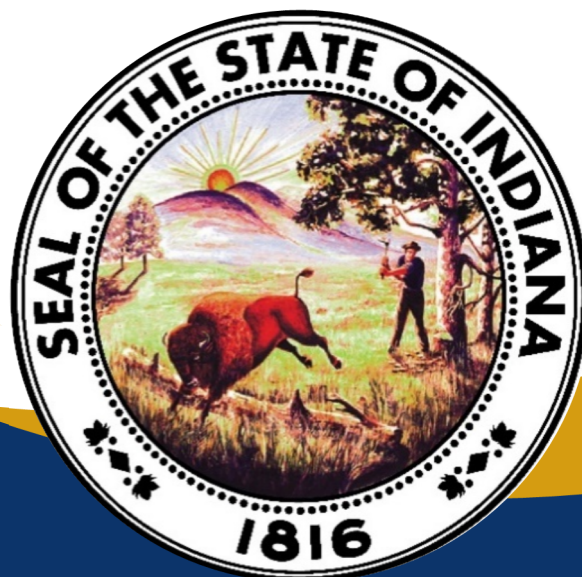


**STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769**

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

FINANCIAL STATEMENT AND
FEDERAL COMPLIANCE AUDIT REPORT
OF

FLAT ROCK-HAWCREEK SCHOOL CORPORATION
BARTHOLOMEW COUNTY, INDIANA
July 1, 2022 to June 30, 2024



FILED

03/26/2025





Paul D. Joyce, CPA
State Examiner

INDIANA STATE BOARD OF ACCOUNTS

302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769
Telephone: (317) 232-2513
Fax: (317) 232-4711
www.in.gov/sboa

March 26, 2025

To: The Officials of the Flat Rock-Hawcreek School Corporation
Flat Rock-Hawcreek School Corporation
Bartholomew County, Indiana

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Flat Rock-Hawcreek 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 statement 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 39 through 45. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on pages 46 through 51.

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 Flat Rock-Hawcreek 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

FLAT ROCK-HAWCREEK SCHOOL CORPORATION
Bartholomew County, Indiana

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

FLAT ROCK-HAWCREEK SCHOOL COPORATION
Bartholomew 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)	26
SCHEDULE OF LEASES AND DEBT (Unaudited).....	27
SCHEDULE OF CAPITAL ASSETS (Unaudited).....	28
STATE REPORTING INFORMATION (Unaudited)	29
SUPPLEMENTARY INFORMATION	
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	30
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	32
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>	33
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE	35
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	38

FLAT ROCK-HAWCREEK SCHOOL COPORATION
SCHEDULE OF OFFICIALS (Unaudited)
For the period July 1, 2022 through June 30, 2024

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Melissa Dempsey	07-01-22 to 06-30-24
Superintendent of Schools	Shawn Price	07-01-22 to 06-30-24
President of the School Board	Brian Rose	01-01-22 to 12-31-24



INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Flat Rock-Hawcreek School Corporation
Bartholomew 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 Flat Rock-Hawcreek 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 4, 2025, our consideration of the School Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 4, 2025

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

<u>Fund</u>	<u>Cash and Investments 07-01-2022</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Other Financing Sources (Uses)</u>	<u>Cash and Investments 06-30-2023</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Other Financing Sources (Uses)</u>	<u>Cash and Investments 06-30-2024</u>
Education	\$ 1,796,940	\$ 7,335,768	\$ 6,970,911	\$ (950,000)	\$ 1,211,797	\$ 7,750,478	\$ 7,048,523	\$ (639,761)	\$ 1,273,991
Debt Service	95,696	401,160	397,925	-	98,931	342,665	372,837	-	68,759
Retirement/Severance Bond Debt Service	6,164	-	-	-	6,164	-	-	-	6,164
Referendum - Exempt Capital	875,729	1,562,379	1,520,000	-	918,108	1,502,969	1,520,000	-	901,077
Operations	1,100,224	1,487,892	2,818,072	950,000	720,044	1,578,991	2,829,417	1,066,292	535,910
Local Rainy Day	833,465	-	10,000	-	823,465	-	-	-	823,465
School Lunch	305,279	611,453	768,972	-	147,760	561,969	723,658	-	(13,929)
Curricular Materials Rental	-	362,498	137,147	-	225,351	302,858	287,863	-	240,346
Levy Excess	9,881	-	-	-	9,881	-	-	-	9,881
Local Signs For Trees	-	-	500	-	(500)	-	-	-	(500)
Local Books	-	-	34	-	(34)	-	-	-	(34)
Local Monsanto Grant	-	-	1,318	-	(1,318)	-	-	-	(1,318)
Local Project Lead The Way	-	-	5,029	-	(5,029)	-	-	-	(5,029)
Local Workforce Grant	-	-	531	-	(531)	-	-	-	(531)
Local School Safety	-	-	1,558	-	(1,558)	-	-	-	(1,558)
Local Safe Route To School	-	-	76	-	(76)	-	-	-	(76)
Manufacturing Micro-Grant	-	-	75	-	(75)	-	-	-	(75)
Heritage Grant-Elem Curriculum	125	-	-	-	125	-	-	-	125
Heritage Grant-Welding	3,385	2,695	-	-	6,080	-	-	-	6,080
Heritage Grant-Kilps Calm Down	13	-	-	-	13	-	-	-	13
Heritage Grant-Hamilton Biog	38	-	-	-	38	-	-	-	38
Heritage Grant-Recycling	1,000	1,000	2,206	-	(206)	-	850	-	(1,056)
Heritage Grant-Smart Sensors	8,380	-	8,380	-	-	-	-	-	-
Heritage Grant-Hs Furniture	-	5,000	-	-	5,000	-	5,000	-	-
Heritage Grant-Playground Exp	-	5,000	-	-	5,000	-	4,720	-	280
Heritage Grant-Musical Instruments	-	1,500	-	-	1,500	-	1,500	-	-
Heritage Grant-Stop Bleed Nursing Kit	-	-	-	-	-	1,200	1,200	-	-
Heritage Grant-Laser Engraver	-	-	-	-	-	300	-	-	300
Educational License Plates	4,393	131	-	-	4,524	188	-	-	4,712

(Continued)

