

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

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

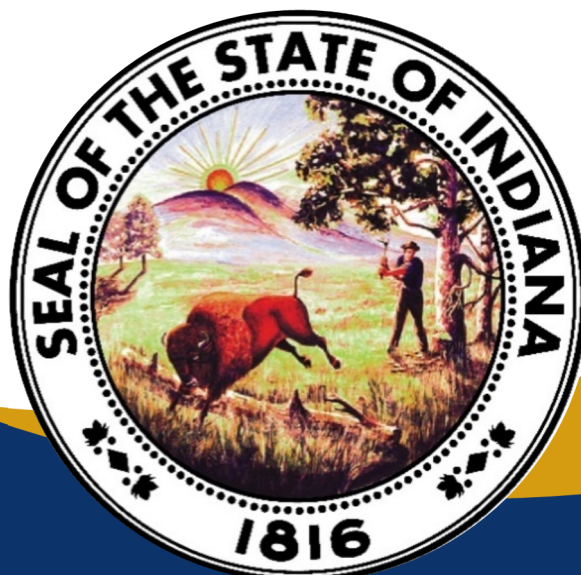
COMPLIANCE EXAMINATION REPORT

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

This report is supplemental to the audit report of Pioneer Regional School Corporation (the School Corporation), for the period July 1, 2022 to June 30, 2024. It has been provided as a separate report so that the reader may easily identify any findings that pertain to the School Corporation. It should be read in conjunction with the financial statement audit report of the School Corporation, which provides an opinion on the School Corporation's financial statements. This report may be found at [www.in.gov/sboa/](http://www.in.gov/sboa/).

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the School Corporation and perform procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The findings contained herein describe the identified reportable instances of noncompliance found as a result of these procedures.

We have reviewed the supplemental report of Pioneer Regional School Corporation prepared by Crowe LLP, Independent Public Accountants, for the period July 1, 2022 to June 30, 2024. In our opinion, the supplemental report was prepared in accordance with the guidelines established by the Indiana State Board of Accounts.

We call your attention to the findings in the report on pages 3 and 4.

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

Tammy R. White, CPA  
Deputy State Examiner

PIONEER REGIONAL SCHOOL CORPORATION

Cass County, Indiana  
July 1, 2022 through June 30, 2024

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PIONEER REGIONAL SCHOOL CORPORATION  
SCHEDULE OF OFFICIALS  
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 ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and  
Management of Pioneer Regional School Corporation

We have examined Pioneer Regional School Corporation's ("School Corporation") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations* during the period of July 1, 2022 through June 30, 2024. Management of the School Corporation is responsible for the School Corporation's compliance with the specified requirements. Our responsibility is to express an opinion on the School Corporation's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the School Corporation complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the School Corporation complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our qualified opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the School Corporation's compliance with specified requirements.

Our examination disclosed material noncompliance with the *Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations* applicable to the School Corporation during the period of July 1, 2022 through June 30, 2024, as described in items 2024-001 and 2024-002 on the following Schedule of Examination Findings and Results.

In our opinion, except for the material noncompliance described in the preceding paragraph, the School Corporation complied, in all material respects, with the aforementioned requirements during the period of July 1, 2022 through June 30, 2024.

*Crowe LLP*

Crowe LLP

Indianapolis, Indiana  
February 25, 2025

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

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**FINDING 2024-001: SCHEDULES IN ANNUAL FINANCIAL REPORT – OTHER INFORMATION**

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

**Condition:** Financial and other information are required to be entered annually into the Annual Financial Report (AFR) via the Indiana Gateway for Government Units (Gateway) financial reporting system. The information entered into Gateway contained the following errors:

*Accounts Receivable*

The School Corporation reported \$0 of accounts receivable as of June 30, 2024. Per the AFR, there are federal and state grant funds that have an accumulated negative balance of \$18,804 at June 30, 2024, which represents the amount the School Corporation is owed for reimbursement from those grants. Management reviewed the activity and believes the negative fund balances are an accurate representation of what the receivables should be at June 30, 2024. The Other Information Schedule within the Annual Financial Report has been updated to reflect this amount as the accounts receivable balance at June 30, 2024.

*Accounts Payable*

The School Corporation reported \$0 of accounts payable as of June 30, 2024. Per the school accounts payables schedule, there are numerous invoices outstanding with vendors with a balance of \$16,533 at June 30, 2024, which represents the amount the School Corporation is liable to pay. The Other Information Schedule within the Annual Financial Report has been updated to reflect this amount as the accounts payable balance at June 30, 2024.

*Leases*

The School Corporation reported \$24,720 of lease payments as of June 30, 2024. Per the school lease schedules, the school has several leases with the school's building corporation that were improperly included within the debt schedule with total annual lease payments of \$977,500. The Other Information Schedule within the Annual Financial Report has been updated to reflect this amount as the annual lease payment.

**FINDING 2024-002: PREPAID SCHOOL MEAL ACCOUNTS**

**Criteria:** Prepaid school meals should not be considered income to the child nutrition program until students are charged a meal to their account. When a student deposits money into their school account the balance of their individual account it should not be included in Fund 800 School Lunch. The school should have a clearing account with the fund number 8400 Prepaid School Lunch Accounts, which is included in Chapter 5 of the State Board of Accounts Uniform Compliance Guidelines for Indiana Public School Corporations. The student deposits for school meals into their account should be recorded to fund 8400 using receipt account 1630 Special Functions. Once the student is charged meals, disburse that amount using expenditure account 31900 Other Food Services from fund 8400 and receipt this into fund 800 using the Food and Serviced receipt accounts 1611-1623 at the time established in a written policy to ensure accurate monthly reporting. The receipt at this point is considered program income and should be reported as such.

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(Continued)

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

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**FINDING 2024-002: PREPAID SCHOOL MEAL ACCOUNTS** (Continued)

It is also a requirement that the balance of fund 8400 to be reconciled on a monthly basis to the individual meal accounts. (The School Bulletin and Uniform Compliance Guidelines, February 2019).

**Condition:** A monthly reconciliation between Fund 8400, Prepaid Meals fund, and the detailed records by student was not presented for the audit. At June 30, 2023, the detailed records showed an ending balance of \$12,395 and the subsidiary funds ledger presented a balance of \$21,544. At June 30, 2024, the detailed records showed an ending balance of \$14,058 and the subsidiary funds ledger presented a balance of \$22,332.

PIONEER REGIONAL SCHOOL CORPORATION  
EXIT CONFERENCE  
July 1, 2022 through June 30, 2024

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The contents of this report were discussed on February 25, 2025, with Loretta Kimbrell, Treasurer, Dr. Charles Grable, Superintendent, and Lisa Kesling, Board President.