll Withholdings- Group Life	Payroll Withholdings- Cancer Ins.	Payroll Withholdings- Garnishment	Payroll Withholdings- Section 125	Other Clearing- Legal Shield	Other Clearing- United Way	Other Clearing- Retiree Health Insurance	Totals
Cash and investments - beginning	\$ 9,421	\$ 50	\$ 2,108	\$ 8,838	\$ 360	\$ 96	\$ 629	\$ -	\$ 6,597	\$ 4,943,883
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	5,075,916
Intermediate sources	-	-	-	-	-	-	-	-	-	137
State sources	-	-	-	-	-	-	-	-	-	7,201,834
Federal sources	-	-	-	-	-	-	-	-	-	1,637,183
Other receipts	249,782	-	32,115	59,160	10,939	1,455	975	2,790	19,050	1,113,343
Total receipts	249,782	-	32,115	59,160	10,939	1,455	975	2,790	19,050	15,028,413
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	5,443,241
Support services	-	-	-	-	-	-	-	-	-	5,119,709
Noninstructional services	-	-	-	-	-	-	-	-	-	847,593
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	1,367,086
Debt services	-	-	-	-	-	-	-	-	-	1,049,324
Nonprogrammed charges	247,181	-	31,687	58,811	10,857	1,423	963	2,790	19,828	856,711
Total disbursements	247,181	-	31,687	58,811	10,857	1,423	963	2,790	19,828	14,683,664
Excess (deficiency) of receipts over disbursements	2,601	-	428	349	82	32	12	-	(778)	344,749
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	5,538
Transfers in	-	-	-	-	-	-	-	-	-	1,803,041
Transfers out	-	-	-	-	-	-	-	-	-	(1,803,041)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	5,538
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	2,601	-	428	349	82	32	12	-	(778)	350,287
Cash and investments - ending	\$ 12,022	\$ 50	\$ 2,536	\$ 9,187	\$ 442	\$ 128	\$ 641	\$ -	\$ 5,819	\$ 5,294,170

PIONEER REGIONAL SCHOOL CORPORATION  
SCHEDULE OF PAYABLES AND RECEIVABLES  
June 30, 2024

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<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ <u>16,533</u>	\$ <u>18,804</u>

PIONEER REGIONAL SCHOOL CORPORATION  
SCHEDULE OF LEASES AND DEBT  
June 30, 2024

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities:				
Pioneer School Building Corporation	Ad Valorem Property Tax First Mortgage Bonds, Series 2022	\$ 305,500	6/30/2023	12/31/2032
Pioneer School Building Corporation	Ad Valorem Property Tax First Mortgage Bonds, Series 2016	77,500	6/30/2017	6/30/2030
Pioneer School Building Corporation	Ad Valorem Property Tax First Mortgage Bonds, Series 2015	<u>594,500</u>	12/31/2016	12/31/2028
Total governmental activities		<u>977,500</u>		
Total of annual lease payments		<u>\$ 977,500</u>		

<u>Description of Debt</u>		<u>Ending Principal Balance</u>	<u>Principal Due Within One Year</u>
<u>Type</u>	<u>Purpose</u>		
Governmental activities:			
General Obligation Bonds	Pension Debt	<u>439,630</u>	<u>150,000</u>
Total governmental activities		<u>439,630</u>	<u>150,000</u>
Totals		<u>\$ 439,630</u>	<u>\$ 150,000</u>

PIONEER REGIONAL SCHOOL CORPORATION  
SCHEDULE OF CAPITAL ASSETS  
June 30, 2024

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Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 382,433
Infrastructure	468,632
Buildings	10,318,882
Improvements other than buildings	257,594
Machinery, equipment, and vehicles	<u>6,775,325</u>
Total governmental activities	<u>18,202,866</u>
Total capital assets	<u>\$ 18,202,866</u>

PIONEER REGIONAL SCHOOL CORPORATION  
STATE REPORTING INFORMATION  
July 1, 2022 - June 30, 2024

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*Financial Statement and Accompanying Notes:*

The financial statement and accompanying notes were approved by management of the School Corporation. The financial statement and notes are presented as intended by the School Corporation.

In addition to this report, other reports may have been issued for the School Corporation. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.