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

<u>Fund</u>	<u>Cash and Investments 07-01-2022</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Other Financing Sources (Uses)</u>	<u>Cash and Investments 06-30-2023</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Other Financing Sources (Uses)</u>	<u>Cash and Investments 06-30-2024</u>
School Library Printed Material	\$ 5,973	\$ -	\$ -	\$ -	\$ 5,973	\$ -	\$ -	\$ -	\$ 5,973
Early Intervention	2,534	-	3,421	-	(887)	2,598	1,652	-	59
Student Benefit	285	-	-	-	285	-	-	-	285
Library Biography Grant	800	-	800	-	-	-	-	-	-
Heritage A Bee	1,687	-	-	-	1,687	-	-	-	1,687
Heritage Agri Generator	3,774	-	-	-	3,774	-	-	-	3,774
Heritage Robotics	2	-	-	-	2	-	-	-	2
Heritage Collaborative Workshop	2,900	-	-	-	2,900	-	-	-	2,900
Graduate Challenge	1,000	-	-	-	1,000	-	-	-	1,000
Heritage Ag Landscape	1,121	-	-	-	1,121	-	-	-	1,121
Heritage Indiana Manufacture	8	-	-	-	8	-	-	-	8
Heritage Develop Assets	786	-	-	-	786	-	-	-	786
Endowment Elem Library Expansion	4	-	-	-	4	-	-	-	4
Endowment Ag Learning Lab	1,000	-	-	-	1,000	-	-	-	1,000
Formative Assessment	18,500	10,703	10,300	-	18,903	13,414	7,797	-	24,520
Special Education Excess Costs	17,756	2,795	8,159	-	12,392	-	-	-	12,392
Student Learning Recovery Grant	(301)	13,217	21,912	-	(8,996)	7,925	-	-	(1,071)
Teacher Quality Improvement Program	-	-	-	-	-	5,638	5,638	-	-
Computer Consortium/Ed Tech Advance	(81,817)	96,300	181,630	-	(167,147)	-	167,583	-	(334,730)
Drug Free Communities	21,543	-	-	-	21,543	-	-	-	21,543
Medicaid Reimbursement	271,462	81,359	-	-	352,821	63,962	-	(385,239)	31,544
Secured Schools Safety Grant	83,615	23,615	47,230	-	60,000	50,976	54,732	-	56,244
Science Technology Engineering And Mat	-	-	-	-	-	-	8,703	-	(8,703)
School Intervention And Counseling	(270)	11,782	13,265	-	(1,753)	14,870	15,439	-	(2,322)
Non-English Speaking Program	-	6,073	-	-	6,073	-	6,073	-	-
Career And Technical Performance Grant	22,906	-	-	-	22,906	247	-	-	23,153
Teacher Appreciation Grant	-	35,940	35,940	-	-	34,799	34,799	-	-
High Ability Students	47,083	23,408	16,946	-	53,545	27,561	16,653	-	64,453
State Connectivity Grant	17,902	12,013	12,427	-	17,488	17,965	-	-	35,453

(Continued)

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

Fund	Cash and Investments 07-01-2022	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2023	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2024
Title I	\$ (101,213)	\$ 100,284	\$ 100,073	\$ -	\$ (101,002)	\$ 117,450	\$ 117,765	\$ -	\$ (101,317)
Other Federal Training Program	5,560	-	-	-	5,560	-	-	-	5,560
Student Support Title Iv	(9,836)	-	9,457	-	(19,293)	9,994	9,689	-	(18,988)
Title Ii Part A Supporting Effective I	(51,511)	21,358	17,863	-	(48,016)	29,030	26,137	-	(45,123)
ESSER III	(104,885)	-	229,234	-	(334,119)	187,498	403,100	-	(549,721)
ESSER II	(207,168)	-	121,193	-	(328,361)	328,361	-	-	-
ESSER I	-	94,641	94,641	-	-	-	-	-	-
Other Federal	-	-	5,397	-	(5,397)	-	-	-	(5,397)
Prepaid School Lunch Accounts	100,422	148,130	92,770	-	155,782	164,094	148,735	-	171,141
Payroll Withholdings	43,218	1,774,626	1,770,471	-	47,373	1,812,695	1,803,656	-	56,412
Health Life Ltd	8,992	-	-	-	8,992	-	-	-	8,992
Tax Sheltered Annuities	1,865	-	-	-	1,865	-	-	-	1,865
Non Reimbursed Medical	30	-	-	-	30	-	-	-	30
Dollars For Scholars	182	-	-	-	182	-	-	-	182
School Principals Assoc	60	-	-	-	60	-	-	-	60
Garnish Corp Debt	316	-	-	-	316	-	-	-	316
Teacher Dues	511	-	-	-	511	-	-	-	511
Totals	\$ 5,167,508	\$ 14,232,720	\$ 15,435,863	\$ -	\$ 3,964,365	\$ 14,930,695	\$ 15,623,719	\$ 41,292	\$ 3,312,633

See notes to financial statement.

FLAT ROCK-HAW CREEK SCHOOL COPORATION
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)

FLAT ROCK-HAW CREEK SCHOOL COPORATION
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)

FLAT ROCK-HAW CREEK SCHOOL COPORATION
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)

FLAT ROCK-HAW CREEK SCHOOL COPORATION
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 deficit in the school lunch fund is the result of disbursements exceeding receipts due to under-estimating current requirements for that fund. This deficit will be repaid from future receipts.

NOTE 7 - HOLDING CORPORATIONS

The School Corporation has entered into a series of capital leases with the Multi-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 \$1,445,000. Lease payments for the period July 1, 2023 through June 30, 2024 totaled \$1,480,000.

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)

FLAT ROCK-HAW CREEK SCHOOL COPORATION
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)

FLAT ROCK-HAW CREEK SCHOOL COPORATION
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 - SUBSEQUENT EVENTS

In October 2024, the School Corporation signed a new lease agreement with the Flat Rock Hawcreek Multi-School Building Corporation. The lease payments total \$7,413,000 with the final payment scheduled for January 15, 2044.

OTHER INFORMATION (Unaudited)

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

	Education	Debt Service	Retirement/ Severance Bond Debt Service	Referendum - Exempt Capital	Operations	Local Rainy Day	School Lunch	Curricular Materials Rental	Levy Excess	Local Signs For Trees	Local Books	Local Monsanto Grant
Cash and investments - beginning	\$ 1,796,940	\$ 95,696	\$ 6,164	\$ 875,729	\$ 1,100,224	\$ 833,465	\$ 305,279	\$ -	\$ 9,881	\$ -	\$ -	\$ -
Receipts:												
Local sources	15,948	401,160	-	1,562,379	1,487,892	-	110,132	-	-	-	-	-
Intermediate sources	82	-	-	-	-	-	-	-	-	-	-	-
State sources	7,319,738	-	-	-	-	-	4,154	362,498	-	-	-	-
Federal sources	-	-	-	-	-	-	496,058	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	1,109	-	-	-	-	-
Total receipts	7,335,768	401,160	-	1,562,379	1,487,892	-	611,453	362,498	-	-	-	-
Disbursements:												
Instruction	5,103,234	-	-	-	-	-	-	-	-	-	-	-
Support services	1,786,067	-	-	-	2,593,357	10,000	1,134	137,147	-	500	34	1,318
Noninstructional services	81,610	-	-	-	-	-	767,838	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	224,715	-	-	-	-	-	-	-
Debt services	-	397,925	-	1,520,000	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	6,970,911	397,925	-	1,520,000	2,818,072	10,000	768,972	137,147	-	500	34	1,318
Excess (deficiency) of receipts over disbursements	364,857	3,235	-	42,379	(1,330,180)	(10,000)	(157,519)	225,351	-	(500)	(34)	(1,318)
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	950,000	-	-	-	-	-	-	-
Transfers out	(950,000)	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(950,000)	-	-	-	950,000	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(585,143)	3,235	-	42,379	(380,180)	(10,000)	(157,519)	225,351	-	(500)	(34)	(1,318)
Cash and investments - ending	\$ 1,211,797	\$ 98,931	\$ 6,164	\$ 918,108	\$ 720,044	\$ 823,465	\$ 147,760	\$ 225,351	\$ 9,881	\$ (500)	\$ (34)	\$ (1,318)

