

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

FINANCIAL STATEMENT AND
FEDERAL COMPLIANCE AUDIT REPORT
OF

SUNMAN-DEARBORN COMMUNITY
SCHOOL CORPORATION
DEARBORN COUNTY, INDIANA

July 1, 2021 to June 30, 2023



FILED
03/25/2024



STATE OF INDIANA
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March 25, 2024

To: The Officials of the Sunman-Dearborn Community School Corporation
Sunman-Dearborn Community School Corporation
Dearborn County, Indiana

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the Sunman-Dearborn Community School Corporation. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period July 1, 2021 to June 30, 2023. Per the *Independent Auditor's Report*, the financial statement referred to above presents fairly, in all material respects, the cash and investment balances of the Sunman-Dearborn Community 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 finding included in the report on pages 38 and 39. Please see the Schedule of Findings and Questioned Costs for complete details related to the finding. Management's Corrective Action Plan appears on page 40.

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

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

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

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

Tammy R. White, CPA
Deputy State Examiner

SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
Dearborn County, Indiana

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

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

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Mary Ann Baines	07-01-21 to 06-30-23
Superintendent of Schools	Dr. Andrew Jackson	07-01-21 to 06-30-23
President of the School Board	Michael Norman James Graf	01-01-21 to 12-31-22 01-01-23 to 12-31-24



INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Sunman-Dearborn Community School Corporation
Dearborn 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 Sunman-Dearborn Community School Corporation (the School Corporation) as of June 30, 2023 and for the period of July 1, 2021 through June 30, 2023, and the related notes to the financial statement.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement presents fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2023, and its cash receipts, cash disbursements, and other financing sources (uses) for the period of July 1, 2021 through June 30, 2023 in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the School Corporation as of June 30, 2023, or changes in net position for the period of July 1, 2021 through June 30, 2023.

Basis for Opinion

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

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

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

(Continued)

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

Responsibilities of Management for the Financial Statement

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

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

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

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

Supplementary Information

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

(Continued)

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

Other Information

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

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

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 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
February 26, 2024

SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the period July 1, 2021 through June 30, 2023

<u>Fund</u>	<u>Cash and Investments 07-01-2021</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Other Financing Sources (Uses)</u>	<u>Cash and Investments 06-30-2022</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Other Financing Sources (Uses)</u>	<u>Cash and Investments 06-30-2023</u>
Education Fund	\$ 1,303,871	\$ 26,781,692	\$ 24,544,226	\$ (1,489,943)	\$ 2,051,394	\$ 27,951,082	\$ 27,000,356	\$ (1,380,775)	\$ 1,621,345
Debt Service Fund	356,630	6,986,621	6,745,064	(65,652)	532,535	7,104,927	6,950,919	(22,763)	663,780
Pension Debt Fund	181,733	1,110,718	1,075,526	-	216,925	1,084,082	1,073,045	-	227,962
Operations Fund	3,307,685	8,838,549	9,946,718	1,500,000	3,699,516	9,738,873	11,369,154	1,400,000	3,469,235
Rainy Day Fund	5,726,348	-	-	-	5,726,348	-	-	-	5,726,348
Pension Bond Fund	9,409	-	5,270	-	4,139	-	-	-	4,139
Construction Fund	(402,861)	109	851,711	1,099,500	(154,963)	107	1,337,258	1,099,500	(392,614)
School Lunch	29,453	2,402,919	1,911,841	-	520,531	2,431,693	2,102,601	-	849,623
Adjustments	-	175	175	-	-	-	-	-	-
Textbook Rental	749,567	504,971	92,613	65,652	1,227,577	265,815	1,162,409	22,763	353,746
Sdis Outdoor Lab Partners	1,484	-	-	-	1,484	-	-	-	1,484
Ripley Co Foundation Grant	9	5,200	4,592	-	617	2,700	3,317	-	-
Ripley Co Drug Coalition	-	750	750	-	-	-	-	-	-
Dearborn Co Casa Grant	-	2,697	2,685	-	12	-	-	-	12
Forfeiture Account	-	-	-	-	-	155,000	155,000	-	-
Dearborn Co Ret Tchr Grant	-	-	-	-	-	1,000	1,000	-	-
Rising Sun Regional Grant 2022	-	-	-	-	-	13,000	-	-	13,000
Field Turf Replacement	66,350	32,550	-	-	98,900	26,700	-	-	125,600
Dairy Association Grant	1,500	-	-	-	1,500	-	-	-	1,500
Scholarship-Miller	25,000	-	-	-	25,000	-	-	-	25,000
Formative Assessment 21-22	-	40,431	33,125	-	7,306	39,803	32,033	-	15,076
S.E.E.C.	-	-	-	-	-	96,276	96,276	-	-
Summer Of Learning Grant	-	-	434	-	(434)	11,972	22,109	-	(10,571)
Tech Common School	-	299,250	299,250	-	-	329,927	329,927	-	-
Rod/Medicaid State	-	13,533	-	(10,057)	3,476	21,025	-	(19,225)	5,276
Secured Safety Grant 21-22	(39,426)	83,102	127,453	-	(83,777)	144,255	72,609	-	(12,131)
Early Int Grant 2022	-	2,437	2,413	-	24	10,317	4,749	-	5,592
NESP 2022-23	-	9,047	9,047	-	-	8,841	8,841	-	-

