

**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  
SOUTHERN WELLS COMMUNITY SCHOOLS  
WELLS COUNTY, INDIANA  
July 1, 2022 to June 30, 2024



**FILED**

04/01/2025



Paul D. Joyce, CPA  
State Examiner

# INDIANA STATE BOARD OF ACCOUNTS

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April 1, 2025

To: The Officials of the Southern Wells Community Schools  
Southern Wells Community Schools  
Wells County, Indiana

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Southern Wells Community Schools. 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 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 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 finding included in the report on pages 42 and 43. Please see the Schedule of Findings and Questioned Costs for complete details related to the finding. Management's Corrective Action Plan appears on page 44.

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

In addition to the report presented herein, a supplemental report for Southern Wells Community Schools 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

**SOUTHERN WELLS COMMUNITY SCHOOLS**  
Wells County, Indiana

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

SOUTHERN WELLS COMMUNITY SCHOOLS  
Wells County, Indiana

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

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SOUTHERN WELLS COMMUNITY SCHOOLS  
SCHEDULE OF OFFICIALS (Unaudited)  
For the period July 1, 2022 through June 30, 2024

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<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Lora Warner	07-01-22 to 06-30-24
Superintendent of Schools	Vacant	07-01-22 to 07-04-22
	Brian Sloan	07-05-22 to 11-20-22
	Trent Lehman	11-21-22 to 06-30-24
President of the School Board	Kevin Scott	01-01-22 to 12-31-22
	Todd Fiechter	01-01-23 to 12-31-24



## INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance  
Southern Wells Community Schools  
Wells 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 Southern Wells Community Schools (the School Corporation) as of June 30, 2024 and for the period of July 1, 2022 through June 30, 2024, and the related notes to the financial statement.

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

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

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

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

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

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

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

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

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(Continued)

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

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

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

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

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

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

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

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

### ***Supplementary Information***

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

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(Continued)

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

#### ***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 18, 2025, our consideration of the School Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

  
Crowe LLP

Indianapolis, Indiana  
March 18, 2025

SOUTHERN WELLS COMMUNITY SCHOOLSS  
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	\$ 463,374	\$ 6,359,074	\$ 5,604,127	\$ (823,617)	\$ 394,704	\$ 6,754,351	\$ 5,557,394	\$ (989,526)	\$ 602,135
Operating Referendum Tax Levy	48,098	569,956	434,121	(12,867)	171,066	610,615	543,352	(15,075)	223,254
Debt Service	199,566	649,539	639,062	(22,289)	187,754	637,931	628,000	(14,427)	183,258
Operations	292,128	2,142,176	2,339,044	569,900	665,160	2,347,121	2,300,336	610,423	1,322,368
Local Rainy Day	790,183	88,000	378,518	190,000	689,665	114,400	248,235	250,000	805,830
School Lunch	257,482	684,579	511,425	116	430,752	599,646	766,813	(272)	263,313
Curricular Materials Rental	422	284,877	298,724	14,427	1,002	154,672	176,286	24,427	3,815
Levy Excess	-	-	-	17,369	17,369	-	-	(17,369)	-
Area Vocational Education	-	55,222	105,864	50,642	-	58,545	153,587	124,160	29,118
Latch Key Child Care Program	-	-	-	-	-	8,536	8,670	-	(134)
Insurance Claim Reimbursement	-	20,966	4,989	-	15,977	-	11,432	-	4,545
Educational License Plates	853	113	-	-	966	131	-	-	1,097
Asbury Chapel Lunch (Es/Hs)	73	-	73	-	-	-	-	-	-
Special Anonymous Elementary Grant	441	4,000	2,546	-	1,895	-	624	-	1,271
Park Community Church-Food Fight	-	300	300	-	-	-	-	-	-
Six Mile Church Elementary Donation	150	-	-	-	150	-	-	-	150
Family Ford Donation	-	1,000	1,000	-	-	-	-	-	-
Building Trades Donations	1,571	-	1,502	-	69	-	43	-	26
Softball Field Donation	-	16,365	16,142	-	223	-	179	-	44
McNatt Friendship Circle-Lunch Donation	-	500	500	-	-	-	-	-	-
McNatt Friendship Circle-Textbook Donati	-	500	500	-	-	-	-	-	-
Lunch Balance Donation	-	1,012	213	-	799	2,347	316	-	2,830
Library Donation	-	-	-	-	-	400	-	-	400
Buckets For Santa Donation	-	-	-	-	-	1,000	-	-	1,000
Es Music Department Donation	-	-	-	-	-	600	600	-	-
Driver'S Education	8,361	-	-	-	8,361	-	-	-	8,361
Nasp-Es/Ms Archery (Whitetails Unlimited)	-	4,800	-	-	4,800	-	3,220	-	1,580
Action For Healthy Kids	1,162	90	353	-	899	49	288	-	660
Stem/Robotics Donations	150	-	-	-	150	1,000	-	-	1,150
2022-2023 Sebt Wellness Grant	-	1,500	1,459	-	41	-	41	-	-
2023-2024 Sebt Wellness Grant	-	2,000	-	-	2,000	-	2,000	-	-
2024-2025 Sebt Wellness Grant	-	-	-	-	-	2,440	-	-	2,440
Cada Grant	6	1,334	1,338	-	2	1,106	1,092	-	16
Partners In Education Donation	96	-	-	-	96	-	96	-	-

