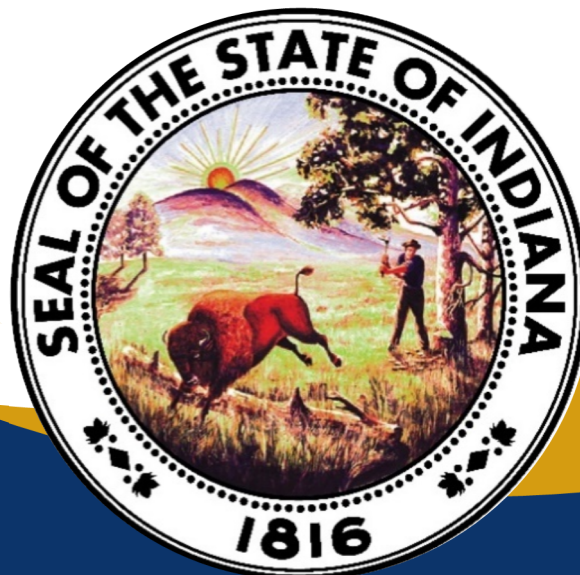


**STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769**

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

FINANCIAL STATEMENT AND
FEDERAL COMPLIANCE AUDIT REPORT
OF
KNOX COMMUNITY SCHOOL CORPORATION
STARKE COUNTY, INDIANA
July 1, 2022 to June 30, 2024



FILED

04/01/2025



Paul D. Joyce, CPA
State Examiner

INDIANA STATE BOARD OF ACCOUNTS

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April 1, 2025

To: The Officials of the Knox Community School Corporation
Knox Community School Corporation
Starke County, Indiana

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Knox Community 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 referred to above 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 41 through 43. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on pages 44 and 45.

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 of Knox Community 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

KNOX COMMUNITY SCHOOL CORPORATION
Starke County, Indiana

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

KNOX COMMUNITY SCHOOL CORPORATION
Starke County, Indiana

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

CONTENTS

SCHEDULE OF OFFICIALS (Unaudited)	1
INDEPENDENT AUDITOR'S REPORT	2
FINANCIAL STATEMENT	
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS	5
NOTES TO FINANCIAL STATEMENT	8
OTHER INFORMATION	
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS (Unaudited).....	14
SCHEDULE OF PAYABLES AND RECEIVABLES (Unaudited)	28
SCHEDULE OF LEASES AND DEBT (Unaudited).....	29
SCHEDULE OF CAPITAL ASSETS (Unaudited).....	30
STATE REPORTING INFORMATION (Unaudited)	31
SUPPLEMENTARY INFORMATION	
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	32
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	34
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 <i>GOVERNMENT AUDITING STANDARDS</i>	35
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE	37
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	40

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

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Kasey Clark	07-01-22 to 06-30-24
Superintendent of Schools	Dr. William Reichhart	07-01-22 to 07-31-23
	Gregory Mikulich	08-01-23 to 06-30-24
President of the School Board	Gary Dulin	01-01-22 to 12-31-22
	Kirk Bennett	01-01-23 to 12-31-23
	Jason Downs	01-01-24 to 12-31-24

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Knox Community School Corporation
Starke 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 Knox Community 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.

(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.

(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 March 18, 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

Indianapolis, Indiana
March 18, 2025

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

Fund Name	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
Education	\$ 5,649,880	\$ 13,414,583	\$ 11,809,221	\$ (1,976,860)	\$ 5,278,382	\$ 13,980,454	\$ 12,105,938	\$ (1,477,305)	\$ 5,675,593
Debt Service	625,100	2,326,105	2,282,940	(23,140)	645,125	2,696,363	2,560,063	(22,695)	758,730
Retirement/Severance Bond Debt	25,622	-	-	-	25,622	-	-	-	25,622
Operations	3,159,554	3,827,506	4,464,926	2,000,000	4,522,134	4,558,665	6,227,081	1,500,000	4,353,718
Local Rainy Day	3,190,425	-	377,598	-	2,812,827	-	341,310	-	2,471,517
Construction 2019	1,136,724	-	1,262,549	125,825	-	-	(900)	-	900
Construction 2022	-	-	-	-	-	-	132,419	3,238,965	3,106,546
School Lunch	357,467	1,420,240	1,188,799	-	588,908	1,235,826	1,397,831	-	426,903
Curricular Materials Rental	373,038	147,947	33,107	-	487,878	273,999	50,638	-	711,239
Educational License Plates	6,532	-	-	-	6,532	731	-	-	7,263
Dr Browne Instructional	21,329	-	6,612	-	14,717	-	2,800	-	11,917
Preschool Tuition	62,981	75,877	-	-	138,858	66,117	-	-	204,975
Class of 1965	295	-	-	-	295	-	-	-	295
School Safety	168	-	-	-	168	-	-	-	168
Misc Donations	306,649	871	977	-	306,543	2,748	7,356	-	301,935
Nipsco	83,518	1,883	-	-	85,401	-	32,713	-	52,688
Kindergarden Countdown	22,764	11,000	825	-	32,939	11,000	6,563	-	37,376
Redskin Academy	16,883	5,250	150	-	21,983	-	-	-	21,983
Tech Donations	1,644	-	-	-	1,644	-	-	-	1,644
Wellness Program	6,265	-	1,497	-	4,768	-	1,756	-	3,012
Gym Floor Sales	1,598	-	-	-	1,598	-	-	-	1,598
Donations Music	-	1,334	-	-	1,334	-	-	-	1,334
Donations 1st Source	-	29,338	23,936	-	5,402	15,000	10,578	-	9,824
Meyers Memorial	1,907	-	595	-	1,312	-	-	-	1,312
State Instructional Support	-	-	-	-	-	22,283	22,283	-	-
Formative Assessment	-	15,248	15,248	-	-	-	-	-	-
Teacher Quality Improvement Program	-	-	-	-	-	8,775	8,775	-	-
Medicaid Reimbursement	66,795	-	-	-	66,795	-	-	-	66,795
Secured Schools Safety Grant	-	14,767	13,776	-	991	69,930	147,783	-	(76,862)
Science Technology Engineering A	-	-	-	-	-	2,160	21,187	-	(19,027)
Alternative Education Grant	22,500	22,500	-	-	45,000	18,061	-	-	63,061
Early Intervention Grant 21-22	5,810	-	5,810	-	-	-	-	-	-

(Continued)