(Continued)

FLAT ROCK-HAWCREEK 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

	Local Project Lead The Way	Local Workforce Grant	Local School Safety	Local Safe Route To School	Manufacturing Micro-Grant	Heritage Grant-Elem Curriculum	Heritage Grant-Welding	Heritage Grant- Kilps Calm Down	Heritage Grant- Hamilton Biog	Heritage Grant- Recycling	Heritage Grant- Smart Sensors	Heritage Grant- Hs Furniture
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125	\$ 3,385	\$ 13	\$ 38	\$ 1,000	\$ 8,380	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	1,000	-	5,000
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	2,695	-	-	-	-	-
Total receipts	-	-	-	-	-	-	2,695	-	-	1,000	-	5,000
Disbursements:												
Instruction	-	-	-	-	-	-	-	-	-	-	1,401	-
Support services	5,029	531	1,558	76	75	-	-	-	-	2,206	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	6,979	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	5,029	531	1,558	76	75	-	-	-	-	2,206	8,380	-
Excess (deficiency) of receipts over disbursements	(5,029)	(531)	(1,558)	(76)	(75)	-	2,695	-	-	(1,206)	(8,380)	5,000
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	(5,029)	(531)	(1,558)	(76)	(75)	-	2,695	-	-	(1,206)	(8,380)	5,000
Cash and investments - ending	\$ (5,029)	\$ (531)	\$ (1,558)	\$ (76)	\$ (75)	\$ 125	\$ 6,080	\$ 13	\$ 38	\$ (206)	\$ -	\$ 5,000

(Continued)

FLAT ROCK-HAWCREEK 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

	Heritage Grant- Playground Exp	Heritage Grant-Musical Instruments	Educational License Plates	School Library Printed Material	Early Intervention	Student Benefit	Library Biography Grant	Heritage A Bee	Heritage Agri Generator	Heritage Robotics	Heritage Collaborative Workshop	Graduate Challenge
Cash and investments - beginning	\$ -	\$ -	\$ 4,393	\$ 5,973	\$ 2,534	\$ 285	\$ 800	\$ 1,687	\$ 3,774	\$ 2	\$ 2,900	\$ 1,000
Receipts:												
Local sources	5,000	1,500	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	131	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	5,000	1,500	131	-	-	-	-	-	-	-	-	-
Disbursements:												
Instruction	-	-	-	-	635	-	800	-	-	-	-	-
Support services	-	-	-	-	2,786	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	3,421	-	800	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	5,000	1,500	131	-	(3,421)	-	(800)	-	-	-	-	-
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	5,000	1,500	131	-	(3,421)	-	(800)	-	-	-	-	-
Cash and investments - ending	\$ 5,000	\$ 1,500	\$ 4,524	\$ 5,973	\$ (887)	\$ 285	\$ -	\$ 1,687	\$ 3,774	\$ 2	\$ 2,900	\$ 1,000

(Continued)

FLAT ROCK-HAWCREEK 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

	Heritage Ag Landscape	Heritage Indiana Manufacture	Heritage Develop Assets	Endowment Elem Library Expansion	Endowment Ag Learning Lab	Formative Assessment	Special Education Excess Costs	Student Learning Recovery Grant	Computer Consortium/Ed Tech Advance	Drug Free Communities	Medicaid Reimbursement	Secured Schools Safety Grant
Cash and investments - beginning	\$ 1,121	\$ 8	\$ 786	\$ 4	\$ 1,000	\$ 18,500	\$ 17,756	\$ (301)	\$ (81,817)	\$ 21,543	\$ 271,462	\$ 83,615
Receipts:												
Local sources	-	-	-	-	-	-	-	13,217	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	10,703	2,795	-	96,300	-	81,359	23,615
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	10,703	2,795	13,217	96,300	-	81,359	23,615
Disbursements:												
Instruction	-	-	-	-	-	10,300	8,159	18,412	-	-	-	-
Support services	-	-	-	-	-	-	-	3,500	-	-	-	47,230
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	181,630	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	10,300	8,159	21,912	181,630	-	-	47,230
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	403	(5,364)	(8,695)	(85,330)	-	81,359	(23,615)
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	-	-	-	-	-	403	(5,364)	(8,695)	(85,330)	-	81,359	(23,615)
Cash and investments - ending	\$ 1,121	\$ 8	\$ 786	\$ 4	\$ 1,000	\$ 18,903	\$ 12,392	\$ (8,996)	\$ (167,147)	\$ 21,543	\$ 352,821	\$ 60,000

(Continued)

FLAT ROCK-HAWCREEK 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

	School Intervention And Counseling	Non-English Speaking Program	Career And Technical Performance Grant	Teacher Appreciation Grant	High Ability Students	State Connectivity Grant	Title I	Other Federal Training Program	Student Support Title Iv	Title Ii Part A Supporting Effective I	ESSER III	ESSER II
Cash and investments - beginning	\$ (270)	\$ -	\$ 22,906	\$ -	\$ 47,083	\$ 17,902	\$ (101,213)	\$ 5,560	\$ (9,836)	\$ (51,511)	\$ (104,885)	\$ (207,168)
Receipts:												
Local sources	11,782	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	6,073	-	35,940	23,408	12,013	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	100,284	-	-	21,358	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	11,782	6,073	-	35,940	23,408	12,013	100,284	-	-	21,358	-	-
Disbursements:												
Instruction	-	-	-	35,940	15,896	-	94,690	-	9,457	320	220,144	89,733
Support services	13,265	-	-	-	1,050	6,715	5,383	-	-	17,543	9,090	28,769
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	2,691
Facilities acquisition and construction	-	-	-	-	-	5,712	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	13,265	-	-	35,940	16,946	12,427	100,073	-	9,457	17,863	229,234	121,193
Excess (deficiency) of receipts over disbursements	(1,483)	6,073	-	-	6,462	(414)	211	-	(9,457)	3,495	(229,234)	(121,193)
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	(1,483)	6,073	-	-	6,462	(414)	211	-	(9,457)	3,495	(229,234)	(121,193)
Cash and investments - ending	\$ (1,753)	\$ 6,073	\$ 22,906	\$ -	\$ 53,545	\$ 17,488	\$ (101,002)	\$ 5,560	\$ (19,293)	\$ (48,016)	\$ (334,119)	\$ (328,361)

