

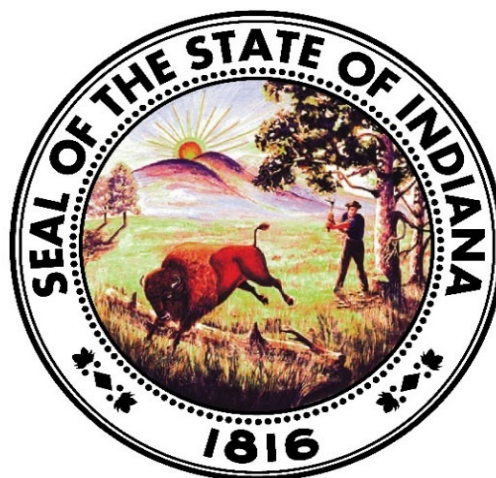
STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

FINANCIAL STATEMENT AND
FEDERAL COMPLIANCE AUDIT REPORT
OF

LANESVILLE COMMUNITY SCHOOL CORPORATION

HARRISON COUNTY, INDIANA

July 1, 2021 to June 30, 2023



FILED
03/26/2024



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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March 26, 2024

To: The Officials of the Lanesville Community School Corporation
Lanesville Community School Corporation
Harrison County, Indiana

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the Lanesville Community School Corporation. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period July 1, 2021 to June 30, 2023. Per the *Independent Auditor's Report*, the financial statements present fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2023, and its cash receipts, cash disbursements, and other financing sources (uses) for the period of July 1, 2021 to June 30, 2023 in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

We call your attention to the findings included in the report on pages 37 through 40. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on page 41.

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

In addition to the report presented herein, a Supplemental Report for Lanesville Community School Corporation was prepared in accordance with the guidelines established by the State Board of Accounts.

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

A handwritten signature in black ink that reads "Tammy R. White". The signature is written in a cursive style.

Tammy R. White, CPA
Deputy State Examiner

LANESVILLE COMMUNITY SCHOOL CORPORATION
Harrison County, Indiana

FINANCIAL STATEMENT
As of June 30, 2023, and for the
period of July 1, 2021 through June 30, 2023

CONTENTS

SCHEDULE OF OFFICIALS (Unaudited)	1
INDEPENDENT AUDITOR'S REPORT	2
FINANCIAL STATEMENT	
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS	5
NOTES TO FINANCIAL STATEMENT	8
OTHER INFORMATION	
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS (Unaudited).....	14
SCHEDULE OF PAYABLES AND RECEIVABLES (Unaudited)	24
SCHEDULE OF LEASES AND DEBT (Unaudited).....	25
SCHEDULE OF CAPITAL ASSETS (Unaudited).....	26
STATE REPORTING INFORMATION (Unaudited)	27
SUPPLEMENTARY INFORMATION	
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	28
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	30
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	31
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE	33
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	36

LANESVILLE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF OFFICIALS (Unaudited)
For the period July 1, 2021 through June 30, 2023

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Penny Schmelz	07-01-21 to 06-30-23
Superintendent of Schools	Steven Morris	07-01-21 to 06-30-23
President of the School Board	Sharon Rothrock Robert Schickel	07-01-21 to 12-31-22 01-01-23 to 06-30-23

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Lanesville Community School Corporation
Harrison 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 Lanesville Community School Corporation (the School Corporation) as of June 30, 2023 and for the period of July 1, 2021 through June 30, 2023, 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, 2023, and its cash receipts, cash disbursements, and other financing sources (uses) for the period of July 1, 2021 through June 30, 2023 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 paragraph, 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, 2023, or changes in net position for the period of July 1, 2021 through June 30, 2023.

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

(Continued)

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

Responsibilities of Management for the Financial Statement

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

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

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

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

Supplementary Information

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

(Continued)

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

Other Information

Management is responsible for the other information included with the financial statement. The other information comprises the Schedule of Officials, Other Information Schedules, and State Reporting Information 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 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 Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2024 on 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 14, 2024

LANESVILLE SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
As of June 30, 2023 and for the period of July 1, 2021 through June 30, 2023

<u>Fund</u>	<u>Cash and Investments 07-01-2021</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Other Financing Sources (Uses)</u>	<u>Cash and Investments 06-30-2022</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Other Financing Sources (Uses)</u>	<u>Cash and Investments 06-30-2023</u>
Education Fund	\$ 5,561,798	\$ 5,360,455	\$ 3,780,661	\$ (646,000)	\$ 6,495,592	\$ 5,558,830	\$ 4,347,030	\$ (1,564,000)	\$ 6,143,392
Operating Referendum Tax Levy	186,246	352,538	474,431	-	64,353	404,386	187,924	-	280,815
Debt Service	438,525	649,806	600,500	-	487,831	579,102	615,000	-	451,933
Operations Fund	2,545,861	1,145,278	1,422,265	359,570	2,628,444	1,218,610	1,966,370	764,000	2,644,684
Local Rainy Day Fund	111,387	-	-	-	111,387	-	-	800,000	911,387
Retirement/ Severance Fund	199,149	-	72,737	300,000	426,412	-	70,718	-	355,694
Lunch	462	554,739	488,257	-	66,944	557,789	515,541	-	109,192
Textbook Rental Fund	172	148,751	132,555	-	16,368	119,641	190,677	-	(54,668)
L'Ville Comm. Endow 2023	-	-	-	-	-	38,600	-	-	38,600
Pete & Joan Schickel Fund	24,713	-	-	-	24,713	-	-	-	24,713
L'Ville Comm. Endow 2018	11,957	-	5,977	-	5,980	-	5,980	-	-
L'Ville Comm. Endow 2020	106,981	-	4,332	-	102,649	-	26,237	-	76,412
L'Ville Comm. Endow.2019	52,514	-	23,169	-	29,345	-	28,625	-	720
L'Ville Comm. Endow.2021	138,719	-	645	-	138,074	-	4,400	-	133,674
L'Ville Comm. Endow 2016	8,608	-	8,608	-	-	-	-	-	-
L'Ville Comm. Endow. 2022	-	37,536	-	-	37,536	-	-	-	37,536
L'Ville Comm. Endow 2017	604	-	604	-	-	-	-	-	-
Education License Plates	4,650	38	-	-	4,688	75	-	-	4,763
Hccf-21St Century 2018/2019	-	-	-	-	-	1,885	1,885	-	-
Hccf 21St Century 2020-2021	-	1,861	1,861	-	-	-	-	-	-
Hccf School Library Endowment	706	4,000	4,333	-	373	5,200	5,410	-	163
Hccf-Dual Credit Funding	-	377	11,177	-	(10,800)	23,539	12,739	-	-
Robert/Teresa Schickel Ffa Fund	-	-	-	-	-	1,030	1,030	-	-
Hccf-lac Matching Funds	-	5,000	5,000	-	-	3,995	3,995	-	-
Hccf Block Grant 2012	-	324,299	324,299	-	-	-	-	-	-
Hccf-Thienel Musical Arts	-	900	900	-	-	428	428	-	-
Property Maint.Fund (Schickel)	-	10,812	15,358	-	(4,546)	9,508	4,962	-	-
Indiana Arts Commission Grant	60	3,751	5,000	-	(1,189)	5,250	3,995	-	66
Formative Assessment Grant	-	9,737	9,737	-	-	9,615	9,615	-	-