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLSS  
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
Acs-Hach High School Chemistry Teacher G	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,141	\$ 1,141	\$ -	\$ -
2021 Wells County Foundation Grant	-	1	-	-	1	-	1	-	-
2022 Wells County Foundation Grants	6,694	-	6,349	-	345	-	345	-	-
2023 Wells County Foundation Grant	-	7,749	120	-	7,629	-	7,390	-	239
2024 Wells County Foundation Grant	-	-	-	-	-	5,500	-	-	5,500
American Heart Association	-	-	-	-	-	350	-	-	350
2024 Wcf-Don Wood Foundation Ignite Your	-	-	-	-	-	5,000	3,773	-	1,227
2023 Wells County Foundation Preschool G Scholarship	5,328	-	3,996	-	1,332	6,490	-	-	7,822
Formative Assessment	-	11,580	11,580	-	-	12,912	12,912	-	-
Early Literacy Achievement Grant	-	-	-	-	-	3,905	3,905	-	-
Medicaid Reimbursement	489	585	28	-	1,046	1,326	798	-	1,574
Secured Schools Safety Grant	-	48,563	73,259	24,696	-	45,000	73,259	28,259	-
2021-2022 Early Intervention Grant	1,160	-	1,160	-	-	-	-	-	-
2022-2023 Early Intervention Grant	-	2,610	-	-	2,610	-	2,610	-	-
Career And Technical Performance Grant	-	147	-	-	147	137	-	-	284
2022 Teacher Appreciation Grant	-	32,914	32,914	-	-	-	-	-	-
2023 Teacher Appreciation Grant (Tag)	-	-	-	-	-	32,704	32,704	-	-
High Ability Students	10,109	22,888	27,620	-	5,377	28,912	33,289	-	1,000
State Connectivity Grant	14,727	7,290	9,720	-	12,297	7,290	5,384	-	14,203
2021-2022 Title I	550	-	550	-	-	-	-	-	-
2022-2023 Title I	-	73,381	93,381	20,000	-	-	-	-	-
2023-2024 Title I	-	-	-	-	-	86,474	96,479	10,005	-
Fy2024 Idea Preschool Handicap 619 Grant	-	-	-	-	-	-	9,061	-	(9,061)
2020-2021 Title Iv Part A	-	3,094	3,094	-	-	-	-	-	-
2021-2022 Title Iv	-	10,000	-	(10,000)	-	-	-	-	-
2022-2023 Title Iv	-	10,000	-	(10,000)	-	-	-	-	-
2023-2024 Title Iv	-	-	-	-	-	10,005	-	(10,005)	-
2022-2023 Perkins Cte Grant	-	18,284	18,284	-	-	-	-	-	-
2023-2024 Perkins Cte Grant	-	-	-	-	-	15,161	15,161	-	-
Federal Medicaid	-	1,423	-	-	1,423	2,565	1,129	-	2,859
Title Ii Part A 2021-2022	-	13,170	13,170	-	-	-	-	-	-
Title Iia 2022-2023	-	1,801	1,801	-	-	14,565	14,565	-	-
2023-2024 Title Ii A	-	-	-	-	-	18,663	18,663	-	-

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS  
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
2020-2021 Title Ii A	\$ (125)	\$ 8,638	\$ 8,513	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Essr Iii-Elementary And Secondary School	(9,378)	84,341	76,299	(8,086)	(9,422)	52,671	43,477	-	(228)
Elementary And Secondary School Emergenc	-	11,933	11,933	-	-	-	-	-	-
Federal Stimulus - 18002 Governor çös Emer	-	285,058	285,058	-	-	-	-	-	-
Federal Stimulus - 18003 Educ. Stab Reli	-	90	90	-	-	-	-	-	-
Federal Stimulus - 18003 Supplemental	-	60,089	60,089	-	-	-	-	-	-
Prepaid School Lunch Accounts	13,319	211,054	212,979	-	11,394	213,426	215,419	272	9,673
Construction Trades	121,707	23,497	615	-	144,589	24,792	-	-	169,381
Federal	-	355,426	355,426	-	-	367,606	367,606	-	-
State	-	164,230	164,230	-	-	168,767	168,767	-	-
County	-	106,146	106,146	-	-	112,772	112,772	-	-
Annuities	-	176,867	176,867	-	-	187,627	187,627	-	-
I.S.W.A.T.	-	3,800	3,800	-	-	4,000	4,000	-	-
Fica - Certified	-	281,124	281,124	-	-	292,006	292,006	-	-
Fica - Noncertified	-	127,229	127,229	-	-	137,269	137,269	-	-
United Way	-	1,159	1,159	-	-	785	785	-	-
Garnishment	-	7,997	7,997	-	-	-	-	-	-
County Property Tax Withholding	-	214	214	-	-	91	91	-	-
Health Insurance	286	187,254	185,200	-	2,340	172,134	172,426	-	2,048
Health Insurance - Retirees	3,723	25,964	27,612	-	2,075	8,699	9,130	-	1,644
Cancer/Other Insurance	(165)	61,142	60,983	-	(6)	68,435	68,343	-	86
Life Insurance	135	10,365	10,481	-	19	9,963	9,882	-	100
Life Insurance - Retirees	80	167	194	-	53	108	110	-	51
Section 125 Flexible	-	2,347	2,347	-	-	2,802	2,417	-	385
Long Term Disability	-	110	110	-	-	973	972	-	1
S125 Vision Service Plan	57	9,650	9,657	-	50	9,602	8,894	-	758
Vsp - Retiree Premiums	(27)	828	663	-	138	555	571	-	122
S125 Dental Plan Delta Dental	-	-	-	-	-	6,825	6,779	-	46
Library Book Replacement Clearing Acct	50	171	9	-	212	259	23	-	448
Online Textbook Payments	-	19,488	19,452	-	36	756	792	-	-
Adams Wells Retirement Payoff	-	-	-	-	-	165	165	-	-
<b>Totals</b>	<b>\$ 2,232,835</b>	<b>\$ 13,379,761</b>	<b>\$ 12,835,302</b>	<b>\$ 291</b>	<b>\$ 2,777,585</b>	<b>\$ 13,446,078</b>	<b>\$ 12,555,496</b>	<b>\$ 872</b>	<b>\$ 3,669,039</b>

See notes to financial statement.

SOUTHERN WELLS COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2024, and for the period of  
July 1, 2022 through June 30, 2024

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

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

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

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

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

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

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

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

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

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

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

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

*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.

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(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2024, and for the period of  
July 1, 2022 through June 30, 2024

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

*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.

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(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2024, and for the period of  
July 1, 2022 through June 30, 2024

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

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.

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(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2024, and for the period of  
July 1, 2022 through June 30, 2024

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**NOTE 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.

**NOTE 7 - HOLDING CORPORATION**

The School Corporation has entered into a series of capital leases with the Southern Wells 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 \$625,000. Lease payments for the period July 1, 2023 through June 30, 2024 totaled \$628,000.

**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.

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(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2024, and for the period of  
July 1, 2022 through June 30, 2024

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

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

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

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

*Financial Report*

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

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

*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.

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(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2024, and for the period of  
July 1, 2022 through June 30, 2024

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

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

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

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

*Financial Report*

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

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

*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.

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(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2024, and for the period of  
July 1, 2022 through June 30, 2024

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**NOTE 9 - SUBSEQUENT EVENTS**

In December 2024, The School Corporation issued the General Obligation Bonds of 2024 in the amount of \$3,000,000 to finance renovations and improvements to school facilities. Principal and interest payments begin June 30, 2025 through December 31, 2032.

