

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

FINANCIAL STATEMENT AND
FEDERAL COMPLIANCE AUDIT REPORT
OF

NORTHEASTERN WAYNE SCHOOL CORPORATION

WAYNE COUNTY, INDIANA

July 1, 2021 to June 30, 2023



FILED
03/26/2024



STATE OF INDIANA
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March 26, 2024

To: The Officials of the Northeastern Wayne School Corporation
Northeastern Wayne School Corporation
Wayne County, Indiana

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the Northeastern Wayne 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 statement referred to above 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 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 39 through 42. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on pages 43 and 44.

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 Northeastern Wayne 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".

Tammy R. White, CPA
Deputy State Examiner

NORTHEASTERN WAYNE SCHOOL CORPORATION
Wayne County, Indiana

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

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NORTHEASTERN WAYNE SCHOOL CORPORATION
SCHEDULE OF OFFICIALS (Unaudited)
July 1, 2021 through June 30, 2023

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Trisha Thomas	07-01-21 to 06-30-23
Superintendent of Schools	Dr. Matthew Hicks	07-01-21 to 06-30-23
President of the School Board	Keith Webster	01-01-21 to 12-31-22
	Shawntel Baker	01-01-23 to 12-31-24

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Northeastern Wayne School Corporation
Wayne 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 Northeastern Wayne 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 18, 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 18, 2024

NORTHEASTERN WAYNE 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	\$ 1,487,248	\$ 9,555,840	\$ 7,908,175	\$ (1,542,899)	\$ 1,592,014	\$ 10,069,725	\$ 8,117,399	\$ (1,736,906)	\$ 1,807,434
Debt Service	651,399	1,124,466	1,116,734	-	659,131	1,058,657	1,111,960	-	605,828
Retirement/ Severance Bond Debt Service	136,038	235,577	235,194	-	136,421	236,953	238,203	-	135,171
Operations	1,231,790	1,552,814	2,930,537	1,050,000	904,067	1,665,009	3,057,522	1,550,000	1,061,554
Local Rainy Day	205,855	-	-	500,000	705,855	-	-	200,000	905,855
Retirement/ Severance Bond	86,367	-	31,797	-	54,570	-	31,992	-	22,578
Construction -2001	5,268	-	-	-	5,268	-	-	-	5,268
2019-2020 Construction	466,081	-	370,332	-	95,749	-	81,519	-	14,230
School Lunch	194,259	763,428	690,202	-	267,485	801,471	796,876	-	272,080
Curricular Materials Rental	78,983	286,708	116,984	-	248,707	405,635	368,450	-	285,892
Levy Excess	414	-	-	-	414	-	-	-	414
Latchkey	50,070	81,285	66,998	-	64,357	17,956	22,197	-	60,116
School Wellness Program	-	10,556	1,609	-	8,947	5,235	7,115	-	7,067
Educational License Plates	2,007	56	-	-	2,063	-	-	-	2,063
Lilly	34,441	-	34,653	-	(212)	-	(212)	-	-
Wayne County Foundation	3,250	-	738	-	2,512	-	-	-	2,512
United Way	25,154	-	25,154	-	-	-	-	-	-
Reid Health (Donations Gifts And Trusts	-	-	-	-	-	6,000	-	-	6,000
Formative Assessment	-	15,999	8,140	-	7,859	15,570	23,429	-	-
Student Learning Recovery Grant Program	-	-	-	-	-	22,943	22,943	-	-
Medicaid Reimbursement State	39,594	6,332	-	(1,590)	44,336	23,460	-	-	67,796
Secured Schools Safety Grant	-	69,809	69,809	-	-	36,145	36,145	-	-
Alternative Education Grant	-	-	-	-	-	6,000	6,000	-	-
Early Intervention Grant	2,333	1,144	2,333	-	1,144	3,232	4,376	-	-
Career And Technical Performance Grant	1,684	-	-	-	1,684	110	1,752	-	42
Career/Tech Perf Grant	1,569	-	-	-	1,569	-	-	-	1,569
Teacher Appreciation Grant	-	46,646	45,266	-	1,380	48,157	48,157	-	1,380
High Ability Students	24,786	27,754	41,868	-	10,672	25,608	31,412	-	4,868
State Connectivity Grant	10,842	1,683	-	-	12,525	2,863	-	-	15,388

(Continued)

NORTHEASTERN WAYNE 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>
Title V Mch Block Grant	\$ -	\$ 2,390	\$ 2,390	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Title I FY	(297,537)	307,938	10,432	-	(31)	-	(31)	-	-
Title I	-	182,609	207,438	-	(24,829)	275,431	281,831	-	(31,229)
Mckinney Vento (19-20) Year 1	-	1,000	1,000	-	-	-	-	-	-
Mckinney Vento (20-21) Year 2	-	25,000	25,000	-	-	-	-	-	-
Mckinney Vento	-	-	-	-	-	25,000	25,000	-	-
Title IV	-	-	13,664	-	(13,664)	19,875	7,531	-	(1,320)
Medicaid Reimb - Federal	68,265	12,761	3,178	(5,511)	72,337	13,556	2,791	(13,094)	70,008
Title II	(39,647)	96,490	85,745	-	(28,902)	40,128	32,119	-	(20,893)
Title VI Rural Low Income School	(19,647)	-	11,912	-	(31,559)	29,308	24,525	-	(26,776)
3E Grant (Explore Engage Experience)	-	-	-	-	-	9,000	-	-	9,000
Homeless Children And Youth (Arpa-Essa)	-	6,149	6,149	-	-	-	-	-	-
ESSER III	-	371,364	405,610	-	(34,246)	274,435	467,310	-	(227,121)
ESSER II	(5,623)	682,301	679,667	-	(2,989)	102,875	112,393	-	(12,507)
ESSER I	(20,881)	42,263	21,382	-	-	-	-	-	-
Build Learn Grow Stabilization Grant	-	430,319	124,311	-	306,008	-	299,783	-	6,225
Prepaid School Lunch Accounts	11,002	38,983	40,237	-	9,748	233,559	234,439	-	8,868
Federal Taxes	-	533,675	533,675	-	-	551,903	551,903	-	-
Social Security Teaching	-	371,400	371,400	-	-	370,399	370,399	-	-
Social Security Non Teaching	-	171,081	171,081	-	-	193,890	193,890	-	-
State Deduction-Indiana	-	209,770	209,770	-	-	218,203	218,203	-	-
State Deduction-Ohio	-	11,249	11,249	-	-	10,188	10,188	-	-
County Adjusted Gross Income	-	95,555	95,555	-	-	98,185	98,185	-	-
P/R Deductions-Teacher Retire	-	-	-	-	-	84,669	84,669	-	-
P/R Deduction-Perf	-	49,507	49,507	-	-	57,227	57,227	-	-
Annuities - Deduction	-	50,541	50,541	-	-	50,884	50,884	-	-
Health Insurance - Group	-	144,579	144,579	-	-	189,809	189,809	-	-
Life Insurance	-	664	664	-	-	537	489	-	48
Dependent Life Insurance	-	-	-	-	-	58	55	-	3