(Continued)

LANESVILLE SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
As of June 30, 2023 and for the period of July 1, 2021 through June 30, 2023

<u>Fund</u>	<u>Cash and Investments 07-01-2021</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Other Financing Sources (Uses)</u>	<u>Cash and Investments 06-30-2022</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Other Financing Sources (Uses)</u>	<u>Cash and Investments 06-30-2023</u>
Medicaid Reimbursement-State	\$ 19,204	\$ 9,940	\$ -	\$ -	\$ 29,144	\$ 3,200	\$ -	\$ -	\$ 32,344
Secured Schools Safety Grant	-	33,636	39,994	-	(6,358)	47,416	42,544	-	(1,486)
Non-English Speaking Program	242	-	-	-	242	-	-	-	242
Career And Technical Performance Grant	-	-	-	-	-	348	-	-	348
Teacher Appreciation Grant	-	27,808	27,808	-	-	28,024	28,024	-	-
High Ability 2020/2021	4,992	24,430	24,516	-	4,906	19,683	21,848	-	2,741
State Connectivity Grant	4,529	7,704	-	-	12,233	7,704	3,852	-	16,085
Title I 2020 - 21	-	7,698	7,698	-	-	-	-	-	-
Title I 2021 - 22	-	41,926	41,926	-	-	-	-	-	-
Title I 2022 - 23	-	-	-	-	-	48,971	48,971	-	-
Title IV	-	12,104	12,104	-	-	18,095	18,095	-	-
Medicaid Reimbursement-Federal	40,909	35,928	10,839	-	65,998	11,408	3,757	-	73,649
Title II Part A Improv. Teacher	(2,400)	12,059	14,824	-	(5,165)	11,021	5,856	-	-
Teacher Leader Bootcamp	-	3,950	3,950	-	-	3,922	3,922	-	-
ESSER III	-	69,599	69,599	-	-	124,094	122,510	-	1,584
ESSER II	-	108,435	113,412	-	(4,977)	32,506	27,529	-	-
GEER I	-	87,054	88,933	-	(1,879)	41,351	39,472	-	-
Federal Stimulus-Ed.Stabilizat	-	4,647	4,647	-	-	-	-	-	-
Prepaid School Lunch Accounts	30,029	50,022	62,959	-	17,092	266,585	272,892	-	10,785
Federal Tax	-	251,177	251,177	-	-	249,238	249,238	-	-
Social Security	-	268,489	268,489	-	-	276,041	276,041	-	-
State Tax	7,756	113,317	111,968	-	9,105	114,699	114,754	-	9,050
County Tax	2,637	39,505	38,950	-	3,192	41,871	41,689	-	3,374
Relay For Life	234	234	321	-	147	232	379	-	-
Health Insurance	8,543	46,591	44,608	-	10,526	75,768	69,099	-	17,195
Ameriflex Dependent Care	175	-	-	-	175	-	-	-	175
Amer. United Life Insurance	488	1,043	998	-	533	1,178	1,088	-	623
Aflac	159	1,060	1,102	-	117	248	317	-	48
Colonial Life Insurance	212	31,273	31,125	-	360	27,421	27,383	-	398

(Continued)

LANESVILLE SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
As of June 30, 2023 and for the period of July 1, 2021 through June 30, 2023

Fund	Cash and Investments 07-01-2021	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2022	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2023
Mass Mutual 403B Loan Payment	\$ -	\$ 1,595	\$ 1,595	\$ -	\$ -	\$ 1,595	\$ 1,595	\$ -	\$ -
Anthem Life Insurance	51	257	235	-	73	256	255	-	74
Principal Dental Insurance	5,042	18,517	18,432	-	5,127	18,533	18,150	-	5,510
Tasc Medical Fsa	-	2,893	2,893	-	-	-	-	-	-
Tasc Fsa Fees	-	397	397	-	-	-	-	-	-
Elf Project-Salary Deduction	165	260	250	-	175	260	-	-	435
United Way	260	260	260	-	260	260	-	-	520
Mass Mutual-Pre Tax	-	14,778	14,778	-	-	20,577	20,577	-	-
Mass Mutual-Post Tax	-	13,250	13,250	-	-	16,447	16,447	-	-
American Fidelity	-	416	382	-	34	416	450	-	-
American Fidelity Post Tax	-	795	728	-	67	795	862	-	-
Trf-Voluntary Contribution	-	92	92	-	-	-	-	-	-
Tax Exempt/Trf	-	7,435	7,435	-	-	7,595	7,595	-	-
Mass Mutual-Roth %	-	2,314	2,314	-	-	2,442	2,442	-	-
Principal Vision Insurance	515	8,707	8,566	-	656	9,252	9,143	-	765
Tax Exempt/Perf	-	2,708	2,708	-	-	2,833	2,833	-	-
Health Insur./Section 125 Fami	3,328	107,080	107,441	-	2,967	117,810	120,777	-	-
Health Savings Account	653	29,596	29,036	-	1,213	38,143	39,356	-	-
Payroll Deduction/ Employee Pay	-	542	-	-	542	2,207	2,749	-	-
Totals	\$ 9,520,835	\$ 10,111,399	\$ 8,875,145	\$ 13,570	\$ 10,770,659	\$ 10,227,928	\$ 9,665,052	\$ -	\$ 11,333,535

See notes to financial statement.

LANESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2023, and for the period of
July 1, 2021 through June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

LANESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2023, and for the period of
July 1, 2021 through June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

LANESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2023, and for the period of
July 1, 2021 through June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

NOTE 2 - BUDGETS

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

NOTE 3 - PROPERTY TAXES

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

(Continued)

LANESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2023, and for the period of
July 1, 2021 through June 30, 2023

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, 2022, and 2023. The deficit in the Textbook Rental Fund is the result of disbursements exceeding receipts due to underestimating current requirements for the fund. This deficit will be repaid from future receipts.

NOTE 7 - HOLDING CORPORATION

The School Corporation has entered into a series of capital leases with the Lanesville Community 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, 2021 through June 30, 2022 totaled \$600,500. Lease payments for the period July 1, 2022 through June 30, 2023 totaled \$615,000.

NOTE 8 - PENSION PLANS

Public Employees' Retirement Fund

Plan Description

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

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

(Continued)

LANESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2023, and for the period of
July 1, 2021 through June 30, 2023

NOTE 8 - PENSION PLANS (Continued)

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

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

Financial Report

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

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

Contributions

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

Teachers' Retirement Fund

Plan Descriptions

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

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

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

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

(Continued)

LANESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2023, and for the period of
July 1, 2021 through June 30, 2023

NOTE 8 - PENSION PLANS (Continued)

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

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

Financial Report

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

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

Contributions

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

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

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

OTHER INFORMATION (Unaudited)

LANESVILLE SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2022

	Education Fund	Operating Referendum Tax Levy	Debt Service	Operations Fund	Local Rainy Day Fund	Retirement/ Severance Fund	Lunch	Textbook Rental Fund	Pete & Joan Schickel Fund	L'Ville Comm. Endow 2018	L'Ville Comm. Endow 2020	L'Ville Comm. Endow.2019	L'Ville Comm. Endow.2021	L'Ville Comm. Endow 2016
Cash and investments - beginning	\$ 5,561,798	\$ 186,246	\$ 438,525	\$ 2,545,861	\$ 111,387	\$ 199,149	\$ 462	\$ 172	\$ 24,713	\$ 11,957	\$ 106,981	\$ 52,514	\$ 138,719	\$ 8,608
Receipts:														
Local sources	31,898	352,538	649,806	1,140,195	-	-	62,242	88,942	-	-	-	-	-	-
Intermediate sources	-	-	-	48	-	-	-	-	-	-	-	-	-	-
State sources	5,187,857	-	-	-	-	-	4,449	14,609	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	488,048	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	140,700	-	-	-	-	-	-	45,200	-	-	-	-	-	-
Other receipts	-	-	-	5,035	-	-	-	-	-	-	-	-	-	-
Total receipts	5,360,455	352,538	649,806	1,145,278	-	-	554,739	148,751	-	-	-	-	-	-
Disbursements:														
Instruction	2,809,579	306,152	-	-	-	39,700	-	-	-	5,273	-	15,904	645	7,558
Support services	816,051	168,279	-	1,344,942	-	33,037	20	23,355	-	704	4,332	1,980	-	1,050
Noninstructional services	109,831	-	-	-	-	-	456,737	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	77,323	-	-	-	-	-	-	-	5,285	-	-
Debt services	-	-	600,500	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	45,200	-	-	-	-	-	31,500	109,200	-	-	-	-	-	-
Total disbursements	3,780,661	474,431	600,500	1,422,265	-	72,737	488,257	132,555	-	5,977	4,332	23,169	645	8,608
Excess (deficiency) of receipts over disbursements	1,579,794	(121,893)	49,306	(276,987)	-	(72,737)	66,482	16,196	-	(5,977)	(4,332)	(23,169)	(645)	(8,608)
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	13,570	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	646,000	-	300,000	-	-	-	-	-	-	-	-
Transfers out	(646,000)	-	-	(300,000)	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(646,000)	-	-	359,570	-	300,000	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	933,794	(121,893)	49,306	82,583	-	227,263	66,482	16,196	-	(5,977)	(4,332)	(23,169)	(645)	(8,608)
Cash and investments - ending	\$ 6,495,592	\$ 64,353	\$ 487,831	\$ 2,628,444	\$ 111,387	\$ 426,412	\$ 66,944	\$ 16,368	\$ 24,713	\$ 5,980	\$ 102,649	\$ 29,345	\$ 138,074	\$ -

(Continued)

LANESVILLE SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2022

	L'Ville Comm. Endow. 2022	L'Ville Comm. Endow 2017	Education License Plates	Hccf 21St Century 2020-2021	Hccf School Library Endowment	Hccf-Dual Credit Funding	Hccf-lac Matching Funds	Hccf Block Grant 2012	Hccf-Thienel Musical Arts	Property Maint.Fund (Schickel)	Indiana Arts Commission Grant	Formative Assessment Grant	Medicaid Reimbursement- State	Secured Schools Safety Grant
Cash and investments - beginning	\$ -	\$ 604	\$ 4,650	\$ -	\$ 706	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60	\$ -	\$ 19,204	\$ -
Receipts:														
Local sources	37,536	-	-	1,861	4,000	377	5,000	324,299	900	10,812	3,751	-	-	-
Intermediate sources	-	-	38	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	9,737	-	9,940	33,636
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	37,536	-	38	1,861	4,000	377	5,000	324,299	900	10,812	3,751	9,737	9,940	33,636
Disbursements:														
Instruction	-	604	-	1,861	-	11,177	5,000	-	900	-	5,000	-	-	-
Support services	-	-	-	-	4,333	-	-	-	-	15,358	-	9,737	-	39,994
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	324,299	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	604	-	1,861	4,333	11,177	5,000	324,299	900	15,358	5,000	9,737	-	39,994
Excess (deficiency) of receipts over disbursements	37,536	(604)	38	-	(333)	(10,800)	-	-	-	(4,546)	(1,249)	-	9,940	(6,358)
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	37,536	(604)	38	-	(333)	(10,800)	-	-	-	(4,546)	(1,249)	-	9,940	(6,358)
Cash and investments - ending	\$ 37,536	\$ -	\$ 4,688	\$ -	\$ 373	\$ (10,800)	\$ -	\$ -	\$ -	\$ (4,546)	\$ (1,189)	\$ -	\$ 29,144	\$ (6,358)