(Continued)

FLAT ROCK-HAWCREEK 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

	ESSER I	Other Federal	Prepaid School Lunch Accounts	Payroll Withholdings	Health Life Ltd	Tax Sheltered Annuities	Non Reimbursed Medical	Dollars For Scholars	School Principals Assoc	Garnish Corp Debt	Teacher Dues	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 100,422	\$ 43,218	\$ 8,992	\$ 1,865	\$ 30	\$ 182	\$ 60	\$ 316	\$ 511	\$ 5,167,508
Receipts:												
Local sources	-	-	148,130	-	-	-	-	-	-	-	-	3,763,140
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	213
State sources	-	-	-	-	-	-	-	-	-	-	-	7,978,596
Federal sources	94,641	-	-	-	-	-	-	-	-	-	-	712,341
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	1,774,626	-	-	-	-	-	-	-	1,778,430
Total receipts	94,641	-	148,130	1,774,626	-	-	-	-	-	-	-	14,232,720
Disbursements:												
Instruction	9,880	-	-	-	-	-	-	-	-	-	-	5,619,001
Support services	84,761	5,397	-	-	-	-	-	-	-	-	-	4,764,521
Noninstructional services	-	-	92,770	-	-	-	-	-	-	-	-	944,909
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	419,036
Debt services	-	-	-	-	-	-	-	-	-	-	-	1,917,925
Nonprogrammed charges	-	-	-	1,770,471	-	-	-	-	-	-	-	1,770,471
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	94,641	5,397	92,770	1,770,471	-	-	-	-	-	-	-	15,435,863
Excess (deficiency) of receipts over disbursements	-	(5,397)	55,360	4,155	-	-	-	-	-	-	-	(1,203,143)
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	950,000
Transfers out	-	-	-	-	-	-	-	-	-	-	-	(950,000)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(5,397)	55,360	4,155	-	-	-	-	-	-	-	(1,203,143)
Cash and investments - ending	\$ -	\$ (5,397)	\$ 155,782	\$ 47,373	\$ 8,992	\$ 1,865	\$ 30	\$ 182	\$ 60	\$ 316	\$ 511	\$ 3,964,365

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

	Education	Debt Service	Retirement/ Severance Bond Debt Service	Referendum - Exempt Capital	Operations	Local Rainy Day	School Lunch	Curricular Materials Rental	Levy Excess	Local Signs For Trees	Local Books	Local Monsanto Grant
Cash and investments - beginning	\$ 1,211,797	\$ 98,931	\$ 6,164	\$ 918,108	\$ 720,044	\$ 823,465	\$ 147,760	\$ 225,351	\$ 9,881	\$ (500)	\$ (34)	\$ (1,318)
Receipts:												
Local sources	61,969	342,665	-	1,502,969	1,578,991	-	165,456	-	-	-	-	-
Intermediate sources	82	-	-	-	-	-	-	-	-	-	-	-
State sources	7,688,427	-	-	-	-	-	4,985	302,858	-	-	-	-
Federal sources	-	-	-	-	-	-	391,528	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	7,750,478	342,665	-	1,502,969	1,578,991	-	561,969	302,858	-	-	-	-
Disbursements:												
Instruction	5,118,005	-	-	-	-	-	-	-	-	-	-	-
Support services	1,842,571	-	-	-	2,683,438	-	1,112	-	-	-	-	-
Noninstructional services	87,947	-	-	-	62,389	-	722,546	287,863	-	-	-	-
Facilities acquisition and construction	-	-	-	-	83,590	-	-	-	-	-	-	-
Debt services	-	372,837	-	1,520,000	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	7,048,523	372,837	-	1,520,000	2,829,417	-	723,658	287,863	-	-	-	-
Excess (deficiency) of receipts over disbursements	701,955	(30,172)	-	(17,031)	(1,250,426)	-	(161,689)	14,995	-	-	-	-
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	41,292	-	-	-	-	-	-	-
Transfers in	385,239	-	-	-	1,025,000	-	-	-	-	-	-	-
Transfers out	(1,025,000)	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(639,761)	-	-	-	1,066,292	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	62,194	(30,172)	-	(17,031)	(184,134)	-	(161,689)	14,995	-	-	-	-
Cash and investments - ending	\$ 1,273,991	\$ 68,759	\$ 6,164	\$ 901,077	\$ 535,910	\$ 823,465	\$ (13,929)	\$ 240,346	\$ 9,881	\$ (500)	\$ (34)	\$ (1,318)

(Continued)

FLAT ROCK-HAWCREEK 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

	Local Project Lead The Way	Local Workforce Grant	Local School Safety	Local Safe Route To School	Manufacturing Micro-Grant	Heritage Grant-Elem Curriculum	Heritage Grant-Welding	Heritage Grant-Kilps Calm Down	Heritage Grant- Hamilton Biog	Heritage Grant- Recycling	Heritage Grant- Hs Furniture	Heritage Grant- Playground Exp
Cash and investments - beginning	\$ (5,029)	\$ (531)	\$ (1,558)	\$ (76)	\$ (75)	\$ 125	\$ 6,080	\$ 13	\$ 38	\$ (206)	\$ 5,000	\$ 5,000
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-	-	-	-	-	-
Disbursements:												
Instruction	-	-	-	-	-	-	-	-	-	-	5,000	-
Support services	-	-	-	-	-	-	-	-	-	850	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	4,720
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-	-	-	-	850	5,000	4,720
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	-	-	(850)	(5,000)	(4,720)
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	-	-	-	-	-	-	-	-	-	(850)	(5,000)	(4,720)
Cash and investments - ending	\$ (5,029)	\$ (531)	\$ (1,558)	\$ (76)	\$ (75)	\$ 125	\$ 6,080	\$ 13	\$ 38	\$ (1,056)	\$ -	\$ 280

(Continued)

FLAT ROCK-HAWCREEK 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

	Heritage Grant-Musical Instruments	Heritage Grant-Stop Bleed Nursing Kit	Heritage Grant- Laser Engraver	Educational License Plates	School Library Printed Material	Early Intervention	Student Benefit	Heritage A Bee	Heritage Agri Generator	Heritage Robotics	Heritage Collaborative Workshop	Graduate Challenge
Cash and investments - beginning	\$ 1,500	\$ -	\$ -	\$ 4,524	\$ 5,973	\$ (887)	\$ 285	\$ 1,687	\$ 3,774	\$ 2	\$ 2,900	\$ 1,000
Receipts:												
Local sources	-	1,200	300	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	188	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	2,598	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	1,200	300	188	-	2,598	-	-	-	-	-	-
Disbursements:												
Instruction	-	1,200	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	1,652	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	1,500	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,500	1,200	-	-	-	1,652	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	(1,500)	-	300	188	-	946	-	-	-	-	-	-
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	(1,500)	-	300	188	-	946	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ 300	\$ 4,712	\$ 5,973	\$ 59	\$ 285	\$ 1,687	\$ 3,774	\$ 2	\$ 2,900	\$ 1,000