*Indiana Department of Education Reporting:*

The School Corporation's Financial Reports can be found on the Indiana Department of Education website: <http://www.doe.in.gov/finance/school-financial-reports>. This website is maintained by the Indiana Department of Education. More current financial information is available from the School Corporation Treasurer's office. Additionally, some financial information of the School Corporation can be found on the Indiana Gateway for Government Units website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the School Corporation's Financial Reports referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The other information on the IDOE website and on the Indiana Gateway for Government Units presented was approved by management of the School Corporation. It is presented as intended by the School Corporation.

PIONEER REGIONAL SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the period of July 1, 2022 through June 30, 2024

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-23	Total Federal Awards Expended 06-30-24	Total Federal Awards Expended 07-01-22 to 06-30-24
<u>Department of Agriculture</u>						
Child Nutrition Cluster	Indiana Department of Education					
School Breakfast Program		10.553	FY2023, FY2024	\$ 100,502	\$ 92,984	\$ 193,486
National School Lunch Program		10.555	FY2023, FY2024	450,628	321,968	772,596
Commodities		10.555	FY2023, FY2024	<u>58,641</u>	<u>57,530</u>	<u>116,171</u>
Total - Child Nutrition Cluster				<u>609,771</u>	<u>472,482</u>	<u>1,082,253</u>
Total - Department of Agriculture				<u>609,771</u>	<u>472,482</u>	<u>1,082,253</u>
<u>Department of Education</u>						
Special Education Cluster (IDEA)						
Special Education Grants to States	Indiana Department of Education					
Special Ed-Part B		84.027	H027A200084	221,172	-	221,172
Special Ed-Part B		84.027	H027A210084	-	225,299	225,299
COVID-19 - Supplemental Funding - IDEA, Part B		84.027X	H027X210084	-	53,043	53,043
Special Ed-Part B		84.027	H027A220084	-	240,370	240,370
Special Ed-Part B		84.027	H027A230084	<u>-</u>	<u>202,422</u>	<u>202,422</u>
Total - Special Education Grants to States				<u>221,172</u>	<u>721,134</u>	<u>942,306</u>
Special Education Grants to States	Indiana Department of Education					
Special Ed-Preschool		84.173	H173A200104	4,886	-	4,886
Special Ed-Preschool		84.173	H173A210104	-	4,980	4,980
Special Ed-Preschool		84.173	H173A220104	-	5,349	5,349
Special Ed-Preschool		84.173	H173A230104	-	5,365	5,365
COVID-19 - Supplemental Funding - IDEA, Preschool		84.173X	H173X210104	<u>-</u>	<u>3,959</u>	<u>3,959</u>
Total - Special Education Preschool Grants				<u>4,886</u>	<u>19,653</u>	<u>24,539</u>
Total - Special Education Cluster (IDEA)				<u>226,058</u>	<u>740,787</u>	<u>966,845</u>
Title I Grants to Local Educational Agencies	Indiana Department of Education					
Title I, Part A		84.010A	S010A220014	151,795	-	151,795
Title I, Part A		84.010A	S010A230014	80,764	31,574	112,338
Title I, Part A		84.010A	S010A240014	<u>-</u>	<u>100,904</u>	<u>100,904</u>
Total - Title I Grants to Local Educational Agencies				<u>232,559</u>	<u>132,478</u>	<u>365,037</u>

(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the period of July 1, 2022 through June 30, 2024