(Continued)

LANESVILLE SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2022

	Non- English Speaking Program	Teacher Appreciation Grant	High Ability 2020/2021	State Connectivity Grant	Title I 2020 - 21	Title I 2021 - 22	Title IV	Medicaid Reimbursement- Federal	Title II Part A Improv. Teacher	Teacher Leader Bootcamp	ESSER III	ESSER II	GEER I	Federal Stimulus- Ed. Stabilizat	Prepaid School Lunch Accounts
Cash and investments - beginning	\$ 242	\$ -	\$ 4,992	\$ 4,529	\$ -	\$ -	\$ -	\$ 40,909	\$ (2,400)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,029
Receipts:															
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50,022
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	27,808	24,430	7,704	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	7,698	41,926	12,104	35,928	12,059	3,950	69,599	108,435	87,054	4,647	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	27,808	24,430	7,704	7,698	41,926	12,104	35,928	12,059	3,950	69,599	108,435	87,054	4,647	50,022
Disbursements:															
Instruction	-	25,030	24,516	-	7,698	41,926	9,513	10,839	2,100	3,950	47,709	113,412	-	4,647	-
Support services	-	2,778	-	-	-	-	2,591	-	12,724	-	21,890	-	88,933	-	6,120
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	56,839
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	27,808	24,516	-	7,698	41,926	12,104	10,839	14,824	3,950	69,599	113,412	88,933	4,647	62,959
Excess (deficiency) of receipts over disbursements	-	-	(86)	7,704	-	-	-	25,089	(2,765)	-	-	(4,977)	(1,879)	-	(12,937)
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	-	-	(86)	7,704	-	-	-	25,089	(2,765)	-	-	(4,977)	(1,879)	-	(12,937)
Cash and investments - ending	\$ 242	\$ -	\$ 4,906	\$ 12,233	\$ -	\$ -	\$ -	\$ 65,998	\$ (5,165)	\$ -	\$ -	\$ (4,977)	\$ (1,879)	\$ -	\$ 17,092

(Continued)

LANESVILLE SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2022

	Federal Tax	Social Security	State Tax	County Tax	Relay For Life	Health Insurance	Ameriflex Dependent Care	Amer. United Life Insurance	Aflac	Colonial Life Insurance	Mass Mutual 403B Loan Payment	Anthem Life Insurance	Principal Dental Insurance	Tasc Medical Fsa	Tasc Fsa Fees	Elf Project-Salary Deduction
Cash and investments - beginning	\$ -	\$ -	\$ 7,756	\$ 2,637	\$ 234	\$ 8,543	\$ 175	\$ 488	\$ 159	\$ 212	\$ -	\$ 51	\$ 5,042	\$ -	\$ -	\$ 165
Receipts:																
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	251,177	268,489	113,317	39,505	234	46,591	-	1,043	1,060	31,273	1,595	257	18,517	2,893	397	260
Total receipts	251,177	268,489	113,317	39,505	234	46,591	-	1,043	1,060	31,273	1,595	257	18,517	2,893	397	260
Disbursements:																
Instruction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	251,177	268,489	111,968	38,950	321	44,608	-	998	1,102	31,125	1,595	235	18,432	2,893	397	250
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	251,177	268,489	111,968	38,950	321	44,608	-	998	1,102	31,125	1,595	235	18,432	2,893	397	250
Excess (deficiency) of receipts over disbursements	-	-	1,349	555	(87)	1,983	-	45	(42)	148	-	22	85	-	-	10
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	-	-	1,349	555	(87)	1,983	-	45	(42)	148	-	22	85	-	-	10
Cash and investments - ending	\$ -	\$ -	\$ 9,105	\$ 3,192	\$ 147	\$ 10,526	\$ 175	\$ 533	\$ 117	\$ 360	\$ -	\$ 73	\$ 5,127	\$ -	\$ -	\$ 175

(Continued)

LANESVILLE SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2022

	United Way	Mass Mutual- Pre Tax	Mass Mutual-Post Tax	American Fidelity	American Fidelity Post Tax	Trf-Voluntary Contribution	Tax Exempt/Trf	Mass Mutual- Roth %	Principal Vision Insurance	Tax Exempt/Perf	Health Insur./Section 125 Fami	Health Savings Account	Payroll Deduction/ Employee Pay	Totals
Cash and investments - beginning	\$ 260	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 515	\$ -	\$ 3,328	\$ 653	\$ -	\$ 9,520,835
Receipts:														
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	-	2,764,179
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	86
State sources	-	-	-	-	-	-	-	-	-	-	-	-	-	5,320,170
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	871,448
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	185,900
Other receipts	260	14,778	13,250	416	795	92	7,435	2,314	8,707	2,708	107,080	29,596	542	969,616
Total receipts	260	14,778	13,250	416	795	92	7,435	2,314	8,707	2,708	107,080	29,596	542	10,111,399
Disbursements:														
Instruction	-	-	-	-	-	-	-	-	-	-	-	-	-	3,500,693
Support services	-	-	-	-	-	-	-	-	-	-	-	-	-	2,922,507
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-	623,407
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	82,608
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	600,500
Nonprogrammed charges	260	14,778	13,250	382	728	92	7,435	2,314	8,566	2,708	107,441	29,036	-	959,530
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	185,900
Total disbursements	260	14,778	13,250	382	728	92	7,435	2,314	8,566	2,708	107,441	29,036	-	8,875,145
Excess (deficiency) of receipts over disbursements	-	-	-	34	67	-	-	-	141	-	(361)	560	542	1,236,254
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	13,570
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-	946,000
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	(946,000)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	-	13,570
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	34	67	-	-	-	141	-	(361)	560	542	1,249,824
Cash and investments - ending	\$ 260	\$ -	\$ -	\$ 34	\$ 67	\$ -	\$ -	\$ -	\$ 656	\$ -	\$ 2,967	\$ 1,213	\$ 542	\$ 10,770,659