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

Fund Name	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
Early Intervention Grant 22-23	\$ -	\$ 5,034	\$ 4,129	\$ -	\$ 905	\$ -	\$ 905	\$ -	\$ -
NESP 21-22	797	-	797	-	-	-	-	-	-
NESP 22-23	-	4,506	4,506	-	-	-	-	-	-
Career And Technical Performance Grant	35,895	1,760	15,065	-	22,590	933	-	-	23,523
Teacher Appreciation Grant	-	62,060	58,257	-	3,803	60,698	49,867	-	14,634
Indiana School Academic Imp 23-24	-	-	-	-	-	-	24,160	-	(24,160)
HA 23-24	-	-	-	-	-	32,770	23,813	-	8,957
High Ability Students	5,998	27,535	24,204	-	9,329	-	9,356	-	(27)
Unassigned State Funds	59,748	4,200	-	-	63,948	4,200	48,544	-	19,604
Title I 21-22	(15,547)	156,555	141,008	-	-	-	-	-	-
Title I 22-23	-	396,351	411,967	-	(15,616)	140,029	124,413	-	-
Title I 23-24	-	-	-	-	-	318,107	387,664	-	(69,557)
Tutorial Assistance	-	17,450	17,450	-	-	40,250	61,115	-	(20,865)
Special Ed 611 21-22	(17,379)	118,384	101,005	-	-	-	-	-	-
Special Ed 619 21-22	-	2,088	2,088	-	-	-	-	-	-
Special Ed 611 22-23	-	371,379	389,318	-	(17,939)	98,279	80,340	-	-
Special Ed 619 22-23	-	17,035	17,035	-	-	-	-	-	-
Special Ed 611 23-24	-	-	-	-	-	354,730	438,434	-	(83,704)
Title IV 19-21	(7)	-	(7)	-	-	-	-	-	-
Title IV 20-22	-	2,500	2,500	-	-	-	-	-	-
Title IV 21-23	-	15,557	18,937	-	(3,380)	6,385	2,170	-	835
Title IV 22-24	-	23,639	23,852	-	(213)	8,679	8,466	-	-
Student Support Title IV	-	-	-	-	-	-	8,017	-	(8,017)
Medicaid Reimbursement-Federal 22	96,798	85,671	8,736	-	173,733	96,000	262,478	-	7,255
Medicaid Reimbursement-Federal 21	78,473	14	1,935	-	76,552	26,816	14,558	-	88,810
Title II 20-22	(7,550)	23,908	11,859	-	4,499	(4,499)	-	-	-
Title II 21-23	(6,330)	27,586	43,194	-	(21,938)	22,008	70	-	-
Title II 22-24	-	11,961	14,301	-	(2,340)	35,106	38,285	-	(5,519)
Title II 23-25	-	-	-	-	-	3,180	21,881	-	(18,701)
Title VI Rural & Low 20-22	(113)	7,256	7,143	-	-	-	-	-	-
Title VI Rural & Low 21-23	-	11,740	14,769	-	(3,029)	4,684	1,659	-	(4)

(Continued)

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

Fund Name	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
Arp Hcy Allocations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,508	\$ -	\$ (13,508)
ARP SpEd 611	(35,709)	100,221	64,512	-	-	-	-	-	-
ARP SpEd 619	(7,482)	7,482	-	-	-	-	-	-	-
ESSER III	(6,882)	193,893	306,194	-	(119,183)	211,334	159,643	-	(67,492)
Cares Act COVID	-	-	-	-	-	-	-	-	-
Prepaid School Lunch Accounts	18,798	212,640	213,000	-	18,438	221,747	217,066	-	23,119
Fed Tax Withholdings	18,148	731,855	750,003	-	-	710,500	710,500	-	-
Social Security	(18,608)	698,213	679,605	-	-	799,517	799,517	-	-
State Tax Withholding	20,257	287,461	287,040	-	20,678	299,714	320,392	-	-
Couty Tax Withholding	10,337	147,165	146,678	-	10,824	160,482	171,306	-	-
TRF	40	17,049	17,049	-	40	14,348	14,451	-	(63)
PERF	3,449	4,519	4,519	-	3,449	4,496	4,496	-	3,449
Insurance	(472,663)	606,379	37,750	-	95,966	553,292	164,116	-	485,142
Equitable Annuity	70	-	-	-	70	-	-	-	70
Security Benefits	(3,925)	63,590	60,265	-	(600)	77,785	72,015	-	5,170
Cancer Ins Phili/Assurity	(264)	2,550	2,110	-	176	2,001	1,828	-	349
Aflac 21	1,587	3,082	4,698	-	(29)	3,499	2,797	-	673
Supplemental National Life	(10,167)	18,131	7,005	-	959	9,062	6,645	-	3,376
American Fidelity 20	(219)	93,200	92,981	-	-	88,967	83,463	-	5,504
American Fidelity 22	96	-	96	-	-	-	-	-	-
Garnishment	(40)	43,198	43,158	-	-	40,707	40,161	-	546
Massachusetts Mutual Life	940	1,460	1,778	-	622	1,300	1,200	-	722
Aflac 20	49	-	-	-	49	-	-	-	49
Professional Dues Kft	100	30,053	30,053	-	100	29,755	27,467	-	2,388
Afd Reimburseable Medical	(1,665)	2,281	2,295	-	(1,679)	2,173	4,391	-	(3,897)
Starke United	-	190	190	-	-	14	14	-	-
Pacific Life Insurance Co	3,925	44,980	48,905	-	-	29,130	28,000	-	1,130
Voya/Roth	1,252	48,829	50,848	-	(767)	37,091	34,232	-	2,092
Return Check Clearing	3,425	1,291	4,716	-	-	3,641	3,641	-	-
Totals	\$ 14,901,080	\$ 26,068,330	\$ 25,678,062	\$ 125,825	\$ 15,417,173	\$ 27,511,022	\$ 27,563,218	\$ 3,238,965	\$ 18,603,942

See notes to financial statement.

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

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.

Temporary loans. Amounts received from a loan obtained to pay current expenses prior to the receipt of revenue from taxes levied for that purpose. These loans, sometimes designated tax anticipation warrants, must be repaid from the next semiannual distribution of local property taxes levied for such fund.

(Continued)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund loans. Amounts temporarily transferred from one fund to a depleted fund for use in paying current operating expenses. Such advancement shall not be made for a period extending beyond the budget year.

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.

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.

Interfund loans. Amounts temporarily transferred from one fund to a depleted fund for use in paying current operating expenses. Such advancement shall not be made for a period extending beyond the budget year.

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:

Proceeds of long-term debt. Amounts received in relation to the issuance of bonds or other long-term debt issues.

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.

(Continued)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

The School Corporation held cash deposits with financial institutions that maintained FDIC and PDIF coverages, as applicable. The School Corporation did not hold investments for the period under audit.

(Continued)

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

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.

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 deficits in the TRF and Afd Reimbursable Medical funds are the result of disbursements exceeding receipts due to under-estimating current requirements for those funds. These deficits will be repaid from future receipts.

NOTE 7 - HOLDING CORPORATIONS

The School Corporation has entered into a series of capital leases with the Knox Middle 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 \$2,331,000. Lease payments for the period July 1, 2023 through June 30, 2024 totaled \$2,380,500.

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.

(Continued)

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

NOTE 8 - PENSION PLANS (Continued)

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

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.

(Continued)

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

NOTE 8 - PENSION PLANS (Continued)

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

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 - OTHER POSTEMPLOYMENT BENEFITS

The School Corporation provides to eligible retirees and their spouses medical benefits. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding these benefits can be obtained by contacting the School Corporation.

OTHER INFORMATION (Unaudited)

KNOX COMMUNITY 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	Operations	Local Rainy Day	Construction 2019	Construction 2022	School Lunch	Curricular Materials Rental	Educational License Plates	Dr Browne Instructional	Preschool Tuition	Class of 1965	School Safety
Cash and investments - beginning	\$ 5,649,880	\$ 625,100	\$ 25,622	\$ 3,159,554	\$ 3,190,425	\$ 1,136,724	\$ -	\$ 357,467	\$ 373,038	\$ 6,532	\$ 21,329	\$ 62,981	\$ 295	\$ 168
Receipts:														
Local sources	339,081	2,326,105	-	3,827,506	-	-	-	168,001	61,237	-	-	75,877	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	13,075,502	-	-	-	-	-	-	-	86,710	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	1,252,239	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	13,414,583	2,326,105	-	3,827,506	-	-	-	1,420,240	147,947	-	-	75,877	-	-
Disbursements:														
Instruction	9,329,825	-	-	-	-	-	-	-	-	-	-	-	-	-
Support services	2,147,486	-	-	4,449,836	193,118	-	-	5	33,107	-	6,612	-	-	-
Noninstructional services	308,770	-	-	6,272	184,480	1,262,549	-	1,188,794	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	8,818	-	-	-	-	-	-	-	-	-	-
Debt services	-	2,282,940	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	23,140	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	11,809,221	2,282,940	-	4,464,926	377,598	1,262,549	-	1,188,799	33,107	-	6,612	-	-	-
Excess (deficiency) of receipts over disbursements	1,605,362	43,165	-	(637,420)	(377,598)	(1,262,549)	-	231,441	114,840	-	(6,612)	75,877	-	-
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	125,825	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	23,140	-	-	2,000,000	-	-	-	-	-	-	-	-	-	-
Transfers out	(2,000,000)	(23,140)	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(1,976,860)	(23,140)	-	2,000,000	-	125,825	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(371,498)	20,025	-	1,362,580	(377,598)	(1,136,724)	-	231,441	114,840	-	(6,612)	75,877	-	-
Cash and investments - ending	\$ 5,278,382	\$ 645,125	\$ 25,622	\$ 4,522,134	\$ 2,812,827	\$ -	\$ -	\$ 588,908	\$ 487,878	\$ 6,532	\$ 14,717	\$ 138,858	\$ 295	\$ 168