(Continued)

SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the period 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>
CTE Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 678	\$ -	\$ -	\$ 678
Tag 2021	(73)	139,926	138,602	-	1,251	141,002	140,551	-	1,702
High Ability 21-22	5,963	40,902	44,126	-	2,739	35,236	34,266	-	3,709
State Connectivity Grant 2021	14,755	12,760	15,465	-	12,050	8,520	12,050	-	8,520
Title I 2021-22	(5,808)	274,297	288,534	-	(20,045)	273,841	276,176	-	(22,380)
Spec Ed Part B 21-22	(49,260)	861,898	867,916	-	(55,278)	894,740	906,878	-	(67,416)
Preschool Grant 21-22	(896)	24,518	24,775	-	(1,153)	29,142	31,018	-	(3,029)
Title IV A FY21	-	8,831	10,826	-	(1,995)	32,972	30,977	-	-
Indiana MAC Claiming	26,076	48,075	2,602	-	71,549	66,837	3,261	-	135,125
Title IIA FY2021	(5,639)	83,693	84,486	-	(6,432)	89,627	93,009	-	(9,814)
ARP Part 611 Grant	-	5,730	5,730	-	-	-	184,572	-	(184,572)
ARP Part 619 Grant	-	-	-	-	-	-	789	-	(789)
Esser III	(22,502)	759,436	915,227	-	(178,293)	1,146,671	1,000,428	-	(32,050)
Esser II	(125,000)	752,927	643,538	-	(15,611)	145,377	130,432	-	(666)
Cares Act-Educ Stabilization Rel	(524)	654	130	-	-	-	-	-	-
Athletics	(734)	16,514	15,780	-	-	14,160	14,160	-	-
Pre-Paid Food	90,458	208,326	233,751	-	65,033	1,090,461	1,115,246	-	40,248
Federal Tax	-	1,817,102	1,817,102	-	-	1,928,517	1,928,517	-	-
Soc. Sec. Teach.	-	1,138,487	1,138,487	-	-	1,226,476	1,226,476	-	-
Soc. Sec. Non Teaching	-	473,408	473,408	-	-	530,653	530,653	-	-
Soc Sec Athletic Share	-	1,165	1,165	-	-	1,044	1,044	-	-
State Tax	-	638,064	638,064	-	-	685,295	685,295	-	-
CAGIT	-	256,759	256,759	-	-	279,637	279,637	-	-
TRF Voluntary Ded	-	6,932	6,932	-	-	7,614	7,614	-	-
PERF	-	153,885	153,885	-	-	177,735	177,735	-	-
PERF Voluntary Ded	-	1,394	1,394	-	-	1,403	1,403	-	-
Insurance	-	2,291	2,291	-	-	2,128	2,128	-	-
Insurance-Medical	-	1,046,036	1,046,036	-	-	898,655	898,655	-	-

(Continued)

SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the period 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
Insurance-Dental	\$ -	\$ 92,866	\$ 92,866	\$ -	\$ -	\$ 101,480	\$ 101,480	\$ -	\$ -
AFA-125 Before Taxes	-	2,600	2,600	-	-	2,471	2,471	-	-
Am. F. Assurance-After Taxes	-	1,848	1,848	-	-	1,933	1,933	-	-
Aflac Sec 125	-	54,076	54,076	-	-	53,659	53,659	-	-
Aflac	54	32,623	32,677	-	-	34,975	34,975	-	-
Annuities	-	758,078	758,078	-	-	868,438	868,438	-	-
HSA	-	215,732	215,732	-	-	224,807	224,807	-	-
Critical Illness	40	58,727	58,767	-	-	63,290	63,290	-	-
Anytime Fitness	-	3,445	3,445	-	-	2,057	2,057	-	-
Garnishments	-	-	-	-	-	6,248	6,248	-	-
Child Support	-	12,580	12,580	-	-	11,080	11,080	-	-
Adj-Old Checks	-	-	-	-	-	29	29	-	-
E-Pay	-	4,465,549	4,465,549	-	-	4,664,086	4,664,086	-	-
Totals	<u>\$ 11,243,662</u>	<u>\$ 61,586,885</u>	<u>\$ 60,178,122</u>	<u>\$ 1,099,500</u>	<u>\$ 13,751,925</u>	<u>\$ 65,180,369</u>	<u>\$ 67,469,126</u>	<u>\$ 1,099,500</u>	<u>\$ 12,562,668</u>

See notes to financial statements.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

NOTE 2 - BUDGETS

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

NOTE 3 - PROPERTY TAXES

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

(Continued)

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

NOTE 5 - RISK MANAGEMENT

The School Corporation may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters. These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the School Corporation to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

The School Corporation has purchased insurance to address the risks described above.

NOTE 6 - CASH BALANCE DEFICITS

The financial statement contains some funds with deficits in cash. This is a result of certain funds being set up for reimbursable grants, but for which reimbursement was not yet received by June 30, 2022, and 2023. The deficit in the Construction Fund is the result of construction disbursements incurred but not yet reimbursed as of June 30th each fiscal year. This deficit will be repaid from future receipts.

NOTE 7 - HOLDING CORPORATION

The School Corporation has entered into a series of capital leases with the Sunman-Dearborn 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 \$5,435,000. Lease payments for the period July 1, 2022 through June 30, 2023 totaled \$5,563,000.

NOTE 8 - PENSION PLANS

Public Employees' Retirement Fund

Plan Description

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

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

(Continued)

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

NOTE 8 - PENSION PLANS (Continued)

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

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

Financial Report

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

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

Contributions

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

Teachers' Retirement Fund

Plan Descriptions

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

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

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

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

(Continued)

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

NOTE 8 - PENSION PLANS (Continued)

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

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

Financial Report

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

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

Contributions

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

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

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

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS

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

(Continued)

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

NOTE 10 - SUBSEQUENT EVENTS

In September 2023, the School Corporation issued General Obligation Bonds in the amount of \$1,500,000 to finance the renovation and improvements to school facilities, including the purchase of equipment.

OTHER INFORMATION (Unaudited)

SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2021 through June 30, 2022

	Education Fund	Debt Service Fund	Pension Debt Fund	Operations Fund	Rainy Day Fund	Pension Bond Fund	Construction Fund	School Lunch	Adjustments	Textbook Rental	Sdis Outdoor Lab Partners	Ripley Co Foundation Grant	Ripley Co Drug Coalition
Cash and investments - beginning	\$ 1,303,871	\$ 356,630	\$ 181,733	\$ 3,307,685	\$ 5,726,348	\$ 9,409	\$ (402,861)	\$ 29,453	\$ -	\$ 749,567	\$ 1,484	\$ 9	\$ -
Receipts:													
Local sources	339,947	6,986,621	1,110,718	8,825,109	-	-	109	264,915	-	445,208	-	5,200	750
Intermediate sources	184	-	-	-	-	-	-	-	-	-	-	-	-
State sources	26,441,561	-	-	-	-	-	-	17,672	-	59,763	-	-	-
Federal sources	-	-	-	-	-	-	-	2,114,259	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	13,440	-	-	-	6,073	175	-	-	-	-
Total receipts	26,781,692	6,986,621	1,110,718	8,838,549	-	-	109	2,402,919	175	504,971	-	5,200	750
Disbursements:													
Instruction	19,789,490	-	-	-	-	-	503,374	-	-	-	-	-	-
Support services	4,600,165	-	-	9,398,728	-	5,270	326,236	18,268	-	92,613	-	-	750
Noninstructional services	154,571	-	-	79,139	-	-	-	1,893,573	-	-	-	4,592	-
Facilities acquisition and construction	-	-	-	467,005	-	-	22,101	-	-	-	-	-	-
Debt services	-	6,745,064	1,075,526	1,846	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	175	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	24,544,226	6,745,064	1,075,526	9,946,718	-	5,270	851,711	1,911,841	175	92,613	-	4,592	750
Excess (deficiency) of receipts over disbursements	2,237,466	241,557	35,192	(1,108,169)	-	(5,270)	(851,602)	491,078	-	412,358	-	608	-
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	1,099,500	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	10,057	-	-	1,500,000	-	-	-	-	-	65,652	-	-	-
Transfers out	(1,500,000)	(65,652)	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(1,489,943)	(65,652)	-	1,500,000	-	-	1,099,500	-	-	65,652	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	747,523	175,905	35,192	391,831	-	(5,270)	247,898	491,078	-	478,010	-	608	-
Cash and investments - ending	\$ 2,051,394	\$ 532,535	\$ 216,925	\$ 3,699,516	\$ 5,726,348	\$ 4,139	\$ (154,963)	\$ 520,531	\$ -	\$ 1,227,577	\$ 1,484	\$ 617	\$ -

(Continued)

SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2021 through June 30, 2022

	Dearborn Co Casa Grant	Forfeiture Account	Dearborn Co Ret Tchr Grant	Rising Sun Regional Grant 2022	Field Turf Replacement	Dairy Association Grant	Scholarship- Miller	Formative Assessment 21- 22	S.E.E.C.	Summer Of Learning Grant	Tech Common School	Rod/Medicaid State	Secured Safety Grant 21-22
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 66,350	\$ 1,500	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (39,426)
Receipts:													
Local sources	2,697	-	-	-	32,550	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	40,431	-	-	299,250	13,533	83,102
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	2,697	-	-	-	32,550	-	-	40,431	-	-	299,250	13,533	83,102
Disbursements:													
Instruction	-	-	-	-	-	-	-	-	-	-	-	-	-
Support services	2,685	-	-	-	-	-	-	33,125	-	434	299,250	-	127,453
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	2,685	-	-	-	-	-	-	33,125	-	434	299,250	-	127,453
Excess (deficiency) of receipts over disbursements	12	-	-	-	32,550	-	-	7,306	-	(434)	-	13,533	(44,351)
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	(10,057)	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	(10,057)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	12	-	-	-	32,550	-	-	7,306	-	(434)	-	3,476	(44,351)
Cash and investments - ending	\$ 12	\$ -	\$ -	\$ -	\$ 98,900	\$ 1,500	\$ 25,000	\$ 7,306	\$ -	\$ (434)	\$ -	\$ 3,476	\$ (83,777)

(Continued)

SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2021 through June 30, 2022

	Early Int Grant				State								
	2022	NESP 2022-23	CTE Funds	Tag 2021	High Ability	Connectivity	Title I 2021-22	Spec Ed Part B	Preschool	Title IV A FY21	Indiana MAC	Title IIA FY2021	ARP Part 611
					21-22	Grant 2021		21-22	Grant 21-22		Claiming		Grant
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (73)	\$ 5,963	\$ 14,755	\$ (5,808)	\$ (49,260)	\$ (896)	\$ -	\$ 26,076	\$ (5,639)	\$ -
Receipts:													
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	2,437	9,047	-	139,926	40,902	12,760	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	274,297	861,898	24,518	8,831	48,075	83,693	5,730
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	2,437	9,047	-	139,926	40,902	12,760	274,297	861,898	24,518	8,831	48,075	83,693	5,730
Disbursements:													
Instruction	-	9,047	-	134,191	44,126	-	288,718	596,613	24,775	852	-	-	-
Support services	2,413	-	-	4,411	-	15,465	(184)	271,303	-	9,974	2,602	84,486	5,730
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	2,413	9,047	-	138,602	44,126	15,465	288,534	867,916	24,775	10,826	2,602	84,486	5,730
Excess (deficiency) of receipts over disbursements	24	-	-	1,324	(3,224)	(2,705)	(14,237)	(6,018)	(257)	(1,995)	45,473	(793)	-
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	24	-	-	1,324	(3,224)	(2,705)	(14,237)	(6,018)	(257)	(1,995)	45,473	(793)	-
Cash and investments - ending	\$ 24	\$ -	\$ -	\$ 1,251	\$ 2,739	\$ 12,050	\$ (20,045)	\$ (55,278)	\$ (1,153)	\$ (1,995)	\$ 71,549	\$ (6,432)	\$ -

(Continued)

SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2021 through June 30, 2022

	ARP Part 619		Cares Act-Educ			Pre-Paid Food	Federal Tax	Soc. Sec.	Soc. Sec. Non	Soc Sec	State Tax	CAGIT	TRF Voluntary	PERF	PERF
	Grant	Esser III	Esser II	Stabilization Rel	Athletics			Teach.	Teaching	Athletic Share			Ded	Ded	Ded
Cash and investments - beginning	\$ -	\$ (22,502)	\$ (125,000)	\$ (524)	\$ (734)	\$ 90,458	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:															
Local sources	-	-	-	-	16,514	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	759,436	752,927	654	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	208,326	1,817,102	1,138,487	473,408	1,165	638,064	256,759	6,932	153,885	1,394
Total receipts	-	759,436	752,927	654	16,514	208,326	1,817,102	1,138,487	473,408	1,165	638,064	256,759	6,932	153,885	1,394
Disbursements:															
Instruction	-	762,615	642,398	-	-	-	-	-	-	-	-	-	-	-	-
Support services	-	96,219	1,140	130	6,248	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	9,532	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	56,393	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	1,817,102	1,138,487	473,408	1,165	638,064	256,759	6,932	153,885	1,394
Interfund loans	-	-	-	-	-	233,751	-	-	-	-	-	-	-	-	-
Total disbursements	-	915,227	643,538	130	15,780	233,751	1,817,102	1,138,487	473,408	1,165	638,064	256,759	6,932	153,885	1,394
Excess (deficiency) of receipts over disbursements	-	(155,791)	109,389	524	734	(25,425)	-	-	-	-	-	-	-	-	-
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	-	(155,791)	109,389	524	734	(25,425)	-	-	-	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ (178,293)	\$ (15,611)	\$ -	\$ -	\$ 65,033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2021 through June 30, 2022

	Insurance	Insurance- Medical	Insurance- Dental	AFA-125 Before Taxes	Am. F. Assurance- After Taxes	Aflac Sec 125	Aflac	Annuities	HSA	Critical Illness	Anytime Fitness	Garnishments	Child Support	Adj-Old Checks	E-Pay	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54	\$ -	\$ -	\$ 40	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,243,662
Receipts:																
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18,030,338
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	184
State sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27,160,384
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,934,318
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	2,291	1,046,036	92,866	2,600	1,848	54,076	32,623	758,078	215,732	58,727	3,445	-	12,580	-	4,465,549	11,461,661
Total receipts	2,291	1,046,036	92,866	2,600	1,848	54,076	32,623	758,078	215,732	58,727	3,445	-	12,580	-	4,465,549	61,586,885
Disbursements:																
Instruction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,796,199
Support services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,404,914
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,141,407
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	545,499
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,822,436
Nonprogrammed charges	2,291	1,046,036	92,866	2,600	1,848	54,076	32,677	758,078	215,732	58,767	3,445	-	12,580	-	4,465,549	11,233,916
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	233,751
Total disbursements	2,291	1,046,036	92,866	2,600	1,848	54,076	32,677	758,078	215,732	58,767	3,445	-	12,580	-	4,465,549	60,178,122
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	(54)	-	-	(40)	-	-	-	-	-	1,408,763
Other financing sources (uses):																
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,099,500
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,575,709
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,575,709)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,099,500
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	(54)	-	-	(40)	-	-	-	-	-	2,508,263
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,751,925

SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2022 through June 30, 2023

	Education Fund	Debt Service Fund	Pension Debt Fund	Operations Fund	Rainy Day Fund	Pension Bond Fund	Construction Fund	School Lunch	Adjustments	Textbook Rental	Sdis Outdoor Lab Partners	Ripley Co Foundation Grant	Ripley Co Drug Coalition	Dearborn Co Casa Grant
Cash and investments - beginning	\$ 2,051,394	\$ 532,535	\$ 216,925	\$ 3,699,516	\$ 5,726,348	\$ 4,139	\$ (154,963)	\$ 520,531	\$ -	\$ 1,227,577	\$ 1,484	\$ 617	\$ -	\$ 12
Receipts:														
Local sources	289,599	7,104,927	1,084,082	9,515,373	-	-	107	1,148,416	-	200,000	-	2,700	-	-
Intermediate sources	182	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	27,661,301	-	-	-	-	-	-	17,038	-	65,815	-	-	-	-
Federal sources	-	-	-	-	-	-	-	1,260,639	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	223,500	-	-	-	5,600	-	-	-	-	-	-
Total receipts	27,951,082	7,104,927	1,084,082	9,738,873	-	-	107	2,431,693	-	265,815	-	2,700	-	-
Disbursements:														
Instruction	22,214,267	-	-	-	-	-	35,710	-	-	-	-	-	-	-
Support services	4,643,958	-	-	10,898,972	-	-	997,574	39,026	-	1,162,409	-	-	-	-
Noninstructional services	142,131	-	-	77,445	-	-	-	2,063,575	-	-	-	3,317	-	-
Facilities acquisition and construction	-	-	-	392,737	-	-	303,974	-	-	-	-	-	-	-
Debt services	-	6,950,919	1,073,045	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	27,000,356	6,950,919	1,073,045	11,369,154	-	-	1,337,258	2,102,601	-	1,162,409	-	3,317	-	-
Excess (deficiency) of receipts over disbursements	950,726	154,008	11,037	(1,630,281)	-	-	(1,337,151)	329,092	-	(896,594)	-	(617)	-	-
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	-	1,099,500	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	19,225	-	-	1,400,000	-	-	-	-	-	22,763	-	-	-	-
Transfers out	(1,400,000)	(22,763)	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(1,380,775)	(22,763)	-	1,400,000	-	-	1,099,500	-	-	22,763	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(430,049)	131,245	11,037	(230,281)	-	-	(237,651)	329,092	-	(873,831)	-	(617)	-	-
Cash and investments - ending	\$ 1,621,345	\$ 663,780	\$ 227,962	\$ 3,469,235	\$ 5,726,348	\$ 4,139	\$ (392,614)	\$ 849,623	\$ -	\$ 353,746	\$ 1,484	\$ -	\$ -	\$ 12

(Continued)

SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2022 through June 30, 2023

	Forfeiture Account	Dearborn Co Ret Tchr Grant	Rising Sun Regional Grant 2022	Field Turf Replacement	Dairy Association Grant	Scholarship- Miller	Formative Assessment 21-22	S.E.E.C.	Summer Of Learning Grant	Tech Common School	Rod/Medicaid State	Secured Safety Grant 21-22	Early Int Grant 2022
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 98,900	\$ 1,500	\$ 25,000	\$ 7,306	\$ -	\$ (434)	\$ -	\$ 3,476	\$ (83,777)	\$ 24
Receipts:													
Local sources	155,000	1,000	13,000	26,700	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	39,803	96,276	11,972	329,927	21,025	144,255	10,317
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	155,000	1,000	13,000	26,700	-	-	39,803	96,276	11,972	329,927	21,025	144,255	10,317
Disbursements:													
Instruction	155,000	-	-	-	-	-	-	96,276	-	-	-	-	-
Support services	-	1,000	-	-	-	-	32,033	-	22,109	329,927	-	72,609	4,749
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	155,000	1,000	-	-	-	-	32,033	96,276	22,109	329,927	-	72,609	4,749
Excess (deficiency) of receipts over disbursements	-	-	13,000	26,700	-	-	7,770	-	(10,137)	-	21,025	71,646	5,568
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	(19,225)	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	(19,225)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	13,000	26,700	-	-	7,770	-	(10,137)	-	1,800	71,646	5,568
Cash and investments - ending	\$ -	\$ -	\$ 13,000	\$ 125,600	\$ 1,500	\$ 25,000	\$ 15,076	\$ -	\$ (10,571)	\$ -	\$ 5,276	\$ (12,131)	\$ 5,592