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

	Education Fund	Operating Referendum Tax Levy	Debt Service	Operations Fund	Local Rainy Day Fund	Retirement/ Severance Fund	Lunch	Textbook Rental Fund	L'Ville Comm. Endow 2023	Pete & Joan Schickel Fund	L'Ville Comm. Endow 2018	L'Ville Comm. Endow 2020	L'Ville Comm. Endow.2019	L'Ville Comm. Endow.2021
Cash and investments - beginning	\$ 6,495,592	\$ 64,353	\$ 487,831	\$ 2,628,444	\$ 111,387	\$ 426,412	\$ 66,944	\$ 16,368	\$ -	\$ 24,713	\$ 5,980	\$ 102,649	\$ 29,345	\$ 138,074
Receipts:														
Local sources	143,521	404,386	579,102	1,213,606	-	-	279,447	104,694	38,600	-	-	-	-	-
Intermediate sources	-	-	-	48	-	-	-	-	-	-	-	-	-	-
State sources	5,413,175	-	-	-	-	-	3,738	14,947	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	274,504	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	2,134	-	-	4,956	-	-	100	-	-	-	-	-	-	-
Total receipts	5,558,830	404,386	579,102	1,218,610	-	-	557,789	119,641	38,600	-	-	-	-	-
Disbursements:														
Instruction	3,408,963	91,248	-	-	-	47,770	-	-	-	-	5,980	14,537	12,693	2,934
Support services	822,956	96,676	-	1,715,641	-	22,948	-	190,677	-	-	-	9,499	6,667	1,466
Noninstructional services	115,111	-	-	-	-	-	515,541	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	250,729	-	-	-	-	-	-	-	2,201	9,265	-
Debt services	-	-	615,000	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	4,347,030	187,924	615,000	1,966,370	-	70,718	515,541	190,677	-	-	5,980	26,237	28,625	4,400
Excess (deficiency) of receipts over disbursements	1,211,800	216,462	(35,898)	(747,760)	-	(70,718)	42,248	(71,036)	38,600	-	(5,980)	(26,237)	(28,625)	(4,400)
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	764,000	800,000	-	-	-	-	-	-	-	-	-
Transfers out	(1,564,000)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(1,564,000)	-	-	764,000	800,000	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(352,200)	216,462	(35,898)	16,240	800,000	(70,718)	42,248	(71,036)	38,600	-	(5,980)	(26,237)	(28,625)	(4,400)
Cash and investments - ending	\$ 6,143,392	\$ 280,815	\$ 451,933	\$ 2,644,684	\$ 911,387	\$ 355,694	\$ 109,192	\$ (54,668)	\$ 38,600	\$ 24,713	\$ -	\$ 76,412	\$ 720	\$ 133,674

(Continued)

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

	L'Ville Comm. Endow. 2022	Education License Plates	Hccf-21St Century 2018/2019	Hccf School Library Endowment	Hccf-Dual Credit Funding	Robert/Teresa Schickel Ffa Fund	Hccf-lac Matching Funds	Hccf-Thienel Musical Arts	Property Maint.Fund (Schickel)	Indiana Arts Commission Grant	Formative Assessment Grant	Medicaid Reimbursement- State	Secured Schools Safety Grant
Cash and investments - beginning	\$ 37,536	\$ 4,688	\$ -	\$ 373	\$ (10,800)	\$ -	\$ -	\$ -	\$ (4,546)	\$ (1,189)	\$ -	\$ 29,144	\$ (6,358)
Receipts:													
Local sources	-	-	1,885	5,200	23,539	1,030	3,995	428	9,508	5,250	-	-	-
Intermediate sources	-	75	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	9,615	3,200	47,416
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	75	1,885	5,200	23,539	1,030	3,995	428	9,508	5,250	9,615	3,200	47,416
Disbursements:													
Instruction	-	-	1,885	-	12,739	1,030	3,995	428	-	3,995	-	-	-
Support services	-	-	-	5,410	-	-	-	-	4,962	-	9,615	-	42,544
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	1,885	5,410	12,739	1,030	3,995	428	4,962	3,995	9,615	-	42,544
Excess (deficiency) of receipts over disbursements	-	75	-	(210)	10,800	-	-	-	4,546	1,255	-	3,200	4,872
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	-	75	-	(210)	10,800	-	-	-	4,546	1,255	-	3,200	4,872
Cash and investments - ending	\$ 37,536	\$ 4,763	\$ -	\$ 163	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66	\$ -	\$ 32,344	\$ (1,486)

(Continued)

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

	Non-English Speaking Program	Career And Technical Performance Grant	Teacher Appreciation Grant	High Ability 2020/2021	State Connectivity Grant	Title I 2022 - 23	Title IV	Medicaid Reimbursement- Federal	Title II Part A Improv. Teacher	Teacher Leader Bootcamp	ESSER III	ESSER II	GEER I	Other Federal
Cash and investments - beginning	\$ 242	\$ -	\$ -	\$ 4,906	\$ 12,233	\$ -	\$ -	\$ 65,998	\$ (5,165)	\$ -	\$ -	\$ (4,977)	\$ (1,879)	\$ -
Receipts:														
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	348	28,024	19,683	7,704	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	48,971	18,095	11,408	11,021	3,922	124,094	32,506	41,351	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	348	28,024	19,683	7,704	48,971	18,095	11,408	11,021	3,922	124,094	32,506	41,351	-
Disbursements:														
Instruction	-	-	26,370	21,848	-	48,971	18,095	3,757	2,400	3,922	115,277	27,529	-	-
Support services	-	-	1,654	-	3,852	-	-	-	3,456	-	7,233	-	39,472	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	28,024	21,848	3,852	48,971	18,095	3,757	5,856	3,922	122,510	27,529	39,472	-
Excess (deficiency) of receipts over disbursements	-	348	-	(2,165)	3,852	-	-	7,651	5,165	-	1,584	4,977	1,879	-
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-	6,335
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	(6,335)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	348	-	(2,165)	3,852	-	-	7,651	5,165	-	1,584	4,977	1,879	-
Cash and investments - ending	\$ 242	\$ 348	\$ -	\$ 2,741	\$ 16,085	\$ -	\$ -	\$ 73,649	\$ -	\$ -	\$ 1,584	\$ -	\$ -	\$ -