(Continued)

KNOX COMMUNITY 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

	Misc Donations	Nipsco	Kindergarden Countdown	Redskin Academy	Tech Donations	Wellness Program	Gym Floor Sales	Donations Music	Donations 1st Source	Meyers Memorial	State Instructional Support	Formative Assessment	Teacher Quality Improvement Program	Medicaid Reimbursement
Cash and investments - beginning	\$ 306,649	\$ 83,518	\$ 22,764	\$ 16,883	\$ 1,644	\$ 6,265	\$ 1,598	\$ -	\$ -	\$ 1,907	\$ -	\$ -	\$ -	\$ 66,795
Receipts:														
Local sources	871	1,883	11,000	5,250	-	-	-	1,334	29,338	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	15,248	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	871	1,883	11,000	5,250	-	-	-	1,334	29,338	-	-	15,248	-	-
Disbursements:														
Instruction	538	-	825	-	-	-	-	-	-	595	-	-	-	-
Support services	439	-	-	50	-	-	-	-	23,936	-	-	15,248	-	-
Noninstructional services	-	-	-	100	-	1,497	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	977	-	825	150	-	1,497	-	-	23,936	595	-	15,248	-	-
Excess (deficiency) of receipts over disbursements	(106)	1,883	10,175	5,100	-	(1,497)	-	1,334	5,402	(595)	-	-	-	-
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(106)	1,883	10,175	5,100	-	(1,497)	-	1,334	5,402	(595)	-	-	-	-
Cash and investments - ending	\$ 306,543	\$ 85,401	\$ 32,939	\$ 21,983	\$ 1,644	\$ 4,768	\$ 1,598	\$ 1,334	\$ 5,402	\$ 1,312	\$ -	\$ -	\$ -	\$ 66,795

(Continued)

KNOX COMMUNITY 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

	Secured Schools Safety Grant	Science Technology Engineering A	Alternative Education Grant	Early Intervention Grant 21-22	Early Intervention Grant 22-23	NESP 21-22	NESP 22-23	Career And Technical Performance Grant	Teacher Appreciation Grant	Indiana School Academic Imp 23-24	HA 23-24	High Ability Students	Unassigned State Funds
Cash and investments - beginning	\$ -	\$ -	\$ 22,500	\$ 5,810	\$ -	\$ 797	\$ -	\$ 35,895	\$ -	\$ -	\$ -	\$ 5,998	\$ 59,748
Receipts:													
Local sources	-	-	-	-	-	-	-	1,760	-	-	-	-	4,200
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	14,767	-	22,500	-	5,034	-	4,506	-	62,060	-	-	27,535	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	14,767	-	22,500	-	5,034	-	4,506	1,760	62,060	-	-	27,535	4,200
Disbursements:													
Instruction	-	-	-	-	-	797	506	15,065	58,257	-	-	2,764	-
Support services	13,776	-	-	5,810	4,129	-	4,000	-	-	-	-	21,440	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	13,776	-	-	5,810	4,129	797	4,506	15,065	58,257	-	-	24,204	-
Excess (deficiency) of receipts over disbursements	991	-	22,500	(5,810)	905	(797)	-	(13,305)	3,803	-	-	3,331	4,200
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	991	-	22,500	(5,810)	905	(797)	-	(13,305)	3,803	-	-	3,331	4,200
Cash and investments - ending	\$ 991	\$ -	\$ 45,000	\$ -	\$ 905	\$ -	\$ -	\$ 22,590	\$ 3,803	\$ -	\$ -	\$ 9,329	\$ 63,948

(Continued)

KNOX COMMUNITY 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

	Title I 21-22	Title I 22-23	Title I 23-24	Tutorial Assistance	Special Ed 611 21-22	Special Ed 619 21-22	Special Ed 611 22-23	Special Ed 619 22-23	Special Ed 611 23-24	Title IV 19-21	Title IV 20-22	Title IV 21-23	Title IV 22-24
Cash and investments - beginning	\$ (15,547)	\$ -	\$ -	\$ -	\$ (17,379)	\$ -	\$ -	\$ -	\$ -	\$ (7)	\$ -	\$ -	\$ -
Receipts:													
Local sources	-	-	-	17,450	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	156,555	396,351	-	-	118,384	2,088	371,379	17,035	-	-	2,500	15,557	23,639
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	156,555	396,351	-	17,450	118,384	2,088	371,379	17,035	-	-	2,500	15,557	23,639
Disbursements:													
Instruction	119,270	320,205	-	17,450	101,005	2,088	389,318	17,035	-	(7)	-	18,937	23,852
Support services	21,738	89,040	-	-	-	-	-	-	-	-	2,500	-	-
Noninstructional services	-	2,722	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	141,008	411,967	-	17,450	101,005	2,088	389,318	17,035	-	(7)	2,500	18,937	23,852
Excess (deficiency) of receipts over disbursements	15,547	(15,616)	-	-	17,379	-	(17,939)	-	-	7	-	(3,380)	(213)
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	15,547	(15,616)	-	-	17,379	-	(17,939)	-	-	7	-	(3,380)	(213)
Cash and investments - ending	\$ -	\$ (15,616)	\$ -	\$ -	\$ -	\$ -	\$ (17,939)	\$ -	\$ -	\$ -	\$ -	\$ (3,380)	\$ (213)

(Continued)

KNOX COMMUNITY 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

	Student Support Title IV	Medicaid Reimbursement- Federal 22	Medicaid Reimbursement- Federal 21	Title II 20-22	Title II 21-23	Title II 22-24	Title II 23-25	Title VI Rural & Low 20-22	Title VI Rural & Low 21-23	Arp Hcy Allocations	ARP SpEd 611	ARP SpEd 619	ESSER III
Cash and investments - beginning	\$ -	\$ 96,798	\$ 78,473	\$ (7,550)	\$ (6,330)	\$ -	\$ -	\$ (113)	\$ -	\$ -	\$ (35,709)	\$ (7,482)	\$ (6,882)
Receipts:													
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	193,893
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	28	14	-	-	-	-	-	-	-	-	-	-
Federal sources	-	85,643	-	23,908	27,586	11,961	-	7,256	11,740	-	100,221	7,482	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	85,671	14	23,908	27,586	11,961	-	7,256	11,740	-	100,221	7,482	193,893
Disbursements:													
Instruction	-	7,487	1,935	-	-	-	-	4,987	6,142	-	-	-	84,342
Support services	-	1,249	-	11,859	43,194	14,301	-	2,156	8,627	-	64,512	-	221,852
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	8,736	1,935	11,859	43,194	14,301	-	7,143	14,769	-	64,512	-	306,194
Excess (deficiency) of receipts over disbursements	-	76,935	(1,921)	12,049	(15,608)	(2,340)	-	113	(3,029)	-	35,709	7,482	(112,301)
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	76,935	(1,921)	12,049	(15,608)	(2,340)	-	113	(3,029)	-	35,709	7,482	(112,301)
Cash and investments - ending	\$ -	\$ 173,733	\$ 76,552	\$ 4,499	\$ (21,938)	\$ (2,340)	\$ -	\$ -	\$ (3,029)	\$ -	\$ -	\$ -	\$ (119,183)