**OTHER INFORMATION (Unaudited)**

SOUTHERN WELLS COMMUNITY SCHOOLSS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2023

	Education	Operating Referendum Tax Levy	Debt Service	Operations	Local Rainy Day	School Lunch	Curricular Materials Rental	Levy Excess	Area Vocational Education	Insurance Claim Reimbursement	Educational License Plates	Asbury Chapel Lunch (Es/Hs)
Cash and investments - beginning	\$ 463,374	\$ 48,098	\$ 199,566	\$ 292,128	\$ 790,183	\$ 257,482	\$ 422	\$ -	\$ -	\$ -	\$ 853	\$ 73
Receipts:												
Local sources	103,414	569,956	649,539	2,141,258	-	216,868	112,400	-	55,222	-	-	-
Intermediate sources	192	-	-	-	-	-	-	-	-	-	113	-
State sources	6,255,468	-	-	-	-	4,484	32,477	-	-	-	-	-
Federal sources	-	-	-	-	-	463,027	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	88,000	-	140,000	-	-	-	-	-
Other receipts	-	-	-	918	-	200	-	-	-	20,966	-	-
Total receipts	6,359,074	569,956	649,539	2,142,176	88,000	684,579	284,877	-	55,222	20,966	113	-
Disbursements:												
Instruction	4,168,413	348,230	-	-	-	-	853	-	105,864	235	-	-
Support services	1,284,472	85,891	-	2,317,629	106,849	200	209,871	-	-	4,754	-	-
Noninstructional services	151,217	-	-	-	-	493,390	-	-	-	-	-	73
Facilities acquisition and construction	-	-	-	21,415	131,669	17,835	-	-	-	-	-	-
Debt services	-	-	639,062	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	25	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	140,000	-	88,000	-	-	-	-	-
Total disbursements	5,604,127	434,121	639,062	2,339,044	378,518	511,425	298,724	-	105,864	4,989	-	73
Excess (deficiency) of receipts over disbursements	754,947	135,835	10,477	(196,868)	(290,518)	173,154	(13,847)	-	(50,642)	15,977	113	(73)
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	175	-	116	-	-	-	-	-	-
Transfers in	-	-	-	616,482	190,000	-	14,427	36,265	50,642	-	-	-
Transfers out	(823,617)	(12,867)	(22,289)	(46,757)	-	-	-	(18,896)	-	-	-	-
Total other financing sources (uses)	(823,617)	(12,867)	(22,289)	569,900	190,000	116	14,427	17,369	50,642	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(68,670)	122,968	(11,812)	373,032	(100,518)	173,270	580	17,369	-	15,977	113	(73)
Cash and investments - ending	\$ 394,704	\$ 171,066	\$ 187,754	\$ 665,160	\$ 689,665	\$ 430,752	\$ 1,002	\$ 17,369	\$ -	\$ 15,977	\$ 966	\$ -

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLSS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2023

	Special Anonymous Elementary Grant	Park Community Church-Food Fight	Six Mile Church Elementary Donation	Family Ford Donation	Building Trades Donations	Softball Field Donation	Mcnatt Friendship Circle-Lunch Donation	Mcnatt Friendship Circle- Textbook Donati	Lunch Balance Donation	Driver'S Education	Nasp-Es/Ms Archery (Whitetails Unlimited)	Action For Healthy Kids
Cash and investments - beginning	\$ 441	\$ -	\$ 150	\$ -	\$ 1,571	\$ -	\$ -	\$ -	\$ -	\$ 8,361	\$ -	\$ 1,162
Receipts:												
Local sources	4,000	300	-	1,000	-	16,365	500	500	1,012	-	4,800	90
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	4,000	300	-	1,000	-	16,365	500	500	1,012	-	4,800	90
Disbursements:												
Instruction	2,546	-	-	-	1,502	-	-	-	-	-	-	353
Support services	-	-	-	-	-	16,142	-	500	-	-	-	-
Noninstructional services	-	300	-	-	-	-	500	-	213	-	-	-
Facilities acquisition and construction	-	-	-	1,000	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	2,546	300	-	1,000	1,502	16,142	500	500	213	-	-	353
Excess (deficiency) of receipts over disbursements	1,454	-	-	-	(1,502)	223	-	-	799	-	4,800	(263)
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	1,454	-	-	-	(1,502)	223	-	-	799	-	4,800	(263)
Cash and investments - ending	\$ 1,895	\$ -	\$ 150	\$ -	\$ 69	\$ 223	\$ -	\$ -	\$ 799	\$ 8,361	\$ 4,800	\$ 899

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLSS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2023

	Stem/Robotics Donations	2022-2023 Sebt Wellness Grant	2023-2024 Sebt Wellness Grant	Cada Grant	Partners In Education Donation	2021 Wells County Foundation Grant	2022 Wells County Foundation Grants	2023 Wells County Foundation Grant	Scholarship	Formative Assessment	Medicaid Reimbursement	Secured Schools Safety Grant
Cash and investments - beginning	\$ 150	\$ -	\$ -	\$ 6	\$ 96	\$ -	\$ 6,694	\$ -	\$ 5,328	\$ -	\$ 489	\$ -
Receipts:												
Local sources	-	-	-	1,334	-	1	-	7,749	-	-	-	-
Intermediate sources	-	1,500	2,000	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	11,580	585	48,563	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	1,500	2,000	1,334	-	1	-	7,749	-	11,580	585	48,563
Disbursements:												
Instruction	-	-	-	1,338	-	-	6,349	120	-	11,580	-	-
Support services	-	-	-	-	-	-	-	-	-	-	28	73,259
Noninstructional services	-	1,459	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	3,996	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	1,459	-	1,338	-	-	6,349	120	3,996	11,580	28	73,259
Excess (deficiency) of receipts over disbursements	-	41	2,000	(4)	-	1	(6,349)	7,629	(3,996)	-	557	(24,696)
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	24,696
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	24,696
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	41	2,000	(4)	-	1	(6,349)	7,629	(3,996)	-	557	-
Cash and investments - ending	\$ 150	\$ 41	\$ 2,000	\$ 2	\$ 96	\$ 1	\$ 345	\$ 7,629	\$ 1,332	\$ -	\$ 1,046	\$ -

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLSS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2023