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-23	Total Federal Awards Expended 06-30-24	Total Federal Awards Expended 07-01-22 to 06-30-24
Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367A	S367A200013	\$ 25,922	\$ 21,436	\$ 47,358
Title II, Part A		84.367A	S367A210013	-	31,440	31,440
Total - Supporting Effective Instruction State Grants				<u>25,922</u>	<u>52,876</u>	<u>78,798</u>
Student Support and Academic Enrichment Program	Indiana Department of Education					
Title IV, Part A		84.424	S424A200015	-	15,966	15,966
Title IV, Part A		84.424	S424A210015	-	2,499	2,499
Title IV, Part A		84.424	S424A230015	-	5,000	5,000
Total - Student Support and Academic Enrichment Program				<u>-</u>	<u>23,465</u>	<u>23,465</u>
COVID-19 - Education Stabilization Fund	Indiana Department of Education					
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	110,055	-	110,055
Elementary and Secondary School Emergency Relief (ESSER II) Fund		84.425D	S425D210013	190,875	202,592	393,467
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund		84.425U	S425U210013	<u>637,680</u>	<u>71,641</u>	<u>709,321</u>
Total - COVID-19 - Education Stabilization Fund				<u>938,610</u>	<u>274,233</u>	<u>1,212,843</u>
Total - Department of Education				<u>1,423,149</u>	<u>1,223,839</u>	<u>2,646,988</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster						
Medical Assistance Program	Family and Social Services Administration					
Medicaid		93.778	FY2023, FY2024	<u>34,532</u>	<u>19,362</u>	<u>53,894</u>
Total - Medicaid Cluster				<u>34,532</u>	<u>19,362</u>	<u>53,894</u>
Total - Department of Health and Human Services				<u>34,532</u>	<u>19,362</u>	<u>53,894</u>
Total federal awards expended				<u>\$ 2,067,452</u>	<u>\$ 1,715,683</u>	<u>\$ 3,783,135</u>

See accompanying notes to the schedule of expenditure of federal awards.

PIONEER REGIONAL SCHOOL CORPORATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the period of July 1, 2022 through June 30, 2024

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**NOTE 1 - BASIS OF PRESENTATION**

*A. Basis of Presentation*

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the period of July 1, 2022 through June 30, 2024. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position of the School Corporation.

The Uniform Guidance requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$750,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with Indiana Code (IC 5-11-1-25), audits of school corporations shall be conducted biennially. Such audits shall include both years within the biennial period.

*B. Other Significant Accounting Policies*

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received.

**NOTE 2 - INDIRECT COST RATE**

The School Corporation has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE 3 - OTHER INFORMATION**

The School Corporation did not have any subrecipient activity for the period of July 1, 2022 through June 30, 2024.

**NOTE 4 - NON-CASH PROGRAMS (COMMODITIES)**

Commodities donated to the School Corporation by the U.S. Department of Agriculture (USDA) of \$116,171 are valued based on the USDA's donated commodity price list. These are shown as part of the National School Lunch Program (10.555).

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENT PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Those Charged with Governance  
Pioneer Regional School Corporation  
Cass County, Indiana

We have audited, in accordance with the 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 Pioneer Regional School Corporation ("School Corporation"), which comprise the statement of receipts, disbursements, other financing sources (uses), and cash and investment balances of the School Corporation as of June 30, 2024 and for the period July 1, 2022 through June 30, 2024 and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement, and have issued our report thereon dated February 25, 2025.

#### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying *schedule of findings and questioned costs* as items 2024-001 and 2024-002 that we consider to be material weaknesses.

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(Continued)

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## School Corporation's Response to Findings

*Government Auditing Standards* requires the auditor to perform limited procedures on the School Corporation's response to the findings identified in our audit and described in the accompanying *schedule of findings and questioned costs*. The School Corporation's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
Crowe LLP

Indianapolis, Indiana  
February 25, 2025



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM; REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE

Those Charged with Governance  
Pioneer Regional School Corporation  
Cass County, Indiana

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the Pioneer Regional School Corporation's (School Corporation) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the School Corporation's major federal programs for the period of July 1, 2022 through June 30, 2024. The School Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the period of July 1, 2022 through June 30, 2024.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School Corporation's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the School Corporation's federal programs.

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(Continued)

## **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School Corporation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School Corporation's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the School Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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(Continued)

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Crowe LLP*  
Crowe LLP

Indianapolis, Indiana  
February 25, 2025

PIONEER REGIONAL SCHOOL CORPORATION  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 July 1, 2022 through June 30, 2024

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**Section I – Summary of Auditor’s Results**

***Financial Statement***

Type of auditor’s report issued: Adverse as to GAAP, Unmodified  
as to regulatory basis

Internal control over financial reporting:

Material weakness(es) identified?	<u>  X  </u>	Yes	<u>      </u>	No
Significant deficiencies identified not considered to be material weaknesses?	<u>      </u>	Yes	<u>  X  </u>	None Reported

Noncompliance material to financial statement noted?	<u>      </u>	Yes	<u>  X  </u>	No
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***Federal Awards***