(Continued)

KNOX COMMUNITY 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

	Cares Act COVID	Prepaid School Lunch Accounts	Fed Tax Withholdings	Social Security	State Tax Withholding	Couty Tax Withholding	TRF	PERF	Insurance	Equitable Annuity	Security Benefits	Cancer Ins Phili/Assurity	Aflac 21
Cash and investments - beginning	\$ -	\$ 18,798	\$ 18,148	\$ (18,608)	\$ 20,257	\$ 10,337	\$ 40	\$ 3,449	\$ (472,663)	\$ 70	\$ (3,925)	\$ (264)	\$ 1,587
Receipts:													
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	212,640	731,855	698,213	287,461	147,165	17,049	4,519	606,379	-	63,590	2,550	3,082
Total receipts	-	212,640	731,855	698,213	287,461	147,165	17,049	4,519	606,379	-	63,590	2,550	3,082
Disbursements:													
Instruction	-	-	-	-	-	-	-	-	-	-	-	-	-
Support services	-	117	-	-	-	-	-	-	(55,278)	-	-	-	-
Noninstructional services	-	212,883	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	750,003	679,605	287,040	146,678	17,049	4,519	93,028	-	60,265	2,110	4,698
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	213,000	750,003	679,605	287,040	146,678	17,049	4,519	37,750	-	60,265	2,110	4,698
Excess (deficiency) of receipts over disbursements	-	(360)	(18,148)	18,608	421	487	-	-	568,629	-	3,325	440	(1,616)
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(360)	(18,148)	18,608	421	487	-	-	568,629	-	3,325	440	(1,616)
Cash and investments - ending	\$ -	\$ 18,438	\$ -	\$ -	\$ 20,678	\$ 10,824	\$ 40	\$ 3,449	\$ 95,966	\$ 70	\$ (600)	\$ 176	\$ (29)

(Continued)

KNOX COMMUNITY 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

	Supplemental National Life	American Fidelity 20	American Fidelity 22	Garnishment	Massachusetts Mutual Life	Aflac 20	Professional Dues Kft	Afd Reimbursable Medical	Starke United	Pacific Life Insurance Co	Voya/Roth	Return Check Clearing	Totals
Cash and investments - beginning	\$ (10,167)	\$ (219)	\$ 96	\$ (40)	\$ 940	\$ 49	\$ 100	\$ (1,665)	\$ -	\$ 3,925	\$ 1,252	\$ 3,425	\$ 14,901,080
Receipts:													
Local sources	-	-	-	-	40	-	-	-	-	-	-	-	7,064,826
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-	13,313,904
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	2,631,524
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	18,131	93,200	-	43,198	1,420	-	30,053	2,281	190	44,980	48,829	1,291	3,058,076
Total receipts	18,131	93,200	-	43,198	1,460	-	30,053	2,281	190	44,980	48,829	1,291	26,068,330
Disbursements:													
Instruction	-	-	-	-	-	-	-	-	-	-	-	-	10,523,218
Support services	-	-	-	-	-	-	-	-	-	-	-	-	7,344,859
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	3,168,067
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	3,496	12,314
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	2,282,940
Nonprogrammed charges	7,005	92,981	96	43,158	1,778	-	30,053	2,295	190	48,905	50,848	1,220	2,346,664
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	7,005	92,981	96	43,158	1,778	-	30,053	2,295	190	48,905	50,848	4,716	25,678,062
Excess (deficiency) of receipts over disbursements	11,126	219	(96)	40	(318)	-	-	(14)	-	(3,925)	(2,019)	(3,425)	390,268
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	125,825
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	2,023,140
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	(2,023,140)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	125,825
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	11,126	219	(96)	40	(318)	-	-	(14)	-	(3,925)	(2,019)	(3,425)	516,093
Cash and investments - ending	\$ 959	\$ -	\$ -	\$ -	\$ 622	\$ 49	\$ 100	\$ (1,679)	\$ -	\$ -	\$ (767)	\$ -	\$ 15,417,173

KNOX COMMUNITY 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	Operations	Local Rainy Day	Construction 2019	Construction 2022	School Lunch	Curricular Materials Rental	Educational License Plates	Dr Browne Instructional	Preschool Tuition	Class of 1965
Cash and investments - beginning	\$ 5,278,382	\$ 645,125	\$ 25,622	\$ 4,522,134	\$ 2,812,827	\$ -	\$ -	\$ 588,908	\$ 487,878	\$ 6,532	\$ 14,717	\$ 138,858	\$ 295
Receipts:													
Local sources	416,157	2,696,363	-	4,558,665	-	-	-	161,776	273,999	731	-	66,117	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	13,564,297	-	-	-	-	-	-	120,387	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	953,663	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	13,980,454	2,696,363	-	4,558,665	-	-	-	1,235,826	273,999	731	-	66,117	-
Disbursements:													
Instruction	9,713,845	-	-	-	-	-	-	1,539	-	-	-	-	-
Support services	2,074,228	-	-	6,236,160	341,310	-	132,419	363	50,638	-	2,800	-	-
Noninstructional services	317,865	-	-	(11,032)	-	(900)	-	1,394,723	-	-	-	-	-
Facilities acquisition and construction	-	-	-	1,953	-	-	-	1,206	-	-	-	-	-
Debt services	-	2,560,063	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	12,105,938	2,560,063	-	6,227,081	341,310	(900)	132,419	1,397,831	50,638	-	2,800	-	-
Excess (deficiency) of receipts over disbursements	1,874,516	136,300	-	(1,668,416)	(341,310)	900	(132,419)	(162,005)	223,361	731	(2,800)	66,117	-
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	3,238,965	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	22,695	-	-	1,500,000	-	-	-	-	-	-	-	-	-
Transfers out	(1,500,000)	(22,695)	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(1,477,305)	(22,695)	-	1,500,000	-	-	3,238,965	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	397,211	113,605	-	(168,416)	(341,310)	900	3,106,546	(162,005)	223,361	731	(2,800)	66,117	-
Cash and investments - ending	\$ 5,675,593	\$ 758,730	\$ 25,622	\$ 4,353,718	\$ 2,471,517	\$ 900	\$ 3,106,546	\$ 426,903	\$ 711,239	\$ 7,263	\$ 11,917	\$ 204,975	\$ 295

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KNOX COMMUNITY 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

	School Safety	Misc Donations	Nipsco	Kindergarden Countdown	Redskin Academy	Tech Donations	Wellness Program	Gym Floor Sales	Donations Music	Donations 1st Source	Meyers Memorial	State Instructional Support	Formative Assessment	Teacher Quality Improvement Program
Cash and investments - beginning	\$ 168	\$ 306,543	\$ 85,401	\$ 32,939	\$ 21,983	\$ 1,644	\$ 4,768	\$ 1,598	\$ 1,334	\$ 5,402	\$ 1,312	\$ -	\$ -	\$ -
Receipts:														
Local sources	-	2,748	-	11,000	-	-	-	-	-	15,000	-	-	-	8,775
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	22,283	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	2,748	-	11,000	-	-	-	-	-	15,000	-	22,283	-	8,775
Disbursements:														
Instruction	-	971	-	4,374	-	-	126	-	-	-	-	-	-	8,775
Support services	-	6,385	32,713	2,189	-	-	1,630	-	-	10,578	-	22,283	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	7,356	32,713	6,563	-	-	1,756	-	-	10,578	-	22,283	-	8,775
Excess (deficiency) of receipts over disbursements	-	(4,608)	(32,713)	4,437	-	-	(1,756)	-	-	4,422	-	-	-	-
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(4,608)	(32,713)	4,437	-	-	(1,756)	-	-	4,422	-	-	-	-
Cash and investments - ending	\$ 168	\$ 301,935	\$ 52,688	\$ 37,376	\$ 21,983	\$ 1,644	\$ 3,012	\$ 1,598	\$ 1,334	\$ 9,824	\$ 1,312	\$ -	\$ -	\$ -