	2021-2022 Early Intervention Grant	2022-2023 Early Intervention Grant	Career And Technical Performance Grant	2022 Teacher Appreciation Grant	High Ability Students	State Connectivity Grant	2021-2022 Title I	2022-2023 Title I	2020-2021 Title Iv Part A	2021-2022 Title Iv	2022-2023 Title Iv	2021-2022 Perkins Cte Grant
Cash and investments - beginning	\$ 1,160	\$ -	\$ -	\$ -	\$ 10,109	\$ 14,727	\$ 550	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	2,610	147	32,914	22,888	7,290	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	73,381	3,094	10,000	10,000	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	2,610	147	32,914	22,888	7,290	-	73,381	3,094	10,000	10,000	-
Disbursements:												
Instruction	1,160	-	-	32,914	27,462	-	-	93,381	3,094	-	-	(8,950)
Support services	-	-	-	-	158	9,720	550	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	8,950
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,160	-	-	32,914	27,620	9,720	550	93,381	3,094	-	-	-
Excess (deficiency) of receipts over disbursements	(1,160)	2,610	147	-	(4,732)	(2,430)	(550)	(20,000)	-	10,000	10,000	-
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	20,000	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	(10,000)	(10,000)	-
Total other financing sources (uses)	-	-	-	-	-	-	-	20,000	-	(10,000)	(10,000)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,160)	2,610	147	-	(4,732)	(2,430)	(550)	-	-	-	-	-
Cash and investments - ending	\$ -	\$ 2,610	\$ 147	\$ -	\$ 5,377	\$ 12,297	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLSS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2023

	2022-2023		Title li Part A	Title lia 2022-	2020-2021 Title	Essr lii- Elementary And Secondary School	Elementary And Secondary School Emergenc	Federal Stimulus - 18002 Governor çös Emer	Federal Stimulus - 18003 Educ. Stab Reli	Federal Stimulus - 18003 Supplemental	Prepaid School Lunch Accounts
	Perkins Cte Grant	Federal Medicaid	2021-2022	2023	li A						
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ (125)	\$ (9,378)	\$ -	\$ -	\$ -	\$ -	\$ 13,319
Receipts:											
Local sources	-	-	-	-	-	8,543	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	18,284	-	-	-	-	-	-	-	-	-	-
Federal sources	-	1,423	13,170	1,801	8,638	75,798	11,933	285,058	90	60,089	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	211,054
Total receipts	18,284	1,423	13,170	1,801	8,638	84,341	11,933	285,058	90	60,089	211,054
Disbursements:											
Instruction	16,356	-	420	-	-	64,517	-	285,058	-	7,867	-
Support services	1,928	-	12,750	1,801	8,513	-	11,933	-	90	13,117	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	11,782	-	-	-	39,105	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	212,979
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	18,284	-	13,170	1,801	8,513	76,299	11,933	285,058	90	60,089	212,979
Excess (deficiency) of receipts over disbursements	-	1,423	-	-	125	8,042	-	-	-	-	(1,925)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(8,086)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	(8,086)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,423	-	-	125	(44)	-	-	-	-	(1,925)
Cash and investments - ending	\$ -	\$ 1,423	\$ -	\$ -	\$ -	\$ (9,422)	\$ -	\$ -	\$ -	\$ -	\$ 11,394

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLSS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2023

	Construction Trades	Federal	State	County	Annuities	I.S.W.A.T.	Fica - Certified	Fica - Noncertified	United Way	Garnishment	County Property Tax Withholding	Health Insurance
Cash and investments - beginning	\$ 121,707	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 286
Receipts:												
Local sources	23,497	-	-	-	-	-	-	-	-	-	-	1,549
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	355,426	164,230	106,146	176,867	3,800	281,124	127,229	1,159	7,997	214	185,705
Total receipts	23,497	355,426	164,230	106,146	176,867	3,800	281,124	127,229	1,159	7,997	214	187,254
Disbursements:												
Instruction	-	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	615	355,426	164,230	106,146	176,867	3,800	281,124	127,229	1,159	7,997	214	185,200
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	615	355,426	164,230	106,146	176,867	3,800	281,124	127,229	1,159	7,997	214	185,200
Excess (deficiency) of receipts over disbursements	22,882	-	-	-	-	-	-	-	-	-	-	2,054
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	22,882	-	-	-	-	-	-	-	-	-	-	2,054
Cash and investments - ending	\$ 144,589	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,340

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLSS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2023

	Health Insurance - Retirees	Cancer/Other Insurance	Life Insurance	Life Insurance - Retirees	Section 125 Flexible	Long Term Disability	S125 Vision Service Plan	Vsp - Retiree Premiums	Library Book Replacement Clearing Acct	Online Textbook Payments	Totals
Cash and investments - beginning	\$ 3,723	\$ (165)	\$ 135	\$ 80	\$ -	\$ -	\$ 57	\$ (27)	\$ 50	\$ -	\$ 2,232,835
Receipts:											
Local sources	25,964	414	8	167	-	-	-	828	171	19,488	3,966,937
Intermediate sources	-	-	-	-	-	-	-	-	-	-	3,805
State sources	-	-	-	-	-	-	-	-	-	-	6,437,290
Federal sources	-	-	-	-	-	-	-	-	-	-	1,017,502
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	228,000
Other receipts	-	60,728	10,357	-	2,347	110	9,650	-	-	-	1,726,227
Total receipts	25,964	61,142	10,365	167	2,347	110	9,650	828	171	19,488	13,379,761
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	5,170,662
Support services	-	-	-	-	-	-	-	-	-	-	4,160,155
Noninstructional services	-	-	-	-	-	-	-	-	-	-	647,152
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	231,756
Debt services	-	-	-	-	-	-	-	-	-	-	639,062
Nonprogrammed charges	27,612	60,983	10,481	194	2,347	110	9,657	663	9	19,452	1,758,515
Interfund loans	-	-	-	-	-	-	-	-	-	-	228,000
Total disbursements	27,612	60,983	10,481	194	2,347	110	9,657	663	9	19,452	12,835,302
Excess (deficiency) of receipts over disbursements	(1,648)	159	(116)	(27)	-	-	(7)	165	162	36	544,459
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	291
Transfers in	-	-	-	-	-	-	-	-	-	-	952,512
Transfers out	-	-	-	-	-	-	-	-	-	-	(952,512)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	291
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,648)	159	(116)	(27)	-	-	(7)	165	162	36	544,750
Cash and investments - ending	\$ 2,075	\$ (6)	\$ 19	\$ 53	\$ -	\$ -	\$ 50	\$ 138	\$ 212	\$ 36	\$ 2,777,585

SOUTHERN WELLS COMMUNITY SCHOOLSS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2024