(Continued)

FLAT ROCK-HAWCREEK 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

	Heritage Ag Landscape	Heritage Indiana Manufacture	Heritage Develop Assets	Endowment Elem Library Expansion	Endowment Ag Learning Lab	Formative Assessment	Special Education Excess Costs	Student Learning Recovery Grant	Teacher Quality Improvement Program	Computer Consortium/Ed Tech Advance	Drug Free Communities	Medicaid Reimbursement
Cash and investments - beginning	\$ 1,121	\$ 8	\$ 786	\$ 4	\$ 1,000	\$ 18,903	\$ 12,392	\$ (8,996)	\$ -	\$ (167,147)	\$ 21,543	\$ 352,821
Receipts:												
Local sources	-	-	-	-	-	-	-	7,925	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	13,414	-	-	5,638	-	-	63,962
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	13,414	-	7,925	5,638	-	-	63,962
Disbursements:												
Instruction	-	-	-	-	-	7,393	-	-	5,638	-	-	-
Support services	-	-	-	-	-	404	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	167,583	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	7,797	-	-	5,638	167,583	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	5,617	-	7,925	-	(167,583)	-	63,962
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	(385,239)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	(385,239)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	5,617	-	7,925	-	(167,583)	-	(321,277)
Cash and investments - ending	\$ 1,121	\$ 8	\$ 786	\$ 4	\$ 1,000	\$ 24,520	\$ 12,392	\$ (1,071)	\$ -	\$ (334,730)	\$ 21,543	\$ 31,544

(Continued)

FLAT ROCK-HAWCREEK 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

	Secured Schools Safety Grant	Science Technology Engineering And Mat	School Intervention And Counseling	Non-English Speaking Program	Career And Technical Performance Grant	Teacher Appreciation Grant	High Ability Students	State Connectivity Grant	Title I	Other Federal Training Program	Student Support Title Iv	Title Ii Part A Supporting Effective I	ESSER III
Cash and investments - beginning	\$ 60,000	\$ -	\$ (1,753)	\$ 6,073	\$ 22,906	\$ -	\$ 53,545	\$ 17,488	\$ (101,002)	\$ 5,560	\$ (19,293)	\$ (48,016)	\$ (334,119)
Receipts:													
Local sources	-	-	14,870	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	50,976	-	-	-	247	34,799	27,561	17,965	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	117,450	-	9,994	29,030	187,498
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	50,976	-	14,870	-	247	34,799	27,561	17,965	117,450	-	9,994	29,030	187,498
Disbursements:													
Instruction	-	8,703	-	6,073	-	34,799	14,628	-	111,932	-	9,689	-	381,322
Support services	54,732	-	15,439	-	-	-	2,025	-	5,833	-	-	26,137	21,778
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	54,732	8,703	15,439	6,073	-	34,799	16,653	-	117,765	-	9,689	26,137	403,100
Excess (deficiency) of receipts over disbursements	(3,756)	(8,703)	(569)	(6,073)	247	-	10,908	17,965	(315)	-	305	2,893	(215,602)
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	(3,756)	(8,703)	(569)	(6,073)	247	-	10,908	17,965	(315)	-	305	2,893	(215,602)
Cash and investments - ending	\$ 56,244	\$ (8,703)	\$ (2,322)	\$ -	\$ 23,153	\$ -	\$ 64,453	\$ 35,453	\$ (101,317)	\$ 5,560	\$ (18,988)	\$ (45,123)	\$ (549,721)

(Continued)

FLAT ROCK-HAWCREEK 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 II	Other Federal	Prepaid School Lunch Accounts	Payroll Withholdings	Health Life Ltd	Tax Sheltered Annuities	Non Reimbursed Medical	Dollars For Scholars	School Principals Assoc	Garnish Corp Debt	Teacher Dues	Totals
Cash and investments - beginning	\$ (328,361)	\$ (5,397)	\$ 155,782	\$ 47,373	\$ 8,992	\$ 1,865	\$ 30	\$ 182	\$ 60	\$ 316	\$ 511	\$ 3,964,365
Receipts:												
Local sources	-	-	164,094	-	-	-	-	-	-	-	-	3,840,439
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	270
State sources	-	-	-	-	-	-	-	-	-	-	-	8,213,430
Federal sources	328,361	-	-	-	-	-	-	-	-	-	-	1,063,861
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	1,812,695	-	-	-	-	-	-	-	1,812,695
Total receipts	328,361	-	164,094	1,812,695	-	-	-	-	-	-	-	14,930,695
Disbursements:												
Instruction	-	-	-	-	-	-	-	-	-	-	-	5,704,382
Support services	-	-	-	-	-	-	-	-	-	-	-	4,655,971
Noninstructional services	-	-	148,735	-	-	-	-	-	-	-	-	1,309,480
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	257,393
Debt services	-	-	-	-	-	-	-	-	-	-	-	1,892,837
Nonprogrammed charges	-	-	-	1,803,656	-	-	-	-	-	-	-	1,803,656
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	148,735	1,803,656	-	-	-	-	-	-	-	15,623,719
Excess (deficiency) of receipts over disbursements	328,361	-	15,359	9,039	-	-	-	-	-	-	-	(693,024)
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	41,292
Transfers in	-	-	-	-	-	-	-	-	-	-	-	1,410,239
Transfers out	-	-	-	-	-	-	-	-	-	-	-	(1,410,239)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	41,292
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	328,361	-	15,359	9,039	-	-	-	-	-	-	-	(651,732)
Cash and investments - ending	\$ -	\$ (5,397)	\$ 171,141	\$ 56,412	\$ 8,992	\$ 1,865	\$ 30	\$ 182	\$ 60	\$ 316	\$ 511	\$ 3,312,633

FLAT ROCK-HAWCREEK 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	\$ 79,798	\$ 106,368

FLAT ROCK-HAWCREEK 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:				
Apple Financial Services	IPADS	\$ 76,736	5/5/2023	7/15/2026
Multi-School Bldg Corporation Series 2018	School Improvements	265,600	6/30/2019	12/31/2029
Multi-School Building Corporation	School Renovation/ Construction	<u>1,520,000</u>	7/10/2009	1/10/2030
Total governmental activities		<u>1,862,336</u>		
Total of annual lease payments		<u>\$ 1,862,336</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:			
Notes and Loans Payable	Common School - Technology Loans	<u>\$ 111,800</u>	<u>\$ 63,650</u>
Totals		<u>\$ 111,800</u>	<u>\$ 63,650</u>

FLAT ROCK-HAW CREEK 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	\$ 570,000
Infrastructure	189,750
Buildings	48,390,840
Improvements other than buildings	355,674
Machinery, equipment, and vehicles	1,183,223
Books and other	<u>7,157</u>
 Total governmental activities	 <u>50,696,644</u>
 Total capital assets	 <u>\$ 50,696,644</u>

FLAT ROCK-HAW CREEK SCHOOL COPORATION
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.