(Continued)

NORTHEASTERN WAYNE 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
Dental Insurance	\$ -	\$ 29,717	\$ 29,717	\$ -	\$ -	\$ 38,651	\$ 38,651	\$ -	\$ -
Vision Insurance	-	7,436	7,436	-	-	9,295	9,295	-	-
HSA Employer Paid	-	-	-	-	-	-	-	-	-
HSA Section 125	-	53,448	53,448	-	-	56,961	56,961	-	-
Teacher Dues - Deduction	-	418	418	-	-	-	-	-	-
Wage Assignment	-	1,145	1,145	-	-	10,810	10,810	-	-
Cancer - Section 125	-	23,178	23,178	-	-	24,996	24,996	-	-
First Cancer - Secton 125	-	5,218	5,218	-	-	5,490	5,490	-	-
Accident Insurance Section 125	-	14,373	14,373	-	-	16,338	16,338	-	-
Life Ins Section 125	-	33,062	33,062	-	-	38,534	38,534	-	-
Hospital Insurance Section 125	-	2,126	2,126	-	-	2,467	2,467	-	-
Long Term Disability Premiums	-	4,248	4,248	-	-	4,538	4,538	-	-
Reimb Medical Sect 125	-	15,254	15,254	-	-	17,431	17,431	-	-
Critical Illness (Amer Fid)	-	1,928	1,928	-	-	1,836	1,836	-	-
Disability (Amer Fid)	-	12,669	12,669	-	-	12,574	12,574	-	-
Dependent Care Flex (Amer Fid)	-	1,750	1,750	-	-	-	-	-	-
Misc Clearing Acct	-	7,407	6,657	-	750	12,176	12,926	-	-
Totals	\$ 4,435,364	\$ 17,831,062	\$ 17,185,286	\$ -	\$ 5,081,140	\$ 17,551,945	\$ 17,573,674	\$ -	\$ 5,059,411

See notes to financial statement.

NORTHEASTERN WAYNE 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)

NORTHEASTERN WAYNE 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)

NORTHEASTERN WAYNE 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)

NORTHEASTERN WAYNE 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.

NOTE 7 - HOLDING CORPORATION

The School Corporation has entered into a series of capital leases with the Northeastern Wayne Jr./Sr. High 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 \$897,400. Lease payments for the period July 1, 2022 through June 30, 2023 totaled \$892,625.

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.

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.

(Continued)

NORTHEASTERN WAYNE 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)

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.

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.

(Continued)

NORTHEASTERN WAYNE 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)

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)

NORTHEASTERN WAYNE 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	Debt Service	Retirement/ Severance Bond Debt Service	Operations	Local Rainy Day	Retirement/ Severance Bond	Construction - 2001	2019-2020 Construction	School Lunch	Curricular Materials Rental	Levy Excess	Latchkey	School Wellness Program	Educational License Plates
Cash and investments - beginning	\$ 1,487,248	\$ 651,399	\$ 136,038	\$ 1,231,790	\$ 205,855	\$ 86,367	\$ 5,268	\$ 466,081	\$ 194,259	\$ 78,983	\$ 414	\$ 50,070	\$ -	\$ 2,007
Receipts:														
Local sources	308,791	1,124,466	235,577	1,526,230	-	-	-	-	39,912	241,554	-	81,285	-	-
Intermediate sources	122	-	-	-	-	-	-	-	-	-	-	-	-	56
State sources	9,173,111	-	-	-	-	-	-	-	-	45,154	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	723,516	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	73,816	-	-	26,584	-	-	-	-	-	-	-	-	10,556	-
Total receipts	9,555,840	1,124,466	235,577	1,552,814	-	-	-	-	763,428	286,708	-	81,285	10,556	56
Disbursements:														
Instruction	6,261,308	-	-	-	-	-	-	-	-	-	-	56,975	-	-
Support services	1,646,867	-	-	2,653,220	-	31,797	-	-	-	116,984	-	10,023	-	-
Noninstructional services	-	-	-	-	-	-	-	-	690,202	-	-	-	1,609	-
Facilities acquisition and construction	-	-	-	277,317	-	-	-	370,332	-	-	-	-	-	-
Debt services	-	1,116,734	235,194	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	7,908,175	1,116,734	235,194	2,930,537	-	31,797	-	370,332	690,202	116,984	-	66,998	1,609	-
Excess (deficiency) of receipts over disbursements	1,647,665	7,732	383	(1,377,723)	-	(31,797)	-	(370,332)	73,226	169,724	-	14,287	8,947	56
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	7,101	-	-	1,050,000	500,000	-	-	-	-	-	-	-	-	-
Transfers out	(1,550,000)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(1,542,899)	-	-	1,050,000	500,000	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	104,766	7,732	383	(327,723)	500,000	(31,797)	-	(370,332)	73,226	169,724	-	14,287	8,947	56
Cash and investments - ending	\$ 1,592,014	\$ 659,131	\$ 136,421	\$ 904,067	\$ 705,855	\$ 54,570	\$ 5,268	\$ 95,749	\$ 267,485	\$ 248,707	\$ 414	\$ 64,357	\$ 8,947	\$ 2,063