	Education	Operating Referendum Tax Levy	Debt Service	Operations	Local Rainy Day	School Lunch	Curricular Materials Rental	Levy Excess	Area Vocational Education	Latch Key Child Care Program	Insurance Claim Reimbursement	Educational License Plates
Cash and investments - beginning	\$ 394,704	\$ 171,066	\$ 187,754	\$ 665,160	\$ 689,665	\$ 430,752	\$ 1,002	\$ 17,369	\$ -	\$ -	\$ 15,977	\$ 966
Receipts:												
Local sources	57,823	610,615	637,931	2,347,121	59,400	219,536	16,393	-	58,545	8,536	-	-
Intermediate sources	190	-	-	-	-	-	-	-	-	-	-	131
State sources	6,696,338	-	-	-	-	6,263	138,279	-	-	-	-	-
Federal sources	-	-	-	-	-	373,647	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	55,000	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	200	-	-	-	-	-	-
Total receipts	6,754,351	610,615	637,931	2,347,121	114,400	599,646	154,672	-	58,545	8,536	-	131
Disbursements:												
Instruction	4,077,582	482,822	-	-	-	-	1,333	-	153,349	-	5,855	-
Support services	1,337,855	60,530	-	2,282,558	-	200	119,953	-	238	-	5,577	-
Noninstructional services	141,957	-	-	-	-	495,354	-	-	-	8,670	-	-
Facilities acquisition and construction	-	-	-	17,778	248,235	271,259	-	-	-	-	-	-
Debt services	-	-	628,000	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	55,000	-	-	-	-	-
Total disbursements	5,557,394	543,352	628,000	2,300,336	248,235	766,813	176,286	-	153,587	8,670	11,432	-
Excess (deficiency) of receipts over disbursements	1,196,957	67,263	9,931	46,785	(133,835)	(167,167)	(21,614)	-	(95,042)	(134)	(11,432)	131
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	59	-	-	813	-	-	-	-	-	-	-	-
Transfers in	-	-	-	637,869	250,000	-	24,427	-	124,160	-	-	-
Transfers out	(989,585)	(15,075)	(14,427)	(28,259)	-	(272)	-	(17,369)	-	-	-	-
Total other financing sources (uses)	(989,526)	(15,075)	(14,427)	610,423	250,000	(272)	24,427	(17,369)	124,160	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	207,431	52,188	(4,496)	657,208	116,165	(167,439)	2,813	(17,369)	29,118	(134)	(11,432)	131
Cash and investments - ending	\$ 602,135	\$ 223,254	\$ 183,258	\$ 1,322,368	\$ 805,830	\$ 263,313	\$ 3,815	\$ -	\$ 29,118	\$ (134)	\$ 4,545	\$ 1,097

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLSS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2024

	Special Anonymous Elementary Grant	Six Mile Church Elementary Donation	Building Trades Donations	Softball Field Donation	Lunch Balance Donation	Library Donation	Buckets For Santa Donation	Es Music Department Donation	Driver'S Education	Nasp-Es/Ms Archery (Whitetails Unlimited	Action For Healthy Kids	Stem/Robotics Donations
Cash and investments - beginning	\$ 1,895	\$ 150	\$ 69	\$ 223	\$ 799	\$ -	\$ -	\$ -	\$ 8,361	\$ 4,800	\$ 899	\$ 150
Receipts:												
Local sources	-	-	-	-	2,347	400	1,000	600	-	-	49	1,000
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	2,347	400	1,000	600	-	-	49	1,000
Disbursements:												
Instruction	258	-	43	-	-	-	-	600	-	3,220	288	-
Support services	-	-	-	179	-	-	-	-	-	-	-	-
Noninstructional services	366	-	-	-	316	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	624	-	43	179	316	-	-	600	-	3,220	288	-
Excess (deficiency) of receipts over disbursements	(624)	-	(43)	(179)	2,031	400	1,000	-	-	(3,220)	(239)	1,000
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	(624)	-	(43)	(179)	2,031	400	1,000	-	-	(3,220)	(239)	1,000
Cash and investments - ending	\$ 1,271	\$ 150	\$ 26	\$ 44	\$ 2,830	\$ 400	\$ 1,000	\$ -	\$ 8,361	\$ 1,580	\$ 660	\$ 1,150

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLSS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2024

	2022-2023 Sebt Wellness Grant	2023-2024 Sebt Wellness Grant	2024-2025 Sebt Wellness Grant	Cada Grant	Partners In Education Donation	Acs-Hach High School Chemistry Teacher G	2021 Wells County Foundation Grant	2022 Wells County Foundation Grants	2023 Wells County Foundation Grant	2024 Wells County Foundation Grant	American Heart Association	2024 Wcf-Don Wood Foundation Ignite Your
Cash and investments - beginning	\$ 41	\$ 2,000	\$ -	\$ 2	\$ 96	\$ -	\$ 1	\$ 345	\$ 7,629	\$ -	\$ -	\$ -
Receipts:												
Local sources	-	-	-	1,106	-	1,141	-	-	-	5,500	350	5,000
Intermediate sources	-	-	2,440	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	2,440	1,106	-	1,141	-	-	-	5,500	350	5,000
Disbursements:												
Instruction	-	-	-	1,092	96	1,141	1	345	7,390	-	-	3,773
Support services	-	39	-	-	-	-	-	-	-	-	-	-
Noninstructional services	41	1,961	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	41	2,000	-	1,092	96	1,141	1	345	7,390	-	-	3,773
Excess (deficiency) of receipts over disbursements	(41)	(2,000)	2,440	14	(96)	-	(1)	(345)	(7,390)	5,500	350	1,227
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	(41)	(2,000)	2,440	14	(96)	-	(1)	(345)	(7,390)	5,500	350	1,227
Cash and investments - ending	\$ -	\$ -	\$ 2,440	\$ 16	\$ -	\$ -	\$ -	\$ -	\$ 239	\$ 5,500	\$ 350	\$ 1,227

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLSS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2024

	2023 Wells County Foundation Preschool G	Scholarship	Formative Assessment	Early Literacy Achievement Grant	Medicaid Reimbursement	Secured Schools Safety Grant	2022-2023 Early Intervention Grant	Career And Technical Performance Grant	2023 Teacher Appreciation Grant (Tag)	High Ability Students	State Connectivity Grant
Cash and investments - beginning	\$ -	\$ 1,332	\$ -	\$ -	\$ 1,046	\$ -	\$ 2,610	\$ 147	\$ -	\$ 5,377	\$ 12,297
Receipts:											
Local sources	10,000	6,490	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	12,912	3,905	1,326	1,045	-	137	32,704	28,912	7,290
Federal sources	-	-	-	-	-	43,955	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	10,000	6,490	12,912	3,905	1,326	45,000	-	137	32,704	28,912	7,290
Disbursements:											
Instruction	-	-	12,912	3,590	-	-	2,610	-	32,704	33,289	-
Support services	-	-	-	315	798	73,259	-	-	-	-	5,384
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	10,000	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	10,000	-	12,912	3,905	798	73,259	2,610	-	32,704	33,289	5,384
Excess (deficiency) of receipts over disbursements	-	6,490	-	-	528	(28,259)	(2,610)	137	-	(4,377)	1,906
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	28,259	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	28,259	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	6,490	-	-	528	-	(2,610)	137	-	(4,377)	1,906
Cash and investments - ending	\$ -	\$ 7,822	\$ -	\$ -	\$ 1,574	\$ -	\$ -	\$ 284	\$ -	\$ 1,000	\$ 14,203