FLAT ROCK-HAWCREEK SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period of July 1, 2022 through June 30, 2024

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-23	Total Federal Awards Expended 06-30-24	Total Federal Awards Expended 07-01-22 to 06-30-24
<u>Department of Agriculture</u>						
Child Nutrition Cluster	Indiana Department of Education					
School Breakfast Program		10.553	FY2023, FY2024	\$ 129,669	\$ 119,719	\$ 249,388
National School Lunch Program		10.555	FY2023, FY2024	366,389	271,809	638,198
Commodities		10.555	FY2023, FY2024	<u>40,411</u>	<u>45,409</u>	<u>85,820</u>
Total - Child Nutrition Cluster				<u>536,469</u>	<u>436,937</u>	<u>973,406</u>
Total - Department of Agriculture				<u>536,469</u>	<u>436,937</u>	<u>973,406</u>
<u>Department of Education</u>						
Special Education Cluster(IDEA)						
Special Education Grants to States	Indiana Department of Education					
IDEA, Part B		84.027	22611-031-PN01	34,425	-	34,425
IDEA, Part B		84.027	23611-031-PN01	171,111	82,155	253,266
IDEA, Part B		84.027	24611-031-PN01	-	269,004	269,004
Special Ed Part B - COVID-19		84.027X	22611-031-ARP	<u>35,296</u>	<u>3,968</u>	<u>39,264</u>
Total - Special Education Grants to States				<u>240,832</u>	<u>355,127</u>	<u>595,959</u>
Special Education Preschool Grants	Indiana Department of Education					
IDEA, Preschool		84.173	22619-031-PN01	1,808	-	1,808
IDEA, Preschool		84.173	23619-031-PN01	6,312	3,753	10,065
IDEA, Preschool		84.173	24619-031-PN01	-	10,332	10,332
COVID-19 - Supplemental Funding - IDEA, Preschool		84.173X	22619-031-ARP	<u>2,543</u>	<u>1,412</u>	<u>3,955</u>
Total - Special Education Preschool Grants				<u>10,663</u>	<u>15,497</u>	<u>26,160</u>
Total - Special Education Cluster(IDEA)				<u>251,495</u>	<u>370,624</u>	<u>622,119</u>
Title I Grants to Local Educational Agencies	Indiana Department of Education					
Title I, Part A		84.010A	S010A210014	100,284	-	100,284
Title I, Part A		84.010A	S010A220014	<u>-</u>	<u>117,450</u>	<u>117,450</u>
Total - Title I Grants to Local Educational Agencies				<u>100,284</u>	<u>117,450</u>	<u>217,734</u>
Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367A	S367A200013	8,552	16,410	24,962
Title II, Part A		84.367A	S367A210013	<u>12,806</u>	<u>12,620</u>	<u>25,426</u>
Total - Supporting Effective Instruction State Grants				<u>21,358</u>	<u>29,030</u>	<u>50,388</u>

(Continued)

FLAT ROCK-HAWCREEK 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
Student Support and Academic Enrichment Program Title IV, Part A	Indiana Department of Education	84.424	S424A210015	\$ -	\$ 9,994	\$ 9,994
Total - Student Support and Academic Enrichment Program				-	9,994	9,994
COVID-19 Education Stabilization Fund	Indiana Department of Education					
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	94,641	-	94,641
Elementary and Secondary School Emergency Relief (ESSER II) Fund		84.425D	S425D210013	-	328,359	328,359
American Rescue Plan Elementary and Secondary School Elementary and Secondary School Emergency Relief (ESSER III) Fund		84.425U	S425U210013	-	187,498	187,498
Total - COVID-19 Education Stabilization Fund				94,641	515,857	610,498
Total - Department of Education				467,778	1,042,955	1,510,733
Department of Health and Human Services						
Medicaid Cluster						
Medical Assistance Program	Family and Social Services Administration					
Medicaid Assistance		93.778	FY2023, FY2024	81,359	63,962	145,321
Total - Department of Health and Human Services				81,359	63,962	145,321
Total federal awards expended				\$ 1,085,606	\$ 1,543,854	\$ 2,629,460

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

FLAT ROCK-HAW CREEK SCHOOL COPORATION
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 \$85,820 are valued based on the USDA's donated commodity price list. These are shown as part of the National School Lunch Program (10.555).

NOTE 5 - SPECIAL EDUCATION COOPERATIVE (ALN: 84.027, 84.173)

The School Corporation is a member of the Earlywood Educational Services Cooperative (Cooperative), which operates the special education program for the School Corporation. As a result, some activity for the Special Education Cluster (IDEA) that is presented on the SEFA is not presented as receipts and disbursements in the financial statement for the School Corporation. This activity is reported on the financial statement of the Cooperative

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
Flat Rock-Hawcreek School Corporation
Bartholomew 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 Flat Rock-Hawcreek 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 4, 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying *Schedule of Findings and Questioned Costs* as item 2024-001, that we consider to be a material weakness.

(Continued)

Report on Compliance and Other Matters

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

School Corporation's Response to Finding

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

Purpose of this Report

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


Crowe LLP

Indianapolis, Indiana
March 4, 2025

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

Those Charged with Governance
Flat Rock-Hawcreek School Corporation
Bartholomew County, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Flat Rock-Hawcreek 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.

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 2024-002, 2024-004, and 2024-005 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-003 to be a significant deficiency.

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.


Crowe LLP

Indianapolis, Indiana
March 4, 2025

FLAT ROCK-HAWCREEK SCHOOL COPORATION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 July 1, 2022 through 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?	<u> X </u>	Yes	_____	No
Significant deficiencies identified not considered to be material weaknesses?	_____	Yes	<u> X </u>	None Reported

Noncompliance material to financial statement noted?	_____	Yes	<u> X </u>	No
--	-------	-----	--------------	----

Federal Awards

Internal control over major programs:

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

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

Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	<u> X </u>	Yes	_____	No
---	--------------	-----	-------	----

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555	Child Nutrition Cluster
84.425D, 84.425U	COVID-19 - Education Stabilization Fund

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

Auditee qualified as low-risk auditee?	_____	Yes	<u> X </u>	No
--	-------	-----	--------------	----

(Continued)

FLAT ROCK-HAWCREEK SCHOOL COPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2022 through June 30, 2024

Section II – Financial Statement Findings

FINDING 2024-001

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

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

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

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

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

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

2 CFR 200.508 states in part:

"The auditee must: . . .