(Continued)

NORTHEASTERN WAYNE 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

	Lilly	Wayne County Foundation	United Way	Reid Health (Donations Gifts And Trusts	Formative Assessment	Student Learning Recovery Grant Program	Medicaid Reimbursement State	Secured Schools Safety Grant	Alternative Education Grant	Early Intervention Grant	Career And Technical Performance Grant	Career/Tech Perf Grant	Teacher Appreciation Grant
Cash and investments - beginning	\$ 34,441	\$ 3,250	\$ 25,154	\$ -	\$ -	\$ -	\$ 39,594	\$ -	\$ -	\$ 2,333	\$ 1,684	\$ 1,569	\$ -
Receipts:													
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	15,999	-	6,332	69,809	-	1,144	-	-	46,646
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	15,999	-	6,332	69,809	-	1,144	-	-	46,646
Disbursements:													
Instruction	34,653	738	25,154	-	8,140	-	-	-	-	2,333	-	-	45,266
Support services	-	-	-	-	-	-	-	69,809	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	34,653	738	25,154	-	8,140	-	-	69,809	-	2,333	-	-	45,266
Excess (deficiency) of receipts over disbursements	(34,653)	(738)	(25,154)	-	7,859	-	6,332	-	-	(1,189)	-	-	1,380
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(1,590)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	(1,590)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(34,653)	(738)	(25,154)	-	7,859	-	4,742	-	-	(1,189)	-	-	1,380
Cash and investments - ending	\$ (212)	\$ 2,512	\$ -	\$ -	\$ 7,859	\$ -	\$ 44,336	\$ -	\$ -	\$ 1,144	\$ 1,684	\$ 1,569	\$ 1,380

(Continued)

NORTHEASTERN WAYNE 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

	High Ability Students	State Connectivity Grant	Title V Mch Block Grant	Title I FY	Title I	Mckinney Vento (19-20) Year 1	Mckinney Vento (20-21) Year 2	Mckinney Vento	Title IV	Medicaid Reimb - Federal	Title II	Title VI Rural Low Income School	3E Grant (Explore Engage Experience)	Homeless Children And Youth (Arpa- Essa)
Cash and investments - beginning	\$ 24,786	\$ 10,842	\$ -	\$ (297,537)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 68,265	\$ (39,647)	\$ (19,647)	\$ -	\$ -
Receipts:														
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	27,754	1,683	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	2,390	307,938	182,609	1,000	25,000	-	-	12,761	96,490	-	-	6,149
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	27,754	1,683	2,390	307,938	182,609	1,000	25,000	-	-	12,761	96,490	-	-	6,149
Disbursements:														
Instruction	41,868	-	2,390	3,697	168,498	1,000	25,000	-	13,664	1,775	85,745	11,912	-	6,149
Support services	-	-	-	6,735	38,940	-	-	-	-	1,403	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	41,868	-	2,390	10,432	207,438	1,000	25,000	-	13,664	3,178	85,745	11,912	-	6,149
Excess (deficiency) of receipts over disbursements	(14,114)	1,683	-	297,506	(24,829)	-	-	-	(13,664)	9,583	10,745	(11,912)	-	-
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	(5,511)	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	(5,511)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(14,114)	1,683	-	297,506	(24,829)	-	-	-	(13,664)	4,072	10,745	(11,912)	-	-
Cash and investments - ending	\$ 10,672	\$ 12,525	\$ -	\$ (31)	\$ (24,829)	\$ -	\$ -	\$ -	\$ (13,664)	\$ 72,337	\$ (28,902)	\$ (31,559)	\$ -	\$ -

(Continued)

NORTHEASTERN WAYNE 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

	ESSER III	ESSER II	ESSER I	Build Learn Grow Stabilization Grant	Prepaid School Lunch Accounts	Federal Taxes	Social Security Teaching	Social Security Non Teaching	State Deduction- Indiana	State Deduction- Ohio	County Adjusted Gross Income	P/R Deductions- Teacher Retire	P/R Deduction- Perf	Annuities - Deduction
Cash and investments - beginning	\$ -	\$ (5,623)	\$ (20,881)	\$ -	\$ 11,002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:														
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	371,364	682,301	42,263	430,319	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	38,983	533,675	371,400	171,081	209,770	11,249	95,555	-	49,507	50,541
Total receipts	371,364	682,301	42,263	430,319	38,983	533,675	371,400	171,081	209,770	11,249	95,555	-	49,507	50,541
Disbursements:														
Instruction	405,610	618,610	11,382	98,488	-	-	-	-	-	-	-	-	-	-
Support services	-	61,057	-	25,823	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	10,000	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	40,237	533,675	371,400	171,081	209,770	11,249	95,555	-	49,507	50,541
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	405,610	679,667	21,382	124,311	40,237	533,675	371,400	171,081	209,770	11,249	95,555	-	49,507	50,541
Excess (deficiency) of receipts over disbursements	(34,246)	2,634	20,881	306,008	(1,254)	-	-	-	-	-	-	-	-	-
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	(34,246)	2,634	20,881	306,008	(1,254)	-	-	-	-	-	-	-	-	-
Cash and investments - ending	\$ (34,246)	\$ (2,989)	\$ -	\$ 306,008	\$ 9,748	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