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KNOX COMMUNITY 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

	Medicaid Reimbursement	Secured Schools Safety Grant	Science Technology Engineering A	Alternative Education Grant	Early Intervention Grant 21-22	Early Intervention Grant 22-23	NESP 21-22	NESP 22-23	Career And Technical Performance Grant	Teacher Appreciation Grant	Indiana School Academic Imp 23-24	HA 23-24	High Ability Students
Cash and investments - beginning	\$ 66,795	\$ 991	\$ -	\$ 45,000	\$ -	\$ 905	\$ -	\$ -	\$ 22,590	\$ 3,803	\$ -	\$ -	\$ 9,329
Receipts:													
Local sources	-	-	160	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	63,539	2,000	18,061	-	-	-	-	933	60,698	-	32,770	-
Federal sources	-	6,391	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	69,930	2,160	18,061	-	-	-	-	933	60,698	-	32,770	-
Disbursements:													
Instruction	-	-	21,187	-	-	-	-	-	-	49,867	-	23,813	6,000
Support services	-	147,783	-	-	-	905	-	-	-	-	24,160	-	3,356
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	147,783	21,187	-	-	905	-	-	-	49,867	24,160	23,813	9,356
Excess (deficiency) of receipts over disbursements	-	(77,853)	(19,027)	18,061	-	(905)	-	-	933	10,831	(24,160)	8,957	(9,356)
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(77,853)	(19,027)	18,061	-	(905)	-	-	933	10,831	(24,160)	8,957	(9,356)
Cash and investments - ending	\$ 66,795	\$ (76,862)	\$ (19,027)	\$ 63,061	\$ -	\$ -	\$ -	\$ -	\$ 23,523	\$ 14,634	\$ (24,160)	\$ 8,957	\$ (27)

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KNOX COMMUNITY 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

	Unassigned State Funds	Title I 21-22	Title I 22-23	Title I 23-24	Tutorial Assistance	Special Ed 611 21-22	Special Ed 619 21-22	Special Ed 611 22-23	Special Ed 619 22-23	Special Ed 611 23-24	Title IV 19-21	Title IV 20-22	Title IV 21-23	Title IV 22-24
Cash and investments - beginning	\$ 63,948	\$ -	\$ (15,616)	\$ -	\$ -	\$ -	\$ -	\$ (17,939)	\$ -	\$ -	\$ -	\$ -	\$ (3,380)	\$ (213)
Receipts:														
Local sources	4,200	-	-	-	40,250	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	140,029	318,107	-	-	-	98,279	-	354,730	-	-	6,385	8,679
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	4,200	-	140,029	318,107	40,250	-	-	98,279	-	354,730	-	-	6,385	8,679
Disbursements:														
Instruction	-	-	104,336	338,609	61,115	-	-	80,340	-	438,434	-	-	2,170	8,466
Support services	48,544	-	17,050	47,116	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	3,027	1,939	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	48,544	-	124,413	387,664	61,115	-	-	80,340	-	438,434	-	-	2,170	8,466
Excess (deficiency) of receipts over disbursements	(44,344)	-	15,616	(69,557)	(20,865)	-	-	17,939	-	(83,704)	-	-	4,215	213
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(44,344)	-	15,616	(69,557)	(20,865)	-	-	17,939	-	(83,704)	-	-	4,215	213
Cash and investments - ending	\$ 19,604	\$ -	\$ -	\$ (69,557)	\$ (20,865)	\$ -	\$ -	\$ -	\$ -	\$ (83,704)	\$ -	\$ -	\$ 835	\$ -

(Continued)

KNOX COMMUNITY 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

	Student Support Title IV	Medicaid Reimbursement- Federal 22	Medicaid Reimbursement- Federal 21	Title II 20-22	Title II 21-23	Title II 22-24	Title II 23-25	Title VI Rural & Low 20-22	Title VI Rural & Low 21-23	Arp Hcy Allocations	ARP SpEd 611	ARP SpEd 619
Cash and investments - beginning	\$ -	\$ 173,733	\$ 76,552	\$ 4,499	\$ (21,938)	\$ (2,340)	\$ -	\$ -	\$ (3,029)	\$ -	\$ -	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	26,816	-	-	-	-	-	-	-	-	-
Federal sources	-	96,000	-	(4,499)	22,008	35,106	3,180	-	4,684	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	96,000	26,816	(4,499)	22,008	35,106	3,180	-	4,684	-	-	-
Disbursements:												
Instruction	8,017	-	14,558	-	-	-	-	-	1,659	-	-	-
Support services	-	262,478	-	-	70	38,285	21,881	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	13,508	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	8,017	262,478	14,558	-	70	38,285	21,881	-	1,659	13,508	-	-
Excess (deficiency) of receipts over disbursements	(8,017)	(166,478)	12,258	(4,499)	21,938	(3,179)	(18,701)	-	3,025	(13,508)	-	-
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(8,017)	(166,478)	12,258	(4,499)	21,938	(3,179)	(18,701)	-	3,025	(13,508)	-	-
Cash and investments - ending	\$ (8,017)	\$ 7,255	\$ 88,810	\$ -	\$ -	\$ (5,519)	\$ (18,701)	\$ -	\$ (4)	\$ (13,508)	\$ -	\$ -

(Continued)

KNOX COMMUNITY 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

	ESSER III	Cares Act COVID	Prepaid School Lunch Accounts	Fed Tax Withholdings	Social Security	State Tax Withholding	Couty Tax Withholding	TRF	PERF	Insurance	Equitable Annuity	Security Benefits	Cancer Ins Phili/Assurity	Aflac 21
Cash and investments - beginning	\$ (119,183)	\$ -	\$ 18,438	\$ -	\$ -	\$ 20,678	\$ 10,824	\$ 40	\$ 3,449	\$ 95,966	\$ 70	\$ (600)	\$ 176	\$ (29)
Receipts:														
Local sources	126,193	-	-	-	57,818	-	-	-	-	-	-	-	116	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	85,141	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	221,747	710,500	741,699	299,714	160,482	14,348	4,496	553,292	-	77,785	1,885	3,499
Total receipts	211,334	-	221,747	710,500	799,517	299,714	160,482	14,348	4,496	553,292	-	77,785	2,001	3,499
Disbursements:														
Instruction	55,922	-	-	-	-	-	-	-	-	-	-	-	-	-
Support services	103,721	-	751	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	216,315	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	710,500	799,517	320,392	171,306	14,451	4,496	164,116	-	72,015	1,828	2,797
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	159,643	-	217,066	710,500	799,517	320,392	171,306	14,451	4,496	164,116	-	72,015	1,828	2,797
Excess (deficiency) of receipts over disbursements	51,691	-	4,681	-	-	(20,678)	(10,824)	(103)	-	389,176	-	5,770	173	702
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	51,691	-	4,681	-	-	(20,678)	(10,824)	(103)	-	389,176	-	5,770	173	702
Cash and investments - ending	\$ (67,492)	\$ -	\$ 23,119	\$ -	\$ -	\$ -	\$ -	\$ (63)	\$ 3,449	\$ 485,142	\$ 70	\$ 5,170	\$ 349	\$ 673

(Continued)