(Continued)

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

	Prepaid School Lunch Accounts	Federal Tax	Social Security	State Tax	County Tax	Relay For Life	Health Insurance	Ameriflex Dependent Care	Amer. United Life Insurance	Aflac	Colonial Life Insurance	Mass Mutual 403B Loan Payment	Anthem Life Insurance	Principal Dental Insurance	Elf Project- Salary Deduction
Cash and investments - beginning	\$ 17,092	\$ -	\$ -	\$ 9,105	\$ 3,192	\$ 147	\$ 10,526	\$ 175	\$ 533	\$ 117	\$ 360	\$ -	\$ 73	\$ 5,127	\$ 175
Receipts:															
Local sources	266,585	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	249,238	276,041	114,699	41,871	232	75,768	-	1,178	248	27,421	1,595	256	18,533	260
Total receipts	266,585	249,238	276,041	114,699	41,871	232	75,768	-	1,178	248	27,421	1,595	256	18,533	260
Disbursements:															
Instruction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Support services	854	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	272,038	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	249,238	276,041	114,754	41,689	379	69,099	-	1,088	317	27,383	1,595	255	18,150	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	272,892	249,238	276,041	114,754	41,689	379	69,099	-	1,088	317	27,383	1,595	255	18,150	-
Excess (deficiency) of receipts over disbursements	(6,307)	-	-	(55)	182	(147)	6,669	-	90	(69)	38	-	1	383	260
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	(6,307)	-	-	(55)	182	(147)	6,669	-	90	(69)	38	-	1	383	260
Cash and investments - ending	\$ 10,785	\$ -	\$ -	\$ 9,050	\$ 3,374	\$ -	\$ 17,195	\$ 175	\$ 623	\$ 48	\$ 398	\$ -	\$ 74	\$ 5,510	\$ 435

(Continued)

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

	United Way	Mass Mutual- Pre Tax	Mass Mutual- Post Tax	American Fidelity	American Fidelity Post Tax	Tax Exempt/Trf	Mass Mutual- Roth %	Principal Vision Insurance	Tax Exempt/Perf	Health Insur./Section 125 Fami	Health Savings Account	Payroll Deduction/ Employee Pay	Totals
Cash and investments - beginning	\$ 260	\$ -	\$ -	\$ 34	\$ 67	\$ -	\$ -	\$ 656	\$ -	\$ 2,967	\$ 1,213	\$ 542	\$ 10,770,659
Receipts:													
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	3,080,776
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	123
State sources	-	-	-	-	-	-	-	-	-	-	-	-	5,547,850
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	565,872
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	260	20,577	16,447	416	795	7,595	2,442	9,252	2,833	117,810	38,143	2,207	1,033,307
Total receipts	260	20,577	16,447	416	795	7,595	2,442	9,252	2,833	117,810	38,143	2,207	10,227,928
Disbursements:													
Instruction	-	-	-	-	-	-	-	-	-	-	-	-	3,876,366
Support services	-	-	-	-	-	-	-	-	-	-	-	-	2,985,582
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	902,690
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	262,195
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	615,000
Nonprogrammed charges	-	20,577	16,447	450	862	7,595	2,442	9,143	2,833	120,777	39,356	2,749	1,023,219
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	20,577	16,447	450	862	7,595	2,442	9,143	2,833	120,777	39,356	2,749	9,665,052
Excess (deficiency) of receipts over disbursements	260	-	-	(34)	(67)	-	-	109	-	(2,967)	(1,213)	(542)	562,876
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	1,570,335
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	(1,570,335)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	260	-	-	(34)	(67)	-	-	109	-	(2,967)	(1,213)	(542)	562,876
Cash and investments - ending	\$ 520	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 765	\$ -	\$ -	\$ -	\$ -	\$ 11,333,535

LANESVILLE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2023

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 242,764	\$ 1,486

LANESVILLE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2023

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities:				
Lanesville Community Building Corporation	Ad Valorem Property tax First mortgage Bonds Series 2018	\$ 137,500	12/5/2018	12/31/2032
Lanesville Community School Building Corporation	Ad Valorem Property Tax First Mortgage Bonds Series 2010	233,000	6/30/2012	12/30/2024
Lanesville Community School Building Corporation	Ad Valorem Property Tax First Mortgage Bonds Series 2017	242,500	5/17/2017	12/31/2027
Toshiba Business Solutions	Copier Leases	<u>4,367</u>	6/1/2023	5/30/2028
Total governmental activities		<u>617,367</u>		
Total of annual lease payments		<u>\$ 617,367</u>		

<u>Description of Debt</u>		<u>Ending Principal Balance</u>	<u>Principal Due Within One Year</u>
<u>Type</u>	<u>Purpose</u>		
Governmental activities:			
General Obligation Bonds	First Mortgage Refunding Bonds	\$ 3,357,500	\$ 255,000
General Obligation Bonds	Qualified School Construction Bonds	<u>306,500</u>	<u>215,000</u>
Total governmental activities		<u>3,664,000</u>	<u>470,000</u>
Totals		<u>\$ 3,664,000</u>	<u>\$ 470,000</u>

LANESVILLE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2023

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	\$ 110,000
Buildings	13,812,113
Improvements other than buildings	2,717,114
Machinery, equipment, and vehicles	745,108
Construction in progress	2,362,442
Books and other	<u>766,145</u>
 Total governmental activities	 <u>20,512,922</u>
 Total capital assets	 <u>\$ 20,512,922</u>

LANESVILLE COMMUNITY SCHOOL CORPORATION
STATE REPORTING INFORMATION
July 1, 2021 - June 30, 2023

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.