NORTHEASTERN WAYNE 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

	Health Insurance - Group	Life Insurance	Dependent Life Insurance	Dental Insurance	Vision Insurance	HSA Employer Paid	HSA Section 125	Teacher Dues - Deduction	Wage Assignment	Cancer - Section 125	First Cancer - Section 125
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	144,579	664	-	29,717	7,436	-	53,448	418	1,145	23,178	5,218
Total receipts	144,579	664	-	29,717	7,436	-	53,448	418	1,145	23,178	5,218
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	144,579	664	-	29,717	7,436	-	53,448	418	1,145	23,178	5,218
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	144,579	664	-	29,717	7,436	-	53,448	418	1,145	23,178	5,218
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

NORTHEASTERN WAYNE 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

	Accident Insurance Section 125	Life Ins Section 125	Hospital Insurance Section 125	Long Term Disability Premiums	Reimb Medical Sect 125	Critical Illness (Amer Fid)	Disability (Amer Fid)	Dependent Care Flex (Amer Fid)	Misc Clearing Acct	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,435,364
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	3,557,815
Intermediate sources	-	-	-	-	-	-	-	-	-	178
State sources	-	-	-	-	-	-	-	-	-	9,387,632
Federal sources	-	-	-	-	-	-	-	-	-	2,884,100
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	14,373	33,062	2,126	4,248	15,254	1,928	12,669	1,750	7,407	2,001,337
Total receipts	14,373	33,062	2,126	4,248	15,254	1,928	12,669	1,750	7,407	17,831,062
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	7,930,355
Support services	-	-	-	-	-	-	-	-	-	4,662,658
Noninstructional services	-	-	-	-	-	-	-	-	-	701,811
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	647,649
Debt services	-	-	-	-	-	-	-	-	-	1,351,928
Nonprogrammed charges	14,373	33,062	2,126	4,248	15,254	1,928	12,669	1,750	6,657	1,890,885
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	14,373	33,062	2,126	4,248	15,254	1,928	12,669	1,750	6,657	17,185,286
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	-	750	645,776
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	1,557,101
Transfers out	-	-	-	-	-	-	-	-	-	(1,557,101)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	-	-	750	645,776
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 750	\$ 5,081,140

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

	Education	Debt Service	Retirement/ Severance Bond Debt Service	Operations	Local Rainy Day	Retirement/ Severance Bond	Construction - 2001	2019-2020 Construction	School Lunch	Curricular Materials Rental	Levy Excess	Latchkey	School Wellness Program	Educational License Plates
Cash and investments - beginning	\$ 1,592,014	\$ 659,131	\$ 136,421	\$ 904,067	\$ 705,855	\$ 54,570	\$ 5,268	\$ 95,749	\$ 267,485	\$ 248,707	\$ 414	\$ 64,357	\$ 8,947	\$ 2,063
Receipts:														
Local sources	265,240	1,058,657	236,953	1,635,199	-	-	-	-	233,408	357,115	-	17,956	-	-
Intermediate sources	121	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	9,793,126	-	-	-	-	-	-	-	-	48,520	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	567,991	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	11,238	-	-	29,810	-	-	-	-	72	-	-	-	5,235	-
Total receipts	10,069,725	1,058,657	236,953	1,665,009	-	-	-	-	801,471	405,635	-	17,956	5,235	-
Disbursements:														
Instruction	6,175,375	-	-	-	-	-	-	-	-	-	-	22,197	-	-
Support services	1,942,024	-	-	2,830,032	-	31,992	-	-	-	368,450	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	796,876	-	-	-	7,115	-
Facilities acquisition and construction	-	-	-	227,490	-	-	-	81,519	-	-	-	-	-	-
Debt services	-	1,111,960	238,203	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	8,117,399	1,111,960	238,203	3,057,522	-	31,992	-	81,519	796,876	368,450	-	22,197	7,115	-
Excess (deficiency) of receipts over disbursements	1,952,326	(53,303)	(1,250)	(1,392,513)	-	(31,992)	-	(81,519)	4,595	37,185	-	(4,241)	(1,880)	-
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	13,094	-	-	1,550,000	200,000	-	-	-	-	-	-	-	-	-
Transfers out	(1,750,000)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(1,736,906)	-	-	1,550,000	200,000	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	215,420	(53,303)	(1,250)	157,487	200,000	(31,992)	-	(81,519)	4,595	37,185	-	(4,241)	(1,880)	-
Cash and investments - ending	\$ 1,807,434	\$ 605,828	\$ 135,171	\$ 1,061,554	\$ 905,855	\$ 22,578	\$ 5,268	\$ 14,230	\$ 272,080	\$ 285,892	\$ 414	\$ 60,116	\$ 7,067	\$ 2,063

(Continued)

NORTHEASTERN WAYNE 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

	Lilly	Wayne County Foundation	United Way	Reid Health (Donations Gifts And Trusts)	Formative Assessment	Student Learning Recovery Grant Program	Medicaid Reimbursement State	Secured Schools Safety Grant	Alternative Education Grant	Early Intervention Grant	Career And Technical Performance Grant	Career/Tech Perf Grant	Teacher Appreciation Grant
Cash and investments - beginning	\$ (212)	\$ 2,512	\$ -	\$ -	\$ 7,859	\$ -	\$ 44,336	\$ -	\$ -	\$ 1,144	\$ 1,684	\$ 1,569	\$ 1,380
Receipts:													
Local sources	-	-	-	6,000	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	15,570	22,943	23,460	36,145	6,000	3,232	110	-	48,157
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	6,000	15,570	22,943	23,460	36,145	6,000	3,232	110	-	48,157
Disbursements:													
Instruction	(212)	-	-	-	23,429	22,943	-	-	-	4,376	1,752	-	48,157
Support services	-	-	-	-	-	-	-	36,145	6,000	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	(212)	-	-	-	23,429	22,943	-	36,145	6,000	4,376	1,752	-	48,157
Excess (deficiency) of receipts over disbursements	212	-	-	6,000	(7,859)	-	23,460	-	-	(1,144)	(1,642)	-	-
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	212	-	-	6,000	(7,859)	-	23,460	-	-	(1,144)	(1,642)	-	-
Cash and investments - ending	\$ -	\$ 2,512	\$ -	\$ 6,000	\$ -	\$ -	\$ 67,796	\$ -	\$ -	\$ -	\$ 42	\$ 1,569	\$ 1,380