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

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

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

(Continued)

FLAT ROCK-HAWCREEK SCHOOL COPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2022 through June 30, 2024

Section II – Financial Statement Findings (Continued)

FINDING 2024-001 (Continued)

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

- 1) For the period of July 1, 2022 to June 30, 2023, receipt amounts were understated by \$328,255 and the disbursement amounts were understated by \$116,325 resulting in an understatement of cash of \$211,930. Additionally, the beginning July 1, 2022 balance was overstated by \$11,028 resulting in a net impact on the ending June 30, 2023 cash balance of an understatement of \$200,902.
- 2) For the period of July 1, 2023 to June 30, 2024, receipt amounts were understated by \$155,721 and the disbursement amounts were understated by \$140,724 resulting in an understatement of cash of \$14,997. Additionally, the beginning July 1, 2023 balance was understated by \$200,902 resulting in a net impact on the ending June 30, 2023 cash balance of an understatement of \$215,899.

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

The errors noted primarily related to improperly excluding activity from the Curricular Materials Rental fund on the AFR.

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

Identification as a repeat finding, if applicable: This is a repeat finding from the immediately prior audit. The prior audit finding number was 2022-002.

Recommendation: We recommended that the School Corporation's management establish a formal review over the AFR financial statement submission to ensure amounts reported are accurate and agree to underlying fund ledgers. The School Corporation should establish a documented, secondary review to ensure the amounts reported on the financial statement agree to the supporting fund ledger detail.

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

(Continued)

FLAT ROCK-HAWCREEK SCHOOL COPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2022 through June 30, 2024

Section III – Federal Award Findings and Questioned Costs

FINDING 2024-002

Information on the federal program:

Subject: Child Nutrition Cluster - Internal Controls
Federal Agency: Department of Agriculture
Federal Program: School Breakfast Program, National School Lunch Program
Assistance Listing Number: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY2023, FY2024
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Eligibility
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). . . ."

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 eligibility compliance requirement.

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

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: During testing over controls for eligibility, we noted there was no formal, secondary review for the applications entered in the food service software determining eligibility. Additionally, there was no documented annual review by School Corporation personnel of the income eligibility guidelines used by the food service software.

Identification as a repeat finding, if applicable: No.

Recommendation: We recommended that the School Corporation's management establish a system of internal controls related to the grant agreement and eligibility compliance requirements.

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

(Continued)

FLAT ROCK-HAWCREEK SCHOOL COPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2022 through June 30, 2024

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

FINDING 2024-003

Information on the federal program:

Subject: Child Nutrition Cluster - Internal Controls
Federal Agency: Department of Agriculture
Federal Program: School Breakfast Program, National School Lunch Program
Assistance Listing Number: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY2023, FY2024
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Finding: Significant Deficiency

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). . . ."

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

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

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: For one sponsor claim reimbursement in a sample of four claims, the Food Service Director prepared the sponsor claim reimbursement summary without a secondary, documented review before the submission of the claim to ensure the accuracy of the sponsor claim reimbursement summary.

Identification as a repeat finding, if applicable: This is a repeat finding from the immediately prior audit. The prior audit finding number was 2022-004.

Recommendation: We recommended that the School Corporation implement a documented, formal review of the claims before they are submitted for reimbursement.

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

(Continued)

FLAT ROCK-HAWCREEK SCHOOL COPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2022 through June 30, 2024

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

FINDING 2024-004

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: 84.425D, 84.425U
Federal Award Numbers and Years (or Other Identifying Numbers): S425D200013, S425D210013, 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 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.

(Continued)

FLAT ROCK-HAWCREEK SCHOOL COPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2022 through June 30, 2024

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

FINDING 2024-004 (Continued)

Questioned Costs: There were no questioned costs identified.

Context: The School Corporation was required to submit two Annual Data Reports to the Indiana Department of Education (IDOE) during the audit period to meet federal reporting requirements for ESSER grant awards. We noted that the ESSER I, ESSER II, and ESSER III amounts reported for the reports covering the FY22 time period (\$3,000, \$0 and \$0, respectively) did not agree to the underlying expenditure records (\$0, \$207,168, and \$104,885, respectively, for the period of July 1, 2021 through June 30, 2022).

Additionally, we noted that the ESSER II, and ESSER III amounts reported for the reports covering the FY23 time period (\$328,359 and \$334,119, respectively) did not agree to the underlying expenditure records (\$121,193 and \$229,234, respectively, for the period of July 1, 2022 through June 30, 2023).

Identification as a repeat finding: No.

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.

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

FINDING 2024-005

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: 84.425D, 84.425U
Federal Award Numbers and Years (or Other Identifying Numbers): S425D210013, S425U210013
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Activities Allowed or Unallowed, Allowable Costs/Cost Principles
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 200.430 states in part:

Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

(Continued)

FLAT ROCK-HAWCREEK SCHOOL COPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2022 through June 30, 2024

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

FINDING 2024-005 (Continued)

- (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- (ii) Be incorporated into the official records of the non-Federal entity;
- (iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity,
- (iv) Encompass both federally assisted and all other activities compensated by the non-Federal entity on an integrated basis, but may include the use of subsidiary records as defined in the non-Federal entity's written policy;
- (v) Comply with the established accounting policies and practices of the non-Federal entity (See paragraph (h)(1)(ii) above for treatment of incidental work for IHEs.); and
- vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.

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 activities allowed or unallowed and allowable costs/cost principle 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: \$6,759 (Known questioned costs)

Context: For 5 selections, in a sample of 40 payroll transactions, the School Corporation did not have time and effort logs to support the portion of the employees' time charged to the grant. The employees' time was split with a non-federal fund; however, the School Corporation did not have support for the allocation of the time charged to the ESSER II and III funds. The sample amount charged to the grants for split-funded employees without time and effort logs was \$6,759.

Identification as a repeat finding: No.

Recommendation: We recommend management ensure time and effort logs are maintained for all employees not charged at 100% to support work performed and charged to the grant awards. We recommend management establish a documented review by management of time and effort logs to ensure time charged to grant awards is allowable and allocable based on work performed in accordance with grant requirements.

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

Flat Rock-Hawcreek School Corporation

CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS

June 30, 2024

Finding 2024-001 – Preparation of the Annual Financial Report

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

- 1) For the period of July 1, 2022 to June 30, 2023, receipt amounts were understated by \$328,255 and the disbursement amounts were understated by \$116,325 resulting in an understatement of cash of \$211,930. Additionally, the beginning July 1, 2022 balance was overstated by \$11,028 resulting in a net impact on the ending June 30, 2023 cash balance of an understatement of \$200,902.
- 2) For the period of July 1, 2023 to June 30, 2024, receipt amounts were understated by \$155,721 and the disbursement amounts were understated by \$140,724 resulting in an understatement of cash of \$14,997. Additionally, the beginning July 1, 2023 balance was understated by \$200,902 resulting in a net impact on the ending June 30, 2023 cash balance of an understatement of \$215,899.

Audit adjustments were proposed, accepted by the School Corporation, and made to the financial statement

to correct the errors noted above.