Internal control over major programs:

Material weakness(es) identified?	<u>      </u>	Yes	<u>  X  </u>	No
Significant deficiencies identified not considered to be material weaknesses?	<u>      </u>	Yes	<u>  X  </u>	None Reported

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	<u>      </u>	Yes	<u>  X  </u>	No
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Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
84.027, 84.027X, 84.173, 84.173X	Special Education Cluster
84.425D, 84.425U	COVID-19 - Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee?	<u>      </u>	Yes	<u>  X  </u>	No
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(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
July 1, 2022 through June 30, 2024

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**Section II – Financial Statement Findings**

**FINDING 2024-001**

Subject: Preparation of the Annual Financial Report  
Audit Findings: Material Weakness

**Criteria:** The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . . There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . .

The Green Book identifies a list of control activity categories that are meant only to illustrate the range and variety of control activities; the list is by no means all inclusive, but is reproduce here for reference purposes:

- . . . .
- Accurate and timely recording of transactions. . . ."

2 CFR 200.508 states in part:

"The auditee must: . . .

(b) Prepare appropriate financial statements, ..."

**Condition:** The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Annual Financial Report (AFR).

**Cause:** Management had not established a system of internal control that would have ensured proper reporting of the AFR.

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(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
July 1, 2022 through June 30, 2024

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**Section II – Financial Statement Findings** (Continued)

**FINDING 2024-001** (Continued)

**Context:** It was noted that the AFR entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and investment Balances – Regulatory Basis (the financial statement). The AFR was reviewed prior to submission. However, it was not reviewed in enough detail to prevent the following errors in the financial statement:

- The Textbook Rental fund was not properly included within the AFR. An adjustment of \$178,425 was posted to increase the opening balance to agree the fund to the prior year audited financials.
- The School Corporation had not recorded all activity in the Textbook Rental fund on the AFR for fiscal year 2023. As a result, an adjustment was posted to increase receipts by \$137,590, increase disbursements by \$69,829, and increase ending cash by \$67,761.
- The School Corporation had not recorded any activity in the Textbook Rental fund on the AFR for fiscal year 2024. As a result, an adjustment was posted to increase receipts by \$21,596, decrease disbursements by \$74,749, and increase ending cash by \$96,345.
- The initial AFR had an Investments-CD fund that showed a beginning balance at July 1, 2022 of \$46,000, which did not agree to the prior year audit report, which did not have an ending balance. The Investments-CD fund is correlated to the Operations fund. A one-sided adjustment was made to reduce the opening July 1, 2022 cash and investment balance in the Investments-CD fund by \$46,000 to bring the opening balance to \$0. During our tie-out of the AFR and cash for June 30, 2023, it was noted this fund should have had an ending balance of \$46,000, but instead had a \$0 on the AFR within the Operations fund. An adjustment was made to increase receipts and the ending cash and investment balance by \$46,000 in the Operations fund for the year ended June 30, 2023.
- The Prepaid School Lunch Accounts fund had receipts and disbursements overstated for fiscal year 2023 and fiscal year 2024. An adjustment was posted to decrease both receipts and disbursements by \$943,603 for the year ended June 30, 2023, and \$998,480 for the year ended June 30, 2024.

Audit adjustments were proposed, accepted by the School Corporation, and made to the financial statement to correct the issues above.

**Effect:** Without a proper system of internal control in place that operated effectively, material misstatements of the financial statement remained undetected. The financial statement contained the errors identified in the Context section.

**Identification as a repeat finding, if applicable:** No.

**Recommendation:** We recommend the School Corporation's management establish a formal review over the AFR financial statement submission to ensure amounts reported are accurate and agree to the underlying fund ledgers. The review should be thorough, formally documented and done in a timely manner. We also recommend the School Corporation track all Textbook Rental fund activity on the School Corporation's funds ledger rather than at the ECA fund level to comply with State regulation.

**Views of Responsible Officials and Planned Corrective Actions:** Management agrees with the finding and has prepared a corrective action plan.

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(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
July 1, 2022 through June 30, 2024

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**Section II – Financial Statement Findings** (Continued)

**FINDING 2024-002**

Subject: Preparation of the Schedule of Expenditures of Federal Awards  
Audit Findings: Material Weakness

**Criteria:** The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . . There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . .

The Green Book identifies a list of control activity categories that are meant only to illustrate the range and variety of control activities; the list is by no means all inclusive, but is reproduce here for reference purposes:  
. . .

- Accurate and timely recording of transactions. . . ."

2 CFR 200.508 states in part:

"The auditee must: . . .

(b) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with § 200.510 Financial statements. . . ."

2 CFR 200.510(b) states:

"*Schedule of expenditures of Federal awards.* The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502 Basis for determining Federal awards expended. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

(1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within a cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.

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(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
July 1, 2022 through June 30, 2024

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**Section II – Financial Statement Findings** (Continued)

**FINDING 2024-002** (Continued)

(2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.

(3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available. For a cluster of programs also provide the total for the cluster.

(4) Include the total amount provided to subrecipients from each Federal program.

(5) For loan or loan guarantee programs described in § 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.

(6) Include notes that describe that significant accounting policies used in preparing the schedule and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in §200.414 Indirect (F&A) costs."

**Condition:** The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

**Cause:** Management had not established a system of internal control that would have ensured proper reporting of the SEFA.

**Context:** The federal grant information entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the SEFA. The SEFA was reviewed prior to submission. However, it was not reviewed in enough detail to prevent the following errors that resulted in the net understatement of the total federal awards expended on the SEFA by \$222,478 for the period July 1, 2022, through June 30, 2024:

1. The Child Nutrition Cluster expenditures were overstated by \$727,365
2. The Special Education Cluster expenditures were understated by \$912,951
3. The Title II, Part A expenditures were overstated by \$25,922
4. The Title IV expenditures were understated by \$8,920
5. The Medicaid Cluster expenditures were understated by \$53,894

Adjustments were proposed, accepted by the School Corporation, and made to the SEFA to correct the issues noted above.

**Effect:** Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA remained undetected. The SEFA contained the errors identified in the *Condition and Context*.

**Identification as a repeat finding, if applicable:** Yes. Identified as finding 2022-001 on the prior audit report.

**Recommendation:** We recommended that the School Corporation's management establish a formal review over the SEFA to ensure amounts reported are accurate. The School Corporation should establish a documented, secondary review to ensure the amounts reported on the SEFA agree to the supporting federal receipt fund ledger detail.

**Views of Responsible Officials and Planned Corrective Actions:** Management agrees with the finding and has prepared a corrective action plan.

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(Continued)

PIONEER REGIONAL SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
July 1, 2022 through June 30, 2024

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**Section III – Federal Award Findings and Questioned Costs**

None noted.



Pioneer Regional School Corporation  
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CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS

June 30, 2024

**Finding 2024-001**

Subject: Preparation of the Annual Financial Report

Audit Findings: Material Weakness

**Condition:** The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Annual Financial Report (AFR).

**Context:** It was noted that the AFR entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and investment Balances – Regulatory Basis (the financial statement). The AFR was reviewed prior to submission. However, it was not reviewed in enough detail to prevent the following errors in the financial statement:

- 1) The Textbook Rental fund was not properly included within the AFR. An adjustment of \$178,425 was posted to increase the opening balance to agree the fund to the prior year audited financials.
- 2) The School Corporation had not recorded all activity in the Textbook Rental fund on the AFR for fiscal year 2023. As a result, an adjustment was posted to increase receipts by \$137,590, increase disbursements by \$69,829, and increase ending cash by \$67,761.
- 3) The School Corporation had not recorded any activity in the Textbook Rental fund on the AFR for fiscal year 2024. As a result, an adjustment was posted to increase receipts by \$21,596, decrease disbursements by \$74,749, and increase ending cash by \$96,345.
- 4) The initial AFR had an Investments-CD fund that showed a beginning balance at July 1, 2022 of \$46,000, which did not agree to the prior year audit report, which did not have an ending balance. The Investments-CD fund is correlated to the Operations fund. A one-sided adjustment was made to reduce the opening July 1, 2022 cash and investment balance in the Investments-CD fund by \$46,000 to bring the opening balance to \$0. During our tie-out of the AFR and cash for June 30, 2023, it was noted this fund should have had an ending balance of \$46,000, but instead had a \$0 on the AFR within the Operations fund. An adjustment was made to increase receipts and the ending cash and investment balance by \$46,000 in the Operations fund for the year ended June 30, 2023.