KNOX COMMUNITY 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

	Supplemental National Life	American Fidelity 20	American Fidelity 22	Garnishment	Massachusetts Mutual Life	Aflac 20	Professional Dues Kft	Afd Reimburseable Medical	Starke United	Pacific Life Insurance Co	Voya/Roth	Return Check Clearing	Totals
Cash and investments - beginning	\$ 959	\$ -	\$ -	\$ -	\$ 622	\$ 49	\$ 100	\$ (1,679)	\$ -	\$ -	\$ (767)	\$ -	\$ 15,417,173
Receipts:													
Local sources	-	-	-	547	-	-	-	-	-	-	-	-	8,440,615
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-	13,911,784
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	2,127,883
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	9,062	88,967	-	40,160	1,300	-	29,755	2,173	14	29,130	37,091	3,641	3,030,740
Total receipts	9,062	88,967	-	40,707	1,300	-	29,755	2,173	14	29,130	37,091	3,641	27,511,022
Disbursements:													
Instruction	-	-	-	-	-	-	-	-	-	-	-	-	10,944,123
Support services	-	-	-	-	-	-	-	-	-	-	-	-	9,629,796
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	1,168	1,936,613
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	3,159
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	2,560,063
Nonprogrammed charges	6,645	83,463	-	40,161	1,200	-	27,467	4,391	14	28,000	34,232	2,473	2,489,464
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	6,645	83,463	-	40,161	1,200	-	27,467	4,391	14	28,000	34,232	3,641	27,563,218
Excess (deficiency) of receipts over disbursements	2,417	5,504	-	546	100	-	2,288	(2,218)	-	1,130	2,859	-	(52,196)
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	3,238,965
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	1,522,695
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	(1,522,695)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	3,238,965
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,417	5,504	-	546	100	-	2,288	(2,218)	-	1,130	2,859	-	3,186,769
Cash and investments - ending	\$ 3,376	\$ 5,504	\$ -	\$ 546	\$ 722	\$ 49	\$ 2,388	\$ (3,897)	\$ -	\$ 1,130	\$ 2,092	\$ -	\$ 18,603,942

KNOX COMMUNITY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2024

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 593,671</u>	<u>\$ 286,532</u>

KNOX COMMUNITY 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:				
Knox Middle School Building Corporation	2020 Safety, Security and Renovation Project	\$ 1,442,500	6/30/2021	12/31/2039
Knox Middle School Building Corporation	2018 Renovation and Improvement to KCHS	<u>884,000</u>	6/30/2019	6/30/2026
Total governmental activities		<u>2,326,500</u>		
Total of annual lease payments		<u>\$ 2,326,500</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	General Obligation Loan 2023	\$ 3,150,000	\$ 455,188
Total governmental activities		<u>3,150,000</u>	<u>455,188</u>
Totals		<u>\$ 3,150,000</u>	<u>\$ 455,188</u>

KNOX COMMUNITY SCHOOL CORPORATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2024

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	\$ 2,072,200
Buildings	46,179,570
Improvements other than buildings	8,867,125
Machinery, equipment, and vehicles	<u>5,953,094</u>
Total governmental activities	<u>63,071,989</u>
Total capital assets	<u>\$ 63,071,989</u>

KNOX COMMUNITY SCHOOL CORPORATION
STATE REPORTING INFORMATION
July 1, 2022 - June 30, 2024

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.

KNOX COMMUNITY 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	FY 22-23, FY 23-24	\$ 272,521	\$ 244,869	\$ 517,390
National School Lunch Program		10.555	FY 22-23, FY 23-24	789,132	647,841	1,436,973
Supply Chain Assistance Funds		10.555	FY 22-23, FY 23-24	92,170	56,254	148,424
Commodities		10.555	FY 22-23, FY 23-24	75,086	93,879	168,965
Total - Child Nutrition Cluster				<u>1,228,909</u>	<u>1,042,843</u>	<u>2,271,752</u>
Total - Department of Agriculture				<u>1,228,909</u>	<u>1,042,843</u>	<u>2,271,752</u>
<u>Department of Education</u>						
Special Education Cluster (IDEA)						
Special Education Grants to States	Indiana Department of Education					
IDEA, Part B		84.027	H027A230084	-	354,730	354,730
IDEA, Part B		84.027	H027A210084	120,472	-	120,472
COVID-19 - Supplemental Funding - IDEA, Part B		84.027X	H027X210084	100,221	-	100,221
IDEA, Part B		84.027	H027A220084	371,379	98,279	469,658
Total - Special Education Grants to States				<u>592,072</u>	<u>453,009</u>	<u>1,045,081</u>
Special Education Preschool Grants	Indiana Department of Education					
COVID-19 - Supplemental Funding - IDEA, Preschool		84.173X	H173X210104	7,482	-	7,482
IDEA, Preschool		84.173	H173A220104	17,035	-	17,035
Total - Special Education Preschool Grants				<u>24,517</u>	<u>-</u>	<u>24,517</u>
Total - Special Education Cluster (IDEA)				<u>616,589</u>	<u>453,009</u>	<u>1,069,598</u>
Title I Grants to Local Educational Agencies	Indiana Department of Education					
Title I, Part A		84.010A	S010A230014	-	308,107	308,107
Title I, Part A		84.010A	S010A210014	136,555	-	136,555
Title I, Part A		84.010A	S010A220014	396,351	109,029	505,380
Total - Title I Grants to Local Educational Agencies				<u>532,906</u>	<u>417,136</u>	<u>950,042</u>

(Continued)

KNOX COMMUNITY 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
Rural Education	Indiana Department of Education					
Small Rural School Grant 2022		84.358	S358B200014	\$ 7,256	\$ -	\$ 7,256
Small Rural School Grant 2023		84.358	S358B210014	<u>11,740</u>	<u>4,684</u>	<u>16,424</u>
Total - Rural Education				<u>18,996</u>	<u>4,684</u>	<u>23,680</u>
Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367A	S367A230013	-	13,180	13,180
Title II, Part A		84.367A	S367A200013	19,409	-	19,409
Title II, Part A		84.367A	S367A210013	38,750	19,798	58,548
Title II, Part A		84.367A	S367A220013	<u>14,250</u>	<u>63,817</u>	<u>78,067</u>
Total - Supporting Effective Instruction State Grants				<u>72,409</u>	<u>96,795</u>	<u>169,204</u>
Student Support and Academic Enrichment Program	Indiana Department of Education					
Title IV, Part A		84.424	S424A220015	23,639	5,380	29,019
Title IV, Part A		84.424	S424A210015	26,603	9,684	36,287
Title IV, Part A		84.424	S424A200015	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Total - Student Support and Academic Enrichment Program				<u>52,742</u>	<u>15,064</u>	<u>67,806</u>
COVID-19 - Education Stabilization Fund	Indiana Department of Education					
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund (ESSER III)		84.425U	S425U210013	<u>193,893</u>	<u>211,334</u>	<u>405,227</u>
Total - COVID-19 - Education Stabilization Fund				<u>193,893</u>	<u>211,334</u>	<u>405,227</u>
Total - Department of Education				<u>1,487,535</u>	<u>1,198,022</u>	<u>2,685,557</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster	Indiana Department of Education					
Medical Assistance Program - IEP Services		93.778	FY2023, FY2024	41,554	61,349	102,903
Medical Assistance Program - INMAC		93.778	FY2023, FY2024	<u>22,724</u>	<u>29,862</u>	<u>52,586</u>
Total - Department of Health and Human Services				<u>64,278</u>	<u>91,211</u>	<u>155,489</u>
Total federal awards expended				<u>\$ 2,780,722</u>	<u>\$ 2,332,076</u>	<u>\$ 5,112,798</u>

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

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

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 \$168,965 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
Knox Community School Corporation
Starke 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 Knox Community 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 March 18, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, 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 statement, 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 statement 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

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*.

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.

A handwritten signature in black ink that reads "Crowe LLP". The letters are cursive and slanted to the right.

Crowe LLP

Indianapolis, Indiana
March 18, 2025

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

Those Charged with Governance
Knox Community School Corporation
Starke County, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Knox Community 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.

(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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002 to be material weaknesses.

(Continued)

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 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.

Government Auditing Standards requires the auditor to perform limited procedures on the School Corporation's responses to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The School Corporation's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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.

A handwritten signature in black ink that reads "Crowe LLP". The letters are cursive and slightly slanted to the right.