The errors noted primarily related to improperly excluding activity from the Curricular Materials Rental fund on the AFR.

Contact Person Responsible for Corrective Action: Melissa Dempsey

Contact Phone Number: 812-546-2000

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: The Business Manager and Assistant will jointly review all receipts, disbursements and fund balances within the fiscal year that are to be reported on the AFR to ensure accuracy of said reporting.

Anticipated Completion Date: 7/15/2025

FINDING 2024-002 – Child Nutrition Cluster – Eligibility

Context: During testing over controls for eligibility, we noted there was no formal, secondary review for the applications entered in the food service software determining eligibility. Additionally, there was no documented annual review by School Corporation personnel of the income eligibility guidelines used by the food service software.

Contact Person Responsible for Corrective Action: Melissa Dempsey

Contact Phone Number: 812-546-2000

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: I have spoken to the Food Service Director and she will begin printing the Skyward threshold guidelines and sign off on those/confirm they match the federal poverty guidelines.

Anticipated Completion Date: August 2025

FINDING 2024-003 – Child Nutrition Cluster – Reporting

Context: For one sponsor claim reimbursement in a sample of four claims, the Food Service Director prepared the sponsor claim reimbursement summary without a secondary, documented review before the submission of the claim to ensure the accuracy of the sponsor claim reimbursement summary.

Contact Person Responsible for Corrective Action: Melissa Dempsey

Contact Phone Number: 812-546-2000

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: I have spoken to the Food Service Director to ensure that 2 individuals are signing off on all the claims.

Anticipated Completion Date: 3/1/2025

FINDING 2024-004 – Education Stabilization – Reporting

Context: The School Corporation was required to submit two Annual Data Reports to the Indiana Department of Education (IDOE) during the audit period to meet federal reporting requirements for ESSER grant awards. We noted that the ESSER I, ESSER II, and ESSER III amounts reported for the reports covering the FY22 time period (\$3,000, \$0 and \$0, respectively) did not agree to the underlying expenditure records (\$0, \$207,168, and \$104,885, respectively, for the period of July 1, 2021 through June 30, 2022).

Additionally, we noted that the ESSER II, and ESSER III amounts reported for the reports covering the FY23 time period (\$328,359 and \$334,119, respectively) did not agree to the underlying expenditure records (\$121,193 and \$229,234, respectively, for the period of July 1, 2022 through June 30, 2023).

Contact Person Responsible for Corrective Action: Melissa Dempsey

Contact Phone Number: 812-546-2000

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: The Business Manager and Assistant will jointly review all expenditures or federal grant awards with in the fiscal year that are to be reported to ensure accuracy of reporting.

Anticipated Completion Date: July 2025

FINDING 2024-005 – Education Stabilization – Activities Allowed or Unallowed, Allowable Costs/Cost Principles

Context: For 5 selections, in a sample of 40 payroll transactions, the School Corporation did not have time and effort logs to support the portion of the employees' time charged to the grant. The employees' time was split with a non-federal fund; however, the School Corporation did not have support for the allocation of the time charged to the ESSER II and III funds. The sample amount charged to the grant for split-funded employees without time and effort logs was \$6,759.

Contact Person Responsible for Corrective Action: Melissa Dempsey

Contact Phone Number: 812-546-2000

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: The newly hired Grant Specialist and Corporation Business Manager will maintain time and effort logs for any personnel whose salary is split between funds.

Anticipated Completion Date: July 2025

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2022-001

Subject: Preparation of the Schedule of Expenditures of Federal Awards

Audit Findings: Material Weakness

Context: The federal grant information entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the SEFA. There was no documented, formal review of the SEFA prior to submission. Additionally, the SEFA contained the following errors that resulted in the net understatement of the total federal awards expended on the SEFA by \$52,083 for the period July 1, 2020, through June 30, 2022:

1. The Title II Supporting Effective Instruction State Grants (84.367) expenditures were overstated by \$5,039
2. The Medicaid Cluster (93.778) expenditures were understated by \$57,122.

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

Status: Resolved.

FINDING 2022-002

Subject: Preparation of the Annual Financial Report

Audit Findings: Material Weakness

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

- 1) For the period of July 1, 2020 to June 30, 2021, the School Corporation improperly understated the activity in the textbook rental fund which understated receipt and disbursement amounts by \$134,096 and \$119,466 respectively. The beginning July 1, 2020 balance of \$199,415 was improperly excluded as well. The ending cash as of June 30, 2021 in the textbook rental fund was understated by \$214,045.

- 2) For the period of July 1, 2021 to June 30, 2022, the School Corporation improperly understated the activity in the textbook rental fund which understated receipt and disbursement amounts by \$107,784 and \$125,640 respectively. The beginning July 1, 2021 balance was understated by \$214,045. The ending cash as of June 30, 2022 in the textbook rental fund was understated by \$196,189.

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

Not resolved, see finding 2024-001. The finding was not resolved due to the lack of detailed review of the AFR. To correct the issues, the Business Manager and Assistant will jointly review all receipts, disbursements and fund balances within the fiscal year that are to be reported on the AFR to ensure accuracy of said reporting.

FINDING 2022-003

Information on the federal program:

Subject: Child Nutrition Cluster - Internal Controls

Federal Agency: Department of Agriculture

Federal Program: School Breakfast Program, National School Lunch Program, Summer Food Program

Assistance Listing Number: 10.553, 10.555, 10.559

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Activities Allowed or Unallowed, Allowable Costs/Cost Principles

Audit Finding: Material Weakness

Context: We noted that there was no primary, documented review for seventeen of the twenty-four sample vendor child nutrition cluster accounts payable vouchers. Additionally, one of the vouchers was an improper transfer of child nutrition cluster funding to pay off student's outstanding textbook rental fees. The transfer was made for students who had both a positive lunch balance and who had outstanding textbook fees. The total amount transferred in the audit period was \$15,223.

Status: Resolved.

Finding 2022-004

Information on the federal program:

Subject: Child Nutrition Cluster – Reporting

Federal Agency: Department of Education

Federal Program: School Breakfast Program, National School Lunch Program, Summer Food Program

Assistance Listing Number: 10.553, 10.555, 10.559

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Reporting

Audit Finding: Material Weakness, Modified Opinion, Noncompliance

Context: We noted that for all sponsor claim reimbursements in a sample of four claims, the sponsor claim reimbursement was prepared without a secondary, documented review before the submission of the claim to ensure the accuracy of the sponsor claim reimbursement summary.

Additionally, the amount of meals claimed on each sponsor claim did not agree to the supporting meal system reports. The net overstatement of meals claimed for the four claims sampled was 5,962 meals resulting in an over reimbursement amount of \$23,217.

Not resolved, see finding 2024-003. The finding was not resolved due to the timing of the prior audit. To correct the finding, the Food Service Director will ensure that 2 individuals are signing off on all the claims.