LANESVILLE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period July 1, 2021 through June 30, 2023

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 06-30-22	Total Federal Awards Expended 06-30-23	Total Federal Awards Expended 7-01-2021 to 06-30-23
<u>Department of Agriculture</u>						
Child Nutrition Cluster						
National School Lunch Program	Indiana Department of Education	10.555	FY2022, FY2023	\$ 488,049	\$ 273,876	\$ 761,925
Commodities		10.555	FY2022, FY2023	<u>27,729</u>	<u>24,916</u>	<u>52,645</u>
Total - Child Nutrition Cluster				<u>515,778</u>	<u>298,792</u>	<u>814,570</u>
Pandemic EBT Administrative Costs	Indiana Department of Education					
National School Lunch Program		10.649	FY 2023	-	628	628
Total - Department of Agriculture				<u>515,778</u>	<u>299,420</u>	<u>815,198</u>
<u>Department of Education</u>						
Special Education Cluster(IDEA)						
Special Education Grants to States	Indiana Department of Education					
Special Ed- Part B		84.027	19611-026-PN01	11,313	-	11,313
Special Ed- Part B		84.027	20611-026-PN01	58,978	-	58,978
Special Ed- Part B		84.027	21611-026-PN01	<u>-</u>	<u>152,824</u>	<u>152,824</u>
Total - Special Education Grants to States				<u>70,291</u>	<u>152,824</u>	<u>223,115</u>
Special Education Preschool Grants	Indiana Department of Education					
Special Ed Preschool		84.173	20619-026-PN01	1,551	-	1,551
Special Ed Preschool		84.173	21619-026-PN01	<u>3,487</u>	<u>303</u>	<u>3,790</u>
Total - Special Education Preschool Grants				<u>5,038</u>	<u>303</u>	<u>5,341</u>
Total - Special Education Cluster(IDEA)				<u>75,329</u>	<u>153,127</u>	<u>228,456</u>
Title I Grants to Local Educational Agencies	Indiana Department of Education					
Title I, Part A		84.010A	S010A200014	7,698	-	7,698
Title I, Part A		84.010A	S010A210014	41,926	-	41,926
Title I, Part A		84.010A	S010A220013	<u>-</u>	<u>48,971</u>	<u>48,971</u>
Total - Title I Grants to Local Educational Agencies				<u>49,624</u>	<u>48,971</u>	<u>98,595</u>

(Continued)

LANESVILLE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period July 1, 2021 through June 30, 2023

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 06-30-22	Total Federal Awards Expended 06-30-23	Total Federal Awards Expended 7-01-2021 to 06-30-23
Title II Part A; Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II A Leader Bootcamp		84.367A	FY2022, FY2023	\$ 3,950	\$ 3,922	\$ 7,872
Title II Supporting Effective Instruction		84.367A	S367A210013	-	7,528	7,528
Title II Supporting Effective Instruction		84.367A	S367A190013	2,427	-	2,427
Title II Supporting Effective Instruction		84.367A	S367A200013	9,163	3,493	12,656
				<u>15,540</u>	<u>14,943</u>	<u>30,483</u>
Total - Supporting Effective Instruction State Grants Title II						
Title IV Part A; Student Support and Academic Enrichment Program	Indiana Department of Education					
Title IV Part A		84.424	S424A190015	2,591	-	2,591
Title IV Part A		84.424	S424A200015	9,222	-	9,222
Title IV Part A		84.424	S424A210015	291	8,895	9,186
Title IV Part A		84.424	S424A220015	-	3,493	3,493
				<u>12,104</u>	<u>12,388</u>	<u>24,492</u>
Total - Title IV-A Student Support and Academic Enrichment						
COVID-19 Education Stabilization Fund	Indiana Department of Education					
Governor's Emergency Education Relief (GEER) Fund		84.425C	S425C200018	87,054	41,351	128,405
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	4,647	-	4,647
Elementary and Secondary School Emergency Relief (ESSER II) Fund		84.425D	S425D210013	108,435	32,506	140,941
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund		84.425U	S425U200013	69,599	124,094	193,693
				<u>269,735</u>	<u>197,951</u>	<u>467,686</u>
Total - COVID-19 Education Stabilization Fund						
				<u>422,332</u>	<u>427,380</u>	<u>849,712</u>
Total - Department of Education						
<u>Department of Health and Human Services</u>						
Medicaid Cluster	Indiana Department of Education					
Medical Assistance Program (Medicaid; Title XIX)		93.778	FY2022, FY2023	35,929	3,757	39,686
				<u>35,929</u>	<u>3,757</u>	<u>39,686</u>
Total - Department of Health and Human Services						
<u>Department of Homeland Security</u>						
IDHS Public Assistance	Indiana Department of Homeland Security					
FEMA/COVID-19		97.036	385PA4515000000	-	6,335	6,335
				<u>-</u>	<u>6,335</u>	<u>6,335</u>
Total - Department of Homeland Security						
				<u>-</u>	<u>6,335</u>	<u>6,335</u>
Total federal awards expended				<u>\$ 974,039</u>	<u>\$ 736,892</u>	<u>\$ 1,710,931</u>

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

LANESVILLE COMMUNITY SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period of July 1, 2021 through June 30, 2023

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, 2021 through June 30, 2023. 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, 2021 through June 30, 2023.

NOTE 4 - SPECIAL EDUCATION COOPERATIVE (ALN: 84.027, 84.173)

The School Corporation is a member of the Harrison County Exceptional Learners 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
Lanesville Community School Corporation
Harrison 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 Lanesville Community School Corporation ("School Corporation"), which comprise the statement of receipts, disbursements, other financing sources (uses), and cash and investment balances of the School Corporation as of June 30, 2023 and for the period July 1, 2021 through June 30, 2023 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 14, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 14, 2024



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

Those Charged with Governance
Lanesville Community School Corporation
Harrison County, Indiana

Report on Compliance for Major Federal Program

Qualified Opinion on Major Federal Program

We have audited Lanesville Community School Corporation (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, 2021 through June 30, 2023. 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, except for the noncompliance described in the Basis for Qualified Opinion section of our report, the School Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Child Nutrition Cluster for the period of July 1, 2021 through June 30, 2023.