(Continued)

NORTHEASTERN WAYNE 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

	High Ability Students	State Connectivity Grant	Title V Mch Block Grant	Title I FY	Title I	Mckinney Vento (19-20) Year 1	Mckinney Vento (20-21) Year 2	Mckinney Vento	Title IV	Medicaid Reimb - Federal	Title II	Title VI Rural Low Income School	3E Grant (Explore Engage Experience)	Homeless Children And Youth (Arpa- Essa)
Cash and investments - beginning	\$ 10,672	\$ 12,525	\$ -	\$ (31)	\$ (24,829)	\$ -	\$ -	\$ -	\$ (13,664)	\$ 72,337	\$ (28,902)	\$ (31,559)	\$ -	\$ -
Receipts:														
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	25,608	2,863	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	275,431	-	-	25,000	19,875	13,556	40,128	29,308	9,000	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	25,608	2,863	-	-	275,431	-	-	25,000	19,875	13,556	40,128	29,308	9,000	-
Disbursements:														
Instruction	31,412	-	-	(31)	223,947	-	-	25,000	7,531	1,334	24,415	24,525	-	-
Support services	-	-	-	-	57,884	-	-	-	-	1,457	7,704	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	31,412	-	-	(31)	281,831	-	-	25,000	7,531	2,791	32,119	24,525	-	-
Excess (deficiency) of receipts over disbursements	(5,804)	2,863	-	31	(6,400)	-	-	-	12,344	10,765	8,009	4,783	9,000	-
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	(13,094)	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	(13,094)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,804)	2,863	-	31	(6,400)	-	-	-	12,344	(2,329)	8,009	4,783	9,000	-
Cash and investments - ending	\$ 4,868	\$ 15,388	\$ -	\$ -	\$ (31,229)	\$ -	\$ -	\$ -	\$ (1,320)	\$ 70,008	\$ (20,893)	\$ (26,776)	\$ 9,000	\$ -

(Continued)

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

	ESSER III	ESSER II	ESSER I	Build Learn Grow Stabilization Grant	Prepaid School Lunch Accounts	Federal Taxes	Social Security Teaching	Social Security Non Teaching	State Deduction- Indiana	State Deduction- Ohio	County Adjusted Gross Income	P/R Deductions- Teacher Retire
Cash and investments - beginning	\$ (34,246)	\$ (2,989)	\$ -	\$ 306,008	\$ 9,748	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	274,435	102,875	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	233,559	551,903	370,399	193,890	218,203	10,188	98,185	84,669
Total receipts	274,435	102,875	-	-	233,559	551,903	370,399	193,890	218,203	10,188	98,185	84,669
Disbursements:												
Instruction	318,253	28,193	-	274,332	-	-	-	-	-	-	-	-
Support services	46,257	84,200	-	25,451	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	102,800	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	234,439	551,903	370,399	193,890	218,203	10,188	98,185	84,669
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	467,310	112,393	-	299,783	234,439	551,903	370,399	193,890	218,203	10,188	98,185	84,669
Excess (deficiency) of receipts over disbursements	(192,875)	(9,518)	-	(299,783)	(880)	-	-	-	-	-	-	-
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	(192,875)	(9,518)	-	(299,783)	(880)	-	-	-	-	-	-	-
Cash and investments - ending	\$ (227,121)	\$ (12,507)	\$ -	\$ 6,225	\$ 8,868	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

NORTHEASTERN WAYNE 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

	P/R Deduction- Perf	Annuities - Deduction	Health Insurance - Group	Life Insurance	Dependent Life Insurance	Dental Insurance	Vision Insurance	HSA Employer Paid	HSA Section 125	Teacher Dues - Deduction	Wage Assignment	Cancer - Section 125
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	57,227	50,884	189,809	537	58	38,651	9,295	-	56,961	-	10,810	24,996
Total receipts	57,227	50,884	189,809	537	58	38,651	9,295	-	56,961	-	10,810	24,996
Disbursements:												
Instruction	-	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	57,227	50,884	189,809	489	55	38,651	9,295	-	56,961	-	10,810	24,996
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	57,227	50,884	189,809	489	55	38,651	9,295	-	56,961	-	10,810	24,996
Excess (deficiency) of receipts over disbursements	-	-	-	48	3	-	-	-	-	-	-	-
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	-	-	-	48	3	-	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 48	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

NORTHEASTERN WAYNE 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

	First Cancer - Secton 125	Accident Insurance Section 125	Life Ins Section 125	Hospital Insurance Section 125	Long Term Disability Premiums	Reimb Medical Sect 125	Critical Illness (Amer Fid)	Disability (Amer Fid)	Dependent Care Flex (Amer Fid)	Misc Clearing Acct	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 750	\$ 5,081,140
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	3,810,528
Intermediate sources	-	-	-	-	-	-	-	-	-	-	121
State sources	-	-	-	-	-	-	-	-	-	-	10,025,734
Federal sources	-	-	-	-	-	-	-	-	-	-	1,357,599
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	5,490	16,338	38,534	2,467	4,538	17,431	1,836	12,574	-	12,176	2,357,963
Total receipts	5,490	16,338	38,534	2,467	4,538	17,431	1,836	12,574	-	12,176	17,551,945
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	7,256,928
Support services	-	-	-	-	-	-	-	-	-	-	5,437,596
Noninstructional services	-	-	-	-	-	-	-	-	-	-	803,991
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	411,809
Debt services	-	-	-	-	-	-	-	-	-	-	1,350,163
Nonprogrammed charges	5,490	16,338	38,534	2,467	4,538	17,431	1,836	12,574	-	12,926	2,313,187
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	5,490	16,338	38,534	2,467	4,538	17,431	1,836	12,574	-	12,926	17,573,674
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	-	-	(750)	(21,729)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	1,763,094
Transfers out	-	-	-	-	-	-	-	-	-	-	(1,763,094)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	-	-	-	(750)	(21,729)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,059,411