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLSS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2024

	2023-2024 Title I	Fy2024 Idea Preschool Handicap 619 Grant	2023-2024 Title Iv	2023-2024 Perkins Cte Grant	Federal Medicaid	Title Iia 2022- 2023	2023-2024 Title Ii A	Essr Iii- Elementary And Secondary School	Prepaid School Lunch Accounts	Construction Trades	Federal
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 1,423	\$ -	\$ -	\$ (9,422)	\$ 11,394	\$ 144,589	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	213,426	24,792	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	15,161	-	-	-	-	-	-	-
Federal sources	86,474	-	10,005	-	2,565	14,565	18,663	52,671	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	367,606
Total receipts	86,474	-	10,005	15,161	2,565	14,565	18,663	52,671	213,426	24,792	367,606
Disbursements:											
Instruction	96,479	2,075	-	13,559	-	383	18,663	43,477	-	-	-
Support services	-	6,986	-	1,602	1,129	14,182	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	215,419	-	367,606
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	96,479	9,061	-	15,161	1,129	14,565	18,663	43,477	215,419	-	367,606
Excess (deficiency) of receipts over disbursements	(10,005)	(9,061)	10,005	-	1,436	-	-	9,194	(1,993)	24,792	-
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	10,005	-	-	-	-	-	-	-	272	-	-
Transfers out	-	-	(10,005)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	10,005	-	(10,005)	-	-	-	-	-	272	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(9,061)	-	-	1,436	-	-	9,194	(1,721)	24,792	-
Cash and investments - ending	\$ -	\$ (9,061)	\$ -	\$ -	\$ 2,859	\$ -	\$ -	\$ (228)	\$ 9,673	\$ 169,381	\$ -

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLSS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2024

	State	County	Annuities	I.S.W.A.T.	Fica - Certified	Fica - Noncertified	United Way	County Property Tax Withholding	Health Insurance	Health Insurance - Retirees	Cancer/Other Insurance
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,340	\$ 2,075	\$ (6)
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	8,699	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	168,767	112,772	187,627	4,000	292,006	137,269	785	91	172,134	-	68,435
Total receipts	168,767	112,772	187,627	4,000	292,006	137,269	785	91	172,134	8,699	68,435
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	168,767	112,772	187,627	4,000	292,006	137,269	785	91	172,426	9,130	68,343
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	168,767	112,772	187,627	4,000	292,006	137,269	785	91	172,426	9,130	68,343
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	-	(292)	(431)	92
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	-	-	-	-	-	-	-	-	(292)	(431)	92
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,048	\$ 1,644	\$ 86

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended June 30, 2024

	Life Insurance	Life Insurance - Retirees	Section 125 Flexible	Long Term Disability	S125 Vision Service Plan	Vsp - Retiree Premiums	S125 Dental Plan Delta Dental	Library Book Replacement Clearing Acct	Online Textbook Payments	Adams Wells Retirement Payoff	Totals
Cash and investments - beginning	\$ 19	\$ 53	\$ -	\$ -	\$ 50	\$ 138	\$ -	\$ 212	\$ 36	\$ -	\$ 2,777,585
Receipts:											
Local sources	-	108	385	859	-	555	-	259	756	-	4,300,722
Intermediate sources	-	-	-	-	-	-	-	-	-	-	2,761
State sources	-	-	-	-	-	-	-	-	-	-	6,944,272
Federal sources	-	-	-	-	-	-	-	-	-	-	602,545
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	55,000
Other receipts	9,963	-	2,417	114	9,602	-	6,825	-	-	165	1,540,778
Total receipts	9,963	108	2,802	973	9,602	555	6,825	259	756	165	13,446,078
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	4,998,929
Support services	-	-	-	-	-	-	-	-	-	-	3,910,784
Noninstructional services	-	-	-	-	-	-	-	-	-	-	648,665
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	547,272
Debt services	-	-	-	-	-	-	-	-	-	-	628,000
Nonprogrammed charges	9,882	110	2,417	972	8,894	571	6,779	23	792	165	1,766,846
Interfund loans	-	-	-	-	-	-	-	-	-	-	55,000
Total disbursements	9,882	110	2,417	972	8,894	571	6,779	23	792	165	12,555,496
Excess (deficiency) of receipts over disbursements	81	(2)	385	1	708	(16)	46	236	(36)	-	890,582
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	872
Transfers in	-	-	-	-	-	-	-	-	-	-	1,074,992
Transfers out	-	-	-	-	-	-	-	-	-	-	(1,074,992)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	872
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	81	(2)	385	1	708	(16)	46	236	(36)	-	891,454
Cash and investments - ending	\$ 100	\$ 51	\$ 385	\$ 1	\$ 758	\$ 122	\$ 46	\$ 448	\$ -	\$ -	\$ 3,669,039

SOUTHERN WELLS COMMUNITY SCHOOLS  
SCHEDULE OF PAYABLES AND RECEIVABLES  
June 30, 2024

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<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 303,425</u>	<u>\$ 29,750</u>

SOUTHERN WELLS COMMUNITY SCHOOLS  
SCHEDULE OF LEASES AND DEBT  
June 30, 2024

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<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities:				
Crossroads Bank	Bus Purchase	\$ 79,464	7/17/2024	12/31/2025
Perry Pro Tech	Copy Machines	8,428	11/1/2023	10/31/2028
Southern Wells Community Schools Building Corporation	2019 Bond Issuance	284,000	7/15/2020	1/15/2040
Southern Wells Community Schools Building Corporation	2018 Bond Issuance	<u>339,000</u>	7/15/2019	1/15/2038
Total governmental activities		<u>710,892</u>		
Total of annual lease payments		<u>\$ 710,892</u>		

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SOUTHERN WELLS COMMUNITY SCHOOLS  
SCHEDULE OF CAPITAL ASSETS  
June 30, 2024

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 42,500
Buildings	23,393,322
Improvements other than buildings	1,343,801
Machinery, equipment, and vehicles	3,317,273
Books and other	<u>449,389</u>
 Total governmental activities	 <u>28,546,285</u>
 Total capital assets	 <u>\$ 28,546,285</u>