- 5) The Prepaid School Lunch Accounts fund had receipts and disbursements overstated for fiscal year 2023 and fiscal year 2024. An adjustment was posted to decrease both receipts and disbursements by \$943,603 for the year ended June 30, 2023, and \$998,480 for the year ended June 30, 2024.

Audit adjustments were proposed, accepted by the School Corporation, and made to the financial statement to correct the issues above.

**Views of Responsible Official:** Management agrees with the finding and will take the following corrective action.

**Description of Corrective Action Plan:** There will be two people involved in the preparation and review of the AFR to ensure the beginning balances each fiscal year agrees to the audit report from the prior year and to ensure that the activity recorded within each fund agrees to the underlying detail and funds ledger reports.

**Those Responsible for Implementation and the Anticipated Completion Date:**

Loretta Kimbrell, Treasurer, will prepare the AFR and Charles Grable, Superintendent, will review and both will sign off prior to submission. This will go into effect with the FY 2025 AFR.

**FINDING 2024-002**

Subject: Preparation of the Schedule of Expenditures of Federal Awards

Audit Findings: Significant Deficiency

**Condition:** The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

**Context:** The federal grant information entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the SEFA. The SEFA was reviewed prior to submission. However, it was not reviewed in enough detail to prevent the following errors that resulted in the net understatement of the total federal awards expended on the SEFA by \$222,478 for the period July 1, 2022, through June 30, 2024:

1. The Child Nutrition Cluster expenditures were overstated by \$727,365
2. The Special Education Cluster expenditures were understated by \$912,951
3. The Title II, Part A expenditures were overstated by \$25,922
4. The Title IV expenditures were understated by \$8,920
5. The Medicaid Cluster expenditures were understated by \$53,894

Adjustments were proposed, accepted by the School Corporation, and made to the SEFA to correct the issues noted above.

**Description of Corrective Action Plan:** Loretta Kimbrell and Charles Grable will prepare and review the SEFA before being submitted into the Gateway Portal. This will go into effect immediately.

**Those Responsible for Implementation and the Anticipated Completion Date:**

Loretta Kimbrell will prepare the SEFA and Charles Grable will review the SEFA prior to submission into the Gateway Portal. This will go into effect with the FY 2025 SEFA.



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## PIONEER REGIONAL SCHOOL CORPORATION

### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

#### **Finding 2022-001**

Subject: Preparation of the Schedule of Expenditures of Federal Awards

Audit Findings: Significant Deficiency

**Condition:** The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

**Context:** The federal grant information entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the SEFA. The SEFA was reviewed prior to submission. However, it was not reviewed in enough detail to prevent the following errors that resulted in the understatement of the total federal awards expended on the SEFA by \$182,148 for the period July 1, 2020, through June 30, 2022:

1. The Child Nutrition Cluster expenditures were overstated by \$82,452
2. The High Ability grant expenditures were incorrectly included on the SEFA in the amount of \$49,121. These are not Federal grants.
3. The Child Nutrition Discretionary expenditures were understated by \$19,999
4. The Special Education Cluster expenditures were understated by \$175,674
5. The Title I expenditures were understated by \$66,507
6. The Title III expenditures were understated by \$1,000
7. The Medicaid Cluster expenditures were understated by \$35,387
8. The Disaster Grants – Public Assistance expenditures were understated by \$15,154
- 9.

Additionally, the pass-through numbers were incorrectly excluded for three of the grants on the SEFA. Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA to correct the issues noted above.

**Status:** Not Resolved. See finding 2024-002 in the current year report.

**FINDING 2022-002**

**Information on the federal program:**

Subject: Child Nutrition Cluster – Internal Controls

Federal Agency: Department of Agriculture

Federal Program: School Breakfast Program, National School Lunch Program

Assistance Listing Numbers: 10.553, 10.555

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Reporting

Audit Finding: Significant Deficiency

**Condition:** An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the reporting compliance requirement.

**Context:** We noted that for one claim in a sample of four, the Food Services Director prepared the sponsor claim reimbursement summary without a secondary, documented review to ensure the accuracy of the sponsor claim reimbursement summary.

**Status:** Resolved