NORTHEASTERN WAYNE 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	\$ <u>684,232</u>	\$ <u>868,233</u>

NORTHEASTERN WAYNE 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:				
Northeastern Wayne Jr/ Sr High School Building Corporation	High School Renovation Project	\$ 760,500	7/15/2014	1/15/2031
Northeastern Wayne Jr/ Sr High School Building Corporation	2019 Construction Project	<u>129,000</u>	7/15/2020	7/15/2039
Total governmental activities		<u>889,500</u>		
Total of annual lease payments		<u>\$ 889,500</u>		

<u>Description of Debt</u>		<u>Ending Principal Balance</u>	<u>Principal Due Within One Year</u>
<u>Type</u>	<u>Purpose</u>		
Governmental activities:			
General Obligation Bonds	Debt Service for teacher retirement	\$ 350,000	\$ 230,000
Totals		<u>\$ 350,000</u>	<u>\$ 230,000</u>

NORTHEASTERN WAYNE 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	\$ 48,000
Infrastructure	39,142
Buildings	58,274,162
Improvements other than buildings	6,783,498
Machinery, equipment, and vehicles	<u>4,119,509</u>
 Total governmental activities	 <u>69,264,311</u>
 Total capital assets	 <u>\$ 69,264,311</u>

NORTHEASTERN WAYNE 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.

NORTHEASTERN WAYNE SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period of 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 07-01-21 to 06-30-23
<u>Department of Agriculture</u>						
Child Nutrition Cluster	Indiana Department of Education					
School Breakfast Program		10.553	FY2022, FY2023	\$ 148,566	\$ 79,630	\$ 228,196
National School Lunch Program		10.555	FY2022, FY2023	562,472	482,352	1,044,824
Commodities		10.555	FY2022, FY2023	60,777	41,499	102,276
Summer Food Service Program for Children		10.559	FY2022, FY2023	7,077	-	7,077
Total - Child Nutrition Cluster				<u>778,892</u>	<u>603,481</u>	<u>1,382,373</u>
Pandemic EBT Administrative Costs	Indiana Department of Education					
P-EBT Program		10.649	FY2022, FY2023	614	628	1,242
Total - Department of Agriculture				<u>779,506</u>	<u>604,109</u>	<u>1,383,615</u>
<u>Department of Education</u>						
Special Education Cluster (IDEA)						
Special Education Grants to States	Indiana Department of Education					
IDEA, Part B		84.027	21611-011-PN01	155,756	2,579	158,335
IDEA, Part B		84.027	22611-011-PN01	152,556	192,491	345,047
COVID-19 - Supplemental Funding - IDEA, Part B		84.027X	22611-011-ARP	-	50,138	50,138
IDEA, Part B		84.027	23611-011-PN01	-	134,380	134,380
Total - Special Education Grants to States				<u>308,312</u>	<u>379,588</u>	<u>687,900</u>
Special Education Preschool Grants	Indiana Department of Education					
IDEA, Preschool		84.173	21619-011-PN01	3,805	251	4,056
IDEA, Preschool		84.173	22619-011-PN01	-	6,564	6,564
COVID-19 - Supplemental Funding - IDEA, Preschool		84.173X	22619-011-ARP	-	5,669	5,669
Total - Special Education Preschool Grants				<u>3,805</u>	<u>12,484</u>	<u>16,289</u>
Total - Special Education Cluster (IDEA)				<u>312,117</u>	<u>392,072</u>	<u>704,189</u>
Title I Grants to Local Educational Agencies	Indiana Department of Education					
Title I, Part A		84.010A	S010A200014	307,938	-	307,938
Title I, Part A		84.010A	S010A210014	182,609	71,584	254,193
Title I, Part A		84.010A	S010A220014	-	203,847	203,847
Total - Title I Grants to Local Educational Agencies				<u>490,547</u>	<u>275,431</u>	<u>765,978</u>

(Continued)

NORTHEASTERN WAYNE SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period of 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 07-01-21 to 06-30-23
Education for Homeless Children and Youth	Indiana Department of Education					
McKinney Vento (19-20)		84.196	19-20	\$ 1,000	\$ -	\$ 1,000
McKinney Vento (20-21)		84.196	20-21	25,000	-	25,000
McKinney Vento (21-22)		84.196	21-22	-	25,000	25,000
Total - Education for Homeless Children and Youth				<u>26,000</u>	<u>25,000</u>	<u>51,000</u>
Rural Education	Indiana Department of Education					
Rural Low-Income School Grant Program		84.358B	S358B200014	-	29,308	29,308
Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367A	S367A180013	7,413	-	7,413
Title II, Part A		84.367A	S367A190013	43,047	-	43,047
Title II, Part A		84.367A	S367A200013	46,030	-	46,030
Title II, Part A		84.367A	S367A210013	-	40,128	40,128
Total - Supporting Effective Instruction State Grants				<u>96,490</u>	<u>40,128</u>	<u>136,618</u>
Student Support and Academic Enrichment Program	Indiana Department of Education					
Title IV, Part A		84.424	S424A210015	-	19,875	19,875
COVID-19 - Education Stabilization Fund	Indiana Department of Education					
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	42,263	-	42,263
Elementary and Secondary School Emergency Relief (ESSER II) Fund		84.425D	S425D200013	682,301	102,875	785,176
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund		84.425U	S425U210013	371,364	274,435	645,799
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP HCY II) Homeless Children and Youth Grant		84.425W	S425W210015	6,149	-	6,149
Total - COVID-19 - Education Stabilization Fund				<u>1,102,077</u>	<u>377,310</u>	<u>1,479,387</u>
Total - Department of Education				<u>2,027,231</u>	<u>1,159,124</u>	<u>3,186,355</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster	Indiana Family & Social Services Administration					
Medical Assistance Program		93.778	FY2022, FY2023	28,148	30,289	58,437
Total - Medicaid Cluster				<u>28,148</u>	<u>30,289</u>	<u>58,437</u>
Maternal and Child Health Block Grant to States	Indiana State Department of Health					
Go Garden Grant		93.994	FY2022	2,390	-	2,390
Total - Department of Health and Human Services				<u>30,538</u>	<u>30,289</u>	<u>60,827</u>
Total federal awards expended				<u>\$ 2,837,275</u>	<u>\$ 1,793,522</u>	<u>\$ 4,630,797</u>

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

NORTHEASTERN WAYNE 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, 84.027X, 84.173, 84.173X)

The School Corporation is a member of the East Central Special Services District 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
Northeastern Wayne School Corporation
Wayne 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 Northeastern Wayne 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 18, 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 statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a material weakness.