SOUTHERN WELLS COMMUNITY SCHOOLS  
STATE REPORTING INFORMATION  
July 1, 2022 - June 30, 2024

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*Financial Statement and Accompanying Notes:*

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

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

*Indiana Department of Education Reporting:*

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

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

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

SOUTHERN WELLS COMMUNITY SCHOOLS  
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	FY22-23, FY23-24	\$ 63,177	\$ 58,004	\$ 121,181
National School Lunch Program		10.555	FY22-23, FY23-24	345,612	287,684	633,296
Supply Chain Assistance		10.555	FY22-23, FY23-24	27,798	36,843	64,641
Commodities		10.555	FY22-23, FY23-24	33,395	40,754	74,149
Total - Child Nutrition Cluster				<u>469,982</u>	<u>423,285</u>	<u>893,267</u>
State Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs Grant	Indiana Department of Education	10.649	FY22-23	628	-	628
Total - Department of Agriculture				<u>470,610</u>	<u>423,285</u>	<u>893,895</u>
<u>Department of Education</u>						
Special Education Cluster (IDEA)	Indiana Department of Education					
Special Education Grants to States						
IDEA, Part B		84.027	21611-001-PN01	16,929	-	16,929
COVID-19 - Supplemental Funding - IDEA, Part B		84.027X	22611-001-ARP	34,520	7,746	42,266
IDEA, Part B		84.027	22611-001-PN01	170,827	14,672	185,499
IDEA, Part B		84.027	23611-001-PN01	699	196,694	197,393
IDEA, Part B		84.027	24611-001-PN01	-	6,796	6,796
Total - Special Education Grants to States				<u>222,975</u>	<u>225,908</u>	<u>448,883</u>
Special Education Preschool Grants	Indiana Department of Education					
COVID-19 - Supplemental Funding - IDEA, Preschool		84.173X	22619-001-ARP	3,185	128	3,313
IDEA, Preschool		84.173	22619-001-PN01	1,720	8,732	10,452
IDEA, Preschool		84.173	24619-001-PN01	-	3,091	3,091
Total - Special Education Preschool Grants				<u>4,905</u>	<u>11,951</u>	<u>16,856</u>
Total - Special Education Cluster (IDEA)				<u>227,880</u>	<u>237,859</u>	<u>465,739</u>
Title I Grants to Local Educational Agencies	Indiana Department of Education					
Title I, Part A		84.010A	S010A220014	73,381	-	73,381
Title I, Part A		84.010A	S010A230014	-	86,474	86,474
Total - Title I Grants to Local Educational Agencies				<u>73,381</u>	<u>86,474</u>	<u>159,855</u>

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS  
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
Career and Technical Education - Basic Grants to States (Perkins V)	Indiana Governor's Workforce Cabinet					
Area Career and Technical Education District Local Plan (Basic Grant)		84.048A	23-0512-P018	\$ 18,284	\$ -	\$ 18,284
Area Career and Technical Education District Local Plan (Basic Grant)		84.048A	23-0719-S018	-	15,161	15,161
Total - Career and Technical Education - Basic Grants to States (Perkins V)				<u>18,284</u>	<u>15,161</u>	<u>33,445</u>
Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367A	S367A200013	8,638	-	8,638
Title II, Part A		84.367A	S367A210013	13,170	-	13,170
Title II, Part A		84.367A	S367A220013	1,801	14,565	16,366
Title II, Part A		84.367A	S367A230013	-	18,663	18,663
Total - Supporting Effective Instruction State Grants				<u>23,609</u>	<u>33,228</u>	<u>56,837</u>
Student Support and Academic Enrichment Program	Indiana Department of Education					
Title IV, Part A		84.424A	S424A200015	3,094	-	3,094
Title IV, Part A		84.424A	S424A210015	10,000	-	10,000
Title IV, Part A		84.424A	S424A220015	10,000	-	10,000
Title IV, Part A		84.424A	S424A230015	-	10,005	10,005
Total - Student Support and Academic Enrichment Program				<u>23,094</u>	<u>10,005</u>	<u>33,099</u>
COVID-19 - Education Stabilization Fund	Indiana Department of Education					
Governor's Emergency Education Relief (GEER) Fund		84.425C	S425C200018	285,058	-	285,058
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	60,179	-	60,179
Elementary and Secondary School Emergency Relief (ESSER II) Fund		84.425D	S425D210013	11,933	-	11,933
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund		84.425U	S425U210013	75,798	52,671	128,469
Total - COVID-19 - Education Stabilization Fund				<u>432,968</u>	<u>52,671</u>	<u>485,639</u>
Total - Department of Education				<u>799,216</u>	<u>435,398</u>	<u>1,234,614</u>
Department of Health and Human Services						
Medicaid Cluster	Indiana Family and Social Services Administration					
Medical Assistance Program		93.778	FY22-23, FY23-24	1,423	2,565	3,988
Total - Department of Health and Human Services				<u>1,423</u>	<u>2,565</u>	<u>3,988</u>
Total federal awards expended				<u>\$ 1,271,249</u>	<u>\$ 861,248</u>	<u>\$ 2,132,497</u>

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

SOUTHERN WELLS COMMUNITY SCHOOLS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the period of July 1, 2022 through June 30, 2024

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**NOTE 1 - BASIS OF PRESENTATION**

*A. Basis of Presentation*

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

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

*B. Other Significant Accounting Policies*

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

**NOTE 2 - INDIRECT COST RATE**

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

**NOTE 3 - OTHER INFORMATION**

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

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

Commodities donated to the School Corporation by the U.S. Department of Agriculture (USDA) of \$74,149 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, 84.027X, 84.173, 84.173X)**

The School Corporation is a member of the Adams-Wells Special 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  
Southern Wells Community Schools  
Wells 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 Southern Wells Community Schools ("School Corporation"), which comprise the statement of receipts, disbursements, other financing sources (uses), and cash and investment balances of the School Corporation as of June 30, 2024 and for the period July 1, 2022 through June 30, 2024 and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement, and have issued our report thereon dated March 18, 2025.

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

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

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(Continued)

## Report on Compliance and Other Matters

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

### 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 18, 2025

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

Those Charged with Governance  
Southern Wells Community Schools  
ells County, Indiana

**Report on Compliance for Major Federal Program**

***Opinion on Major Federal Program***

We have audited the Southern Wells Community School'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 the School Corporation's major federal program for the period of July 1, 2022 through June 30, 2024. The School Corporation's major federal program is 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 its major federal program for the period of July 1, 2022 through June 30, 2024.

***Basis for Opinion on 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 the 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 the 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 a certain deficiency in internal control over compliance that we consider to be a material weakness.