Basis for Qualified 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.

Matter Giving Rise to Qualified Opinion on the Child Nutrition Cluster

As described in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with requirements regarding ALN 10.555 Child Nutrition Cluster as described in finding number 2023-002 for Procurement and Suspension and Debarment. Compliance with such requirements is necessary, in our opinion, for the School Corporation to comply with the requirements applicable to that program.

(Continued)

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 its 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.

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on the School Corporation's response to the noncompliance findings 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.

(Continued)

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-001, 2023-002, and 2023-003 to be material weaknesses.

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 compliance findings 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 14, 2024

LANESVILLE COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 July 1, 2021 through June 30, 2023

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	Qualified		
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>
10.555	Child Nutrition Cluster - Qualified

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.

(Continued)

LANESVILLE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2021 through June 30, 2023

Section III – Federal Award Findings and Questioned Costs

FINDING 2023-001

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: 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY 21-22, FY 22-23
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Eligibility
Audit Finding: Material Weakness

Criteria: 2 CFR section 200.303 states in part:

"The non-Federal entity must:

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

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

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

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

Questioned Costs: There were no questioned costs identified.

Context: During testing of 21 students sampled for eligibility, we noted 7 instances where there was no documented review by someone other than the individual making the eligibility determination. The lack of review was isolated to online applications.

Identification as a repeat finding, if applicable: No.

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

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

(Continued)

LANESVILLE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2021 through June 30, 2023

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

FINDING 2023-002

Information on the federal program:

Subject: Child Nutrition Cluster – Procurement and Suspension and Debarment
Federal Agency: Department of Agriculture
Federal Program: National School Lunch Program
Assistance Listing Number: 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY 21-22, FY 22-23
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Procurement and Suspension and Debarment
Audit Finding: Material Weakness, Modified Opinion, Noncompliance

Criteria: 2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 200.318(a) states: "The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part."

2 CFR 200.320 states in part:

"The non-Federal Entity must use one of the following methods of procurement. . . ."

(b) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources. . . ."

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 grant agreement and the Procurement and Suspension and Debarment compliance requirement.

(Continued)

LANESVILLE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2021 through June 30, 2023

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

FINDING 2023-002 (Continued)

Cause: Management had not established a system of internal controls that would have ensured compliance with the Procurement and Suspension and Debarment compliance requirement.

Effect: The failure to design and implement an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement could have resulted in the loss of federal funds to the School Corporation.

Questioned Costs: There were no questioned costs identified.

Context: For the 1 small purchase procurement selected for testing, the School Corporation did not obtain quotes from 3 vendors as required. Additionally, the School Corporation did not perform a suspension and debarment check on the vendor. The total purchases in FY22 from the vendor totaled \$114,041 for food purchases. The noncompliance is isolated to FY22.

Identification as a repeat finding, if applicable: No.

Recommendation: We recommended that the School Corporation's management establish a system of internal controls to ensure compliance and comply with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

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

FINDING 2023-003

Information on the federal program:

Subject: Child Nutrition Cluster - Internal Controls
Federal Agency: Department of Agriculture
Federal Program: National School Lunch Program
Assistance Listing Number: 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY 21-22, FY 22-23
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Activities Allowed or Unallowed, Allowable Costs/Cost Principles
Audit Finding: Material Weakness

Criteria: 2 CFR section 200.303 states in part: "The non-Federal entity must:

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

(Continued)

LANESVILLE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2021 through June 30, 2023

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

FINDING 2023-003 (Continued)

Condition: An effective internal control system was not in place at the School Corporation to ensure compliance with requirements related to the grant agreement and the activities allowed or unallowed and allowable costs/cost principle compliance requirements.

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

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

Questioned Costs: \$719.

Context: During testing of 40 payroll transactions for allowability, we noted 4 instances where employees were paid for time not related to food service duties. The employees worked on a Saturday for an academic honors banquet. The honors banquet event was not related to food service, and thus should not have been charged to the child nutrition cluster program.

Identification as a repeat finding, if applicable: No.

Recommendation: We recommend that the School Corporation establish a documented, primary review of all time cards and payroll registers to ensure amounts charged to the child nutrition cluster relate to food service duties only.

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



Lanesville Community School Corporation

Dr Ryan Apple
Superintendent

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Lanesville, IN 47136-8601

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Fax: 812-952-3762
Email: appler@lanesville.k12.in.us

CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS

June 30, 2023

Finding 2023-001 – Child Nutrition Cluster – Eligibility

Contact Person Responsible for Corrective Action: Sandy Denny- Food Service Director
Contact Phone Number: 812.952.2555 ext. 250

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: We will implement a formal review of the meal system income threshold parameters used to ensure the eligibility determinations are correct.

Anticipated Completion Date: July 2024 (new school year)

Finding 2023-002 – Child Nutrition Cluster – Procurement and Suspension and Debarment

Contact Person Responsible for Corrective Action: Sandy Denny-Food Service Director
Contact Phone Number: 812.952.2555 ext. 250

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: We will ensure all procurements obtain the required number of quotes and a debarment/ suspension check is performed as required.

Anticipated Completion Date: July 2024 (new school year)

Finding 2023-003 – Child Nutrition Cluster – Activities Allowed or Unallowed, Allowable Costs/Cost Principles

Contact Person Responsible for Corrective Action: Sandy Denny- Food Service Director & Carrie Simler- Payroll & HR
Contact Phone Number: Sandy Denny 812.952.2555 ext. 250 & Carrie Simler 812.952.2555 ext.362

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: We will review all food service payroll charges to ensure only payroll related to food service duties is charged to the child nutrition cluster program.

Anticipated Completion Date: April 2024