(Continued)

Report on Compliance and Other Matters

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

The School Corporation's Response to Finding

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

Purpose of this Report

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


Crowe LLP

Indianapolis, Indiana
March 18, 2024

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

Those Charged with Governance
Northeastern Wayne School Corporation
Wayne County, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Northeastern Wayne School Corporation's (School Corporation) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the School Corporation's major federal programs for the period of July 1, 2021 through June 30, 2023. The School Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the period of July 1, 2021 through June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School Corporation's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the School Corporation's federal programs.

(Continued)

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School Corporation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School Corporation's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the School Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

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

(Continued)

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

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

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

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

Crowe LLP

Crowe LLP

Indianapolis, Indiana
March 18, 2024

NORTHEASTERN WAYNE 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?	<u> X </u>	Yes	_____	No
Significant deficiencies identified not considered to be material weaknesses?	_____	Yes	<u> X </u>	None Reported

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

Internal control over major programs:

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

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

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

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
84.010A	Title I Grants to Local Educational Agencies
84.425D, 84.425U, 84.425W	COVID-19 - Education Stabilization Fund

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

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

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

Section II – Financial Statement Findings

FINDING 2023-001

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

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

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

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

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

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

2 CFR 200.508 states in part:

"The auditee must: . . .

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

Condition: The School Corporation did not report the Curricular Materials Rental fund activity for fiscal year 2022 or fiscal year 2023 resulting in material adjustment to the Annual Financial Report (AFR). There was no internal control in place to prevent, or detect and correct, this error on the Annual Financial Report (AFR) prior to submission to Gateway Portal.

Cause: The Curricular Materials Rental funds are tracked at the building level as an extra-curricular activity (ECA) fund and not reported within the Corporation's funds ledger. This requires the Curricular Materials Rental fund to be added manually to the AFR when completing the submission. Management had not established internal control that would have ensured proper inclusion of the Curricular Materials Rental fund and related activity on the AFR.

(Continued)

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

Section II – Financial Statement Findings (Continued)

FINDING 2023-001 (Continued)

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

- 1) An adjustment was posted to beginning balances as of July 1, 2021 to agree to the prior period audit report. The net impact on the beginning July 1, 2021 cash balance was an understatement of \$79,983 in the Curricular Materials Rental fund.
- 2) For the period of July 1, 2021 to June 30, 2022, the Curricular Materials Rental funds' receipt and disbursement amounts were understated by \$241,554 and \$71,830, respectively. The net impact on the ending June 30, 2022 cash balance was an understatement of \$169,724.
- 3) For the period of July 1, 2022 to June 30, 2023, the Curricular Materials Rental funds' receipt and disbursement amounts were understated by \$86,715 and \$319,930, respectively. The net impact on the ending June 30, 2023 cash balance was an overstatement of \$233,215.

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

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

Identification as a repeat finding, if applicable: No.

Recommendation: We recommended that the School Corporation's management establish a formal review over the AFR financial statement submission to ensure amounts reported are accurate and agree to underlying fund ledgers including disbursements, receipts, and other financing sources.

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

(Continued)

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

Section III – Federal Award Findings and Questioned Costs

FINDING 2023-002

Information on the federal program:

Subject: Education Stabilization Fund (ESSER) – Internal Controls
Federal Agency: Department of Education
Federal Program: COVID-19 – Education Stabilization Fund
Assistance Listing Number: 84.425D, 84.425U, 84.425W
Federal Award Numbers and Years (Or Other Identifying Numbers): S425D200013, S425U210013, S425W210015
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Equipment and Real Property Management
Audit Finding: Material Weakness

Criteria: 2 CFR section 200.313 states in part:

(a) ***Title.*** Subject to the requirements and conditions set forth in this section, title to equipment acquired under a Federal award will vest upon acquisition in the non-Federal entity. Unless a statute specifically authorizes the Federal agency to vest title in the non-Federal entity without further responsibility to the Federal Government, and the Federal agency elects to do so, the title must be a conditional title. Title must vest in the non-Federal entity subject to the following conditions:

- (1) Use the equipment for the authorized purposes of the project during the period of performance, or until the property is no longer needed for the purposes of the project.
- (2) Not encumber the property without approval of the Federal awarding agency or pass-through entity.
- (3) Use and dispose of the property in accordance with [paragraphs \(b\), \(c\), and \(e\)](#) of this section.

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

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

(Continued)

NORTHEASTERN WAYNE 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)

Condition: An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Equipment and Real Property Management 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. Noncompliance with the grant agreement and the Equipment and Real Property Management compliance requirement could result in the loss of future federal funds to the School Corporation.

Questioned Costs: \$5,163 (known questioned costs).

Context: There were three equipment purchases made during the audit period and charged to the ESF grants which totaled \$28,289 in the aggregate. During testing of equipment purchases, the following items were noted:

- For one of three equipment purchases selected for testing, we noted an equipment purchase for computer hardware totaling \$9,711 was not properly added to the School Corporation's capital asset ledger at June 30, 2023. The equipment purchase was charged to the ESSER III grant award (84.425U).
- For one of three equipment purchases selected for testing, we noted the equipment purchase was not pre-approved by the Indiana Department of Education (IDOE) within the approved grant application. The equipment purchase was for a middle school gym LED scoreboard in the amount of \$5,163 and was recorded under the general supplies - instruction expenditure account for the ESSER II grant award (84.425D). Purchases for equipment exceeding \$5,000 require pre-approval by the Indiana Department of Education (IDOE).