*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 deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-001 to be a material weakness.

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(Continued)

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

*Government Auditing Standards* requires the auditor to perform limited procedures on the School Corporation's response to the internal control over the compliance finding identified in our audit 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 compliance and, accordingly, we express no opinion on the response.

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

*Crowe LLP*  
Crowe LLP

Indianapolis, Indiana  
March 18, 2025

SOUTHERN WELLS COMMUNITY SCHOOLS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 July 1, 2022 through June 30, 2024

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

***Financial Statement***

Type of auditor’s report issued:	Adverse as to GAAP, Unmodified as to regulatory basis		
Internal control over financial reporting:			
Material weakness(es) identified?	_____	Yes	_____ <u>X</u> _____ 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?	_____	Yes	_____ <u>X</u> _____ None Reported
Type of auditor’s report issued on compliance for major programs:	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	_____ <u>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

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
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**Section II – Financial Statement Findings**

None noted.

SOUTHERN WELLS COMMUNITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
July 1, 2022 through June 30, 2024

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

**FINDING 2024-001**

**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): FY 22-23, FY 23-24  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Procurement and Suspension and Debarment  
Audit Finding: Material Weakness

**Criteria:** 2 CFR 200.318 states:

"The Non-Federal entity must have and use documented procurement procedures, consistent with State, local, and tribal laws and regulations and the standards of this section, for the acquisition of property or services required under a Federal award or subaward. The non-Federal entity's documented procurement procedures must conform to the procurement standards identified in 200.317 through 200.327."

and 2 CFR 180.300 states:

"When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified.

You do this by:

- (a) Checking the SAM Exclusions; or
- (b) Collecting a certification from that person; or
- (c) Adding a clause or condition to the covered transaction with that person."

**Condition:** An effective internal control system was not in place at the School Corporation to ensure compliance with requirements related to the Child Nutrition Cluster and Procurement and Suspension and Debarment compliance requirements.

**Cause:** The School Corporation's management had not developed a system of internal controls that would have ensured compliance with the Procurement and Suspension and Debarment compliance requirement vendors utilized and not procured by the School Corporation's purchasing cooperative.

**Effect:** The failure to establish an effective internal control system could place the School Corporation at risk of noncompliance with the federal program and applicable federal/state procurement regulations. Not adhering to the School Corporation's procurement policy designed to follow federal and state regulations, could result in the misuse and mismanagement of federal funds by conducting business with vendors not properly procured and verified to not be suspended or debarred.

**Questioned Costs:** There we no questioned costs identified.

SOUTHERN WELLS COMMUNITY SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
July 1, 2022 through June 30, 2024

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

**FINDING 2024-001** (Continued)

**Context:**

*Procurement*

The School Corporation participates in the Region 8 Education Service Center Cooperative which procures vendors for many food purchases and other supplies on behalf of its members. During the audit period, the School Corporation contracted with vendors outside of the Cooperative. One vendor with aggregate annual purchases of \$200,000 for fiscal year 2024 exceeded the simplified acquisition purchase threshold (greater than \$150,000) but was subjected to small purchase acquisition instead of the policy to perform a formal procurement consisting of a request for proposal (RFP) that is publicly advertised.

*Suspension and Debarment*

For two vendors tested which were not procured by the Cooperative and had aggregate annual disbursements exceeding the federal suspension and debarment threshold of \$25,000, the School Corporation did not perform suspension and debarment checks to confirm the vendors were not suspended or debarred before entering into the contract or disbursing federal funds.

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

**Recommendation:** We recommend the School Corporation implement an internal control to monitor purchases within the Food Service Department with vendors that exceed the simplified acquisition dollar threshold, either individually or in annual aggregation, to ensure the School Corporation's procurement policy is followed which includes advertising a formal request for proposal (RFP) and performing a full procurement process for purchases with vendors exceeding \$150,000.

We also recommend that the School Corporation implement an internal control process to monitor aggregate vendor disbursements in Fund 800, School Lunch, on annual basis and perform suspension and debarment checks for all vendors exceeding \$25,000 in aggregate disbursements on an annual basis to ensure compliance with federal suspension and debarment regulations.

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



**Southern Wells Community Schools**

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Poneto, IN 46781

765-728-5537

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**CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS**

June 30, 2024

**FINDING 2024-001**

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): FY 22-23, FY 23-24

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

Audit Finding: Material Weakness

**Condition:** An effective internal control system was not in place at the School Corporation to ensure compliance with requirements related to the Child Nutrition Cluster and Procurement and Suspension and Debarment compliance requirements.

**Context:**

**Procurement**

The School Corporation participates in the Region 8 Education Service Center Cooperative which procures vendors for many food purchases and other supplies on behalf of its members. During the audit period, the School Corporation contracted with vendors outside of the Cooperative. One vendor with aggregate annual purchases of \$200,000 for fiscal year 2024 exceeded the simplified acquisition purchase threshold (greater than \$150,000) but was subjected to small purchase acquisition instead of the policy to perform a formal procurement consisting of a request for proposal (RFP) that is publicly advertised.

**Suspension and Debarment**

For two vendors tested which were not procured by the Cooperative and had aggregate annual disbursements exceeding the federal suspension and debarment threshold of \$25,000, the School Corporation did not perform suspension and debarment checks to confirm the vendors were not suspended or debarred before entering into the contract or disbursing federal funds.

**Views of Responsible Official:** We concur with the finding.

**Description of Corrective Action Plan:** Management will implement a procurement checklist that is reviewed after the purchasing process has been completed to ensure compliance with purchasing requirements for federal awards. Sam.gov will be checked for each vendor with aggregate purchases above \$25,000.

**Responsible Party and Timeline for Completion:** Superintendent or designee will immediately implement the above plan.



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**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**FINDING 2022-001**

**Subject: Preparation of the Schedule of Expenditures of Federal Awards**

**Audit Findings: Material Weakness**

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

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 formal evidence that the SEFA was reviewed prior to submission. The following errors were noted that resulted in the net overstatement of the total federal awards expended on the SEFA by \$57,026 for the period July 1, 2020 through June 30, 2022:

The Child Nutrition Cluster expenditures were overstated by \$61,258

The Title I Grants to Local Education Agencies expenditures were overstated by \$3,327

The Title II Supporting Effective Instruction State Grants expenditures were understated by \$601

The Title IV Student Support and Academic Enrichment Program expenditures were understated by \$2,655

The Medicaid Cluster expenditures were understated by \$844

The COVID-19 – FEMA Public Assistance Grant expenditures were understated by \$5,147

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

Status: Resolved.