Crowe LLP

Indianapolis, Indiana
March 18, 2025

KNOX COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 July 1, 2022 to June 30, 2024

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? _____ Yes _____ X No

Significant deficiencies identified not considered to be material weaknesses? _____ Yes _____ X None Reported

Noncompliance material to financial statement noted? _____ Yes _____ X No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? _____ X Yes _____ No

Significant deficiencies identified not considered to be material weaknesses? _____ Yes _____ X 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)? _____ X Yes _____ No

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
84.010A	Title I Grants to Local Educational Agencies
84.027, 84.027X, 84.173, 84.173X	Special Education Cluster
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? _____ Yes _____ X No

Section II – Financial Statement Findings

None noted.

(Continued)

KNOX COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2022 to June 30, 2024

Section III – Federal Award Findings and Questioned Costs

FINDING 2024-001

Information on the federal program:

Subject: Education Stabilization Fund (ESSER) – Internal Controls
Federal Agency: Department of Education
Federal Program: COVID-19 – Education Stabilization Fund
Assistance Listing Number: 84.425U
Federal Award Numbers and Years (or Other Identifying Numbers): S425U210013
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Finding: Material Weakness

Criteria: 2 CFR section 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal awards in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

2 CFR 200.302(b) states in part:

"The financial management system of each non-Federal entity must provide for the following:

(2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.328 Financial reporting"

34 CFR 76.722 states:

"A State may require a subgrantee to submit reports in a manner and format that assists the State in complying with the requirements under 34 CFR 76.720 and in carrying out other responsibilities under the program."

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 requirements.

Cause: The School Corporation's management had not developed a system of internal controls to ensure compliance with the compliance requirements listed above.

Effect: The data reported by the School Corporation to the Indiana Department of Education contained errors when compared to underlying supporting records of grant activity for the period reported.

Questioned Costs: There were no questioned costs identified.

(Continued)

KNOX COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2022 to June 30, 2024

Section III – Federal Award Findings and Questioned Costs (Continued)

FINDING 2024-001 (Continued)

Context: The School Corporation was required to submit two Annual Data Reports to the Indiana Department of Education (IDOE) to meet federal reporting requirements for ESSER grant awards. The Annual Data Reports were prepared by School Corporation management and reviewed by someone other than the preparer, however, the review process in place did not prevent, or detect and correct, errors. During testing of the accuracy of the annual data reports, the following errors were noted:

- The Year 2 Annual Data Report for the ESSER III (84.425U) grant award reported total disbursements of \$2,219,321 for the period of July 1, 2021 through June 30, 2022 compared to underlying disbursement detail of \$2,715,940.
- The Year 3 Annual Data Report for the ESSER III (84.425U) grant award reported total disbursements of \$224,309 for the period of July 1, 2022 through June 30, 2023 compared to underlying disbursement detail of \$306,194.

Identification as a repeat finding: Yes, see Finding 2022-009 in the prior period audit report.

Recommendation: We recommend someone other than the preparer of the report perform a documented review prior to submission to validate the accuracy and completeness of the data submitted which includes a comparison to the underlying funds ledger disbursement detail for the same period.

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

FINDING 2024-002

Information on the federal program:

Subject: Education Stabilization Fund – Internal Controls
Federal Agency: Department of Education
Federal Program: COVID-19 – Education Stabilization Fund
Assistance Listing Number: 84.425U
Federal Award Numbers: S425U210013
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Equipment and Real Property Management
Audit Findings: Material Weakness

Criteria: 2 CFR 200.313(d) states in part:

"Management requirements. Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place will, as a minimum, meet the following requirements:

(Continued)

KNOX COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2022 to June 30, 2024

Section III – Federal Award Findings and Questioned Costs (Continued)

FINDING 2024-002 (Continued)

- (1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
- (2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
- (3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.
- (4) Adequate maintenance procedures must be developed to keep the property in good condition.."

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 Equipment and Real Property Management Requirements compliance requirements.

Cause: The School Corporation's management had not developed a system of internal controls to ensure compliance with the compliance requirements listed above.

Effect: The failure to establish an effective internal control system placed the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirements and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

Questioned Costs: There were no questioned costs identified.

Context: The School Corporation paid \$2,135,000 for HVAC and flooring improvements and \$92,301 in concrete work at various locations using COVID-19 - Education Stabilization Funds grant funds. These capital improvements were added to the detailed listing of capital improvements; however, did not include a detailed description of the property, a serial number or other identification number, the source of funding for the property (including the federal award identification number (FAIN)), who holds the title, and percentage of federal participation in the project costs for the federal award under which the property was acquired.

Identification as a repeat finding: Yes, see Finding 2022-008 in the prior period audit report.

Recommendation: We recommend the School Corporation update the capital asset listing to include all required information to track capital asset acquisitions purchased with federal funding.

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



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CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS
June 30, 2024

FINDING 2024-001

Information on the federal program:

Subject: Education Stabilization Fund (ESSER) – Internal Controls
Federal Agency: Department of Education
Federal Program: COVID-19 – Education Stabilization Fund
Assistance Listing Number: 84.425U
Federal Award Numbers and Years (or Other Identifying Numbers): S425U210013
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Finding: Material Weakness

Context: The School Corporation was required to submit two Annual Data Reports to the Indiana Department of Education (IDOE) to meet federal reporting requirements for ESSER grant awards. The Annual Data Reports were prepared by School Corporation management and reviewed by someone other than the preparer, however, the review process in place did not prevent, or detect and correct, errors. During testing of the accuracy of the annual data reports, the following errors were noted:

- The Year 2 Annual Data Report for the ESSER III (84.425U) grant award reported total disbursements of \$2,219,321 for the period of July 1, 2021 through June 30, 2022 compared to underlying disbursement detail of \$2,715,940.
- The Year 3 Annual Data Report for the ESSER III (84.425U) grant award reported total disbursements of \$224,309 for the period of July 1, 2022 through June 30, 2023 compared to underlying disbursement detail of \$306,194.

Contact Person Responsible for Corrective Action: Kasey Clark
Contact Phone Number: 574-772-1604

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: There will be two people who look over the ESSER reports before submitting to the state to make sure they agree with the reports.

Anticipated Completion Date: When next report is due.



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CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS
June 30, 2024

FINDING 2024-002

Information on the federal program:

Subject: Education Stabilization Fund – Internal Controls
Federal Agency: Department of Education
Federal Program: COVID-19 – Education Stabilization Fund
Assistance Listing Number: 84.425U
Federal Award Numbers: S425U210013
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Equipment and Real Property Management
Audit Findings: Material Weakness

Context: The School Corporation paid \$2,135,000 for HVAC and flooring improvements and \$92,301 in concrete work at various locations using COVID-19 - Education Stabilization Funds grant funds. These capital improvements were added to the detailed listing of capital improvements; however, did not include a detailed description of the property, a serial number or other identification number, the source of funding for the property (including the federal award identification number (FAIN)), who holds the title, and percentage of federal participation in the project costs for the federal award under which the property was acquired.

Contact Person Responsible for Corrective Action: Kasey Clark
Contact Phone Number: 574-772-1604

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: AdTec does the inventory listing every two years and it will be placed on the Capital improvement listing.

Anticipated Completion Date: Fall of 2025 during next inventory



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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2022-001

Subject: Financial Transactions and Reporting
Audit Findings: Material Weakness, Noncompliance

Context: The School Corporation failed to properly review the financial information prepared and submitted in Gateway. One employee entered the information into Gateway without an oversight or review process in place to prevent, or detect and correct, errors on the financial statement.