Identification as a repeat finding, if applicable: No.

Recommendation: We recommended that the School Corporation's management establish a system of controls to ensure all equipment expenditures under federal grants obtain proper pre-approval (as applicable) and are properly included on the School Corporation's capital asset ledger.

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



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CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS

June 30, 2023

Finding 2023-001

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

Condition: The School Corporation did not report the Curricular Materials Rental fund activity for fiscal year 2022 or fiscal year 2023 resulting in material adjustment to the Annual Financial Report (AFR). There was no internal control in place to prevent, or detect and correct, this error on the Annual Financial Report (AFR) prior to submission to Gateway Portal.

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

- 1) Prior period audit adjustments were not reflected in the AFR beginning balances as of July 1, 2021. The net impact on the beginning July 1, 2021 cash balance was an understatement of \$79,983 in the Curricular Materials Rental fund.
- 2) For the period of July 1, 2021 to June 30, 2022, the Curricular Materials Rental funds' receipt and disbursement amounts were understated by \$241,554 and \$71,830, respectively. The net impact on the ending June 30, 2022 cash balance was an understatement of \$169,724.
- 3) For the period of July 1, 2022 to June 30, 2023, the Curricular Materials Rental funds' receipt and disbursement amounts were understated by \$86,715 and \$319,930, respectively. The net impact on the ending June 30, 2023 cash balance was an overstatement of \$233,215.

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

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the finding and will take the following corrective action:

Northeastern Wayne School Corporation will work to segregate duties to help improve internal controls on all state and federal grants. All grants are written by the Superintendent and/or the Assistant Superintendent. All grants will be reviewed by the treasurer and the Superintendent prior to submission. All future AFR's will be reviewed by the individual responsible for the grant, reviewed and entered by the treasurer, and signed off on by the superintendent prior to submission. A printed version of the AFR with the treasurer's signature and the superintendent's signature will be kept on file.

Responsible party and timeline for completion: Trisha Thomas, Treasurer, and Dr. Matthew Hicks, Superintendent. This will be completed by the 2024 AFR.

FINDING 2023-002

Information on the federal program:

Subject: Education Stabilization Fund (ESSER) – Internal Controls

Federal Agency: Department of Education

Federal Program: COVID-19 – Education Stabilization Fund

Assistance Listing Number: 84.425D, 84.425U, 84.425W

Federal Award Numbers and Years (Or Other Identifying Numbers): S425D200013, S425U210013, S425W210015

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Equipment and Real Property Management

Audit Finding: Material Weakness

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

Context: There were three equipment purchases made during the audit period and charged to the ESF grants which totaled \$28,289 in the aggregate. During testing of equipment purchases, the following items were noted:

- For one of three equipment purchases selected for testing, we noted an equipment purchase for computer hardware totaling \$9,711 was not properly added to the School Corporation's capital asset ledger at June 30, 2023. The equipment purchase was charged to the ESSER III grant award (84.425U).
- For one of three equipment purchases selected for testing, we noted the equipment purchase was not pre-approved by the Indiana Department of Education (IDOE) within the approved grant application. The equipment purchase was for a middle school gym LED scoreboard in the amount of \$5,163 and was recorded under the general supplies - instruction expenditure account for the ESSER II grant award (84.425D). Purchases for equipment exceeding \$5,000 require pre-approval by the Indiana Department of Education (IDOE).

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the finding and will take the following corrective action:

Northeastern Wayne School Corporation will work to segregate duties to help improve internal controls on all state and federal grants. All grants are written by the Superintendent and/or the Assistant Superintendent. All grants will be reviewed by the treasurer and the Superintendent prior to submission. All future ESSR Amendments will be reviewed by the individual responsible for the grant, reviewed and entered by the treasurer, and signed off on by the superintendent prior to submission. A printed version of the ESSR III/ARP Amendment with the treasurer's signature and the superintendent's signature will be kept on file.

Responsible party and timeline for completion: Trisha Thomas, Treasurer, and Dr. Matthew Hicks, Superintendent. This will be completed by the December 2024 when the ESSR III/ARP Grant concludes.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2021-001

Subject: Preparation of the Schedule of Expenditures of Federal Awards
Audit Finding: Significant Deficiency

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

Context: During our testing of the SEFA, we noted there is no documented review of the annual financial report submitted via the Indiana Gateway Portal which includes the Grant Schedule used to compile the SEFA for audit.

The federal grant information entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the SEFA. Due to the lack of effective internal controls, the following error resulted in the understatement of the total federal awards reported on the SEFA by \$45,091 for the period July 1, 2019 through June 30, 2021:

- The Child Nutrition Cluster funds were understated by \$45,091.

Additionally, the assistance listing number for a Rural Education (ALN: 84.358) grant was incorrectly listed on the original SEFA as 84.538. Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA to correct the issues noted above.

Status: Resolved.

FINDING 2021-002

Information on the federal program:

Subject: Education Stabilization Fund – Timely Report of Annual Data Report
Federal Agency: Department of Education
Federal Program: COVID-19 – Education Stabilization Fund
Assistance Listing Number: 84.425C and 84.425D
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Finding: Significant Deficiency

Condition: The School Corporation did not have a review control in place to ensure the annual data report was reviewed by someone other than the preparer and that the report was submitted timely.

Context: The Annual Data Report for the period of March 13, 2020 to September 30, 2020 was due to the Indiana Department of Education (IDOE) by January 21, 2021. The School Corporation submitted the report on January 28, 2021. In addition, there was no documented review by someone other than the preparer of the report to ensure the information submitted was complete and accurate.

Status: Resolved.