Due to the lack of internal controls, the financial statement presented for audit included the following errors:

1. The School Corporation entered the ending cash and investments balances from June 30, 2021, as the beginning cash and investments balances for July 1, 2020. This error caused the beginning cash and investments balances of 32 funds to be overstated by \$9,292,901 and 20 funds to be understated by \$11,062,364.
2. The School Corporation included a \$10,500,000 investment in the Construction 2019 fund as a receipt in the current audit period; however, it had already been reported in the prior audit period. This caused the cash and investments balance in the Construction 2019 fund to be overstated by \$10,500,000.

Audit adjustments were proposed, accepted by the School Corporation, and made to the financial statement presented in the Financial Statement Audit Report.

Status: Resolved



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FINDING 2022-002

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

Context: The School Corporation failed to properly review the federal grant information prepared and submitted in Gateway. One employee entered the information into Gateway without an oversight or review process in place to prevent, or detect and correct, errors on the SEFA.

Due to the lack of internal controls, the SEFA presented for audit included the following errors:

1. Several grants had individually immaterial errors that resulted in misstatements of expenditures of \$631,904, in total.
2. Other errors included incorrect federal program names and identifying numbers.

Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA presented in this report.

Status: Resolved

FINDING 2022-003

Subject: Title I Grants to Local Educational Agencies - Internal Controls
Federal Agency: Department of Education
Federal Program: Title I Grants to Local Educational Agencies
Assistance Listings Number: 84.010
Federal Award Numbers and Years (or Other Identifying Numbers): S010A200014, S010A210014
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Eligibility
Audit Finding: Material Weakness

Context: The School Corporation did not have an oversight or review process in place to ensure that the food service software company (Titan) accurately determined free and reduced lunch eligibility for all students that submitted an online application. Titan uploaded the income guidelines for free and reduced lunch for each school into the software; however, an individual at the School Corporation did not review the guidelines for accuracy.

Status: Resolved



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FINDING 2022-004

Subject: Title I Grants to Local Educational Agencies - Allowable Costs/Cost Principles
Federal Agency: Department of Education
Federal Program: Title I Grants to Local Educational Agencies
Assistance Listings Number: 84.010
Federal Award Numbers and Years (or Other Identifying Numbers): S010A190014, S010A200014, S010A210014

Context: The School Corporation approved a salary schedule for bus drivers which included additional compensation based on miles driven for bus drivers who transported preschool students. Each pay period, the Director of Transportation calculated a bus driver's daily pay by adding the approved hourly wage rate times hours worked to the per mile rate times miles driven for the preschool route, if applicable.

The School Corporation provided approved timesheets for the bus drivers selected for testing; however, the calculation of the daily pay calculation was not provided for audit. The bus drivers' payroll of \$113,486 charged to the Title I grants during the audit period were considered questioned costs.

Status: Resolved

FINDING 2022-005

Subject: Title I Grants to Local Educational Agencies - Matching, Level of Effort, Earmarking
Federal Agency: Department of Education
Federal Program: Title I Grants to Local Educational Agencies
Assistance Listings Number: 84.010
Federal Award Number and Year (or Other Identifying Number): S010A200014
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Matching, Level of Effort, Earmarking
Audit Findings: Material Weakness, Other Matters

Context: School Corporations with an allocation over \$500,000, are required to set aside at least 1 percent of their total allocation for parental involvement. The set aside must be expended within the fiscal year or, if not expended, must be carried over and added into the LEA's parental involvement budget for the next fiscal year.

The School Corporation did not have internal controls in place to ensure the required set aside was spent within the fiscal year or were carried over to the next fiscal year. The School Corporation spent \$300 of the \$5,635 that was required to be spent on parental involvement.

Status: Resolved



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FINDING 2022-006

Subject: Title I Grants to Local Educational Agencies - Reporting
Federal Agency: Department of Education
Federal Program: Title I Grants to Local Educational Agencies
Assistance Listings Number: 84.010
Federal Award Numbers and Years (or Other Identifying Numbers): S010A190014, S010A200014
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Findings: Material Weakness, Other Matters

Context: The School Corporation did not have an internal control over the final expenditure reports submitted during the audit period. The Treasurer submitted the report without a documented review or oversight in place to prevent, or detect and correct, errors on the reports.

The School Corporation must report all required set asides manually on the final expenditure report submitted to the Indiana Department of Education. Grant award S010A200014 had a required set-aside for parental involvement; however, a set aside was not reported on the final expenditure report.

Status: Resolved

FINDING 2022-007

Subject: COVID-19 - Education Stabilization Fund - Activities Allowed or Unallowed, Allowable Costs/Cost Principles
Federal Agency: Department of Education
Federal Program: COVID-19 - Education Stabilization Fund
Assistance Listings Number: 84.425D
Federal Award Number and Year (or Other Identifying Number): S425D200013
Pass-Through Entity: Indiana Department of Education
Compliance Requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles
Audit Findings: Material Weakness, Other Matters

Context: The School Corporation paid Classified Staff and all Administrators and Directors (Superintendent of Schools excluded) School Board approved stipends on December 11, 2020, from the program. The across-the-board stipends were paid without justification or documentation that provided for additional duties or work performed on which to base the stipends. The total amount of stipends paid, \$178,800, were considered questioned costs.

Status: Resolved



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FINDING 2022-008

Subject: COVID-19 - Education Stabilization Fund - Equipment and Real Property Management
Federal Agency: Department of Education
Federal Program: COVID-19 - Education Stabilization Fund
Assistance Listings Numbers: 84.425D, 84.425U
Federal Award Numbers and Years (or Other Identifying Numbers): S425D200013, S425U210013
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Equipment and Real Property Management
Audit Findings: Material Weakness, Other Matters

Context: The School Corporation paid \$2,135,000 for HVAC and flooring improvements at various locations using COVID-19 - Education Stabilization Fund grant funds. These capital improvements were not added to a detailed listing of capital assets that would include a description of the property, a serial number or other identification number, the source of funding for the property (including the federal award identification number (FAIN)), who holds title, the acquisition date, cost of the property, percentage of federal participation in the project costs for the federal award under which the property was acquired, the location, and the use and condition of the property. A physical inventory had been taken in the past two years; however, the physical inventory was not reconciled with the capital assets listing. In addition, assets were not properly safeguarded and maintained.

Status: Repeat finding 2024-002

FINDING 2022-009

Subject: COVID-19 - Education Stabilization Fund - Reporting
Federal Agency: Department of Education
Federal Program: COVID-19 - Education Stabilization Fund
Assistance Listings Numbers: 84.425D, 84.425U
Federal Award Numbers and Years (or Other Identifying Numbers): S425D200013, S425U210013
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Findings: Material Weakness, Other Matters

Context: Of the six reports tested, four (ESSER I, Year 1 and Year 2, ESSER II, Year 1, and ESSER III, Year 1) were not supported by the School Corporation's records. Key line items selected for review and verification were determined to be incorrectly reported on the ESSER I, Year 1 report as well as omitted from the ESSER I, Year 2, ESSER II, Year 1, and ESSER III, Year 1 reports.

Status: Repeat finding 2024-001



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FINDING 2022-010

Subject: COVID-19 - Education Stabilization Fund - Special Tests and Provisions - Wage Rate Requirements

Federal Agency: Department of Education

Federal Program: COVID-19 - Education Stabilization Fund

Assistance Listings Numbers: 84.425D, 84.425U

Federal Award Numbers and Years (or Other Identifying Numbers): S425D200013, S425U210013

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Special Tests and Provisions - Wage Rate Requirements

Audit Findings: Material Weakness, Modified Opinion

Context: The School Corporation did not follow their policies or procedures to ensure that construction contracts in excess of \$2,000 paid from federal grant funds included a prevailing wage rate clause. One construction contract was paid from the COVID-19 - Education Stabilization Fund grant funds, totaling \$2,135,000, during the audit period. This construction contract was subject to the wage rate requirements; however, the contract did not have the required prevailing wage rate clause included in the contract, nor were certified payrolls submitted by the contractor timely.

Status: Resolved