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SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2022 through June 30, 2023

	NESP 2022-23	CTE Funds	Tag 2021	High Ability 21-22	State Connectivity Grant 2021	Title I 2021-22	Spec Ed Part B 21-22	Preschool Grant 21-22	Title IV A FY21	Indiana MAC Claiming	Title IIA FY2021	ARP Part 611 Grant	ARP Part 619 Grant	Esser III	Esser II
Cash and investments - beginning	\$ -	\$ -	\$ 1,251	\$ 2,739	\$ 12,050	\$ (20,045)	\$ (55,278)	\$ (1,153)	\$ (1,995)	\$ 71,549	\$ (6,432)	\$ -	\$ -	\$ (178,293)	\$ (15,611)
Receipts:															
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	8,841	678	141,002	35,236	8,520	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	273,841	894,740	29,142	32,972	66,837	89,627	-	-	1,146,671	145,377
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	8,841	678	141,002	35,236	8,520	273,841	894,740	29,142	32,972	66,837	89,627	-	-	1,146,671	145,377
Disbursements:															
Instruction	8,841	-	136,409	33,586	-	276,176	74,491	31,018	-	-	-	2,245	789	557,638	130,432
Support services	-	-	4,142	680	12,050	-	832,387	-	30,977	3,261	93,009	78,766	-	442,790	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	103,561	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	8,841	-	140,551	34,266	12,050	276,176	906,878	31,018	30,977	3,261	93,009	184,572	789	1,000,428	130,432
Excess (deficiency) of receipts over disbursements	-	678	451	970	(3,530)	(2,335)	(12,138)	(1,876)	1,995	63,576	(3,382)	(184,572)	(789)	146,243	14,945
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	-	678	451	970	(3,530)	(2,335)	(12,138)	(1,876)	1,995	63,576	(3,382)	(184,572)	(789)	146,243	14,945
Cash and investments - ending	\$ -	\$ 678	\$ 1,702	\$ 3,709	\$ 8,520	\$ (22,380)	\$ (67,416)	\$ (3,029)	\$ -	\$ 135,125	\$ (9,814)	\$ (184,572)	\$ (789)	\$ (32,050)	\$ (666)

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SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2022 through June 30, 2023

	Cares Act-Educ Stabilization Rel	Athletics	Pre-Paid Food	Federal Tax	Soc. Sec. Teach.	Soc. Sec. Non Teaching	Soc Sec Athletic Share	State Tax	CAGIT	TRF Voluntary Ded	PERF PERF	PERF Voluntary Ded	Insurance	Insurance- Medical	Insurance- Dental
Cash and investments - beginning	\$ -	\$ -	\$ 65,033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:															
Local sources	-	14,160	1,090,461	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	1,928,517	1,226,476	530,653	1,044	685,295	279,637	7,614	177,735	1,403	2,128	898,655	101,480
Total receipts	-	14,160	1,090,461	1,928,517	1,226,476	530,653	1,044	685,295	279,637	7,614	177,735	1,403	2,128	898,655	101,480
Disbursements:															
Instruction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	14,160	1,115,246	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	1,928,517	1,226,476	530,653	1,044	685,295	279,637	7,614	177,735	1,403	2,128	898,655	101,480
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	14,160	1,115,246	1,928,517	1,226,476	530,653	1,044	685,295	279,637	7,614	177,735	1,403	2,128	898,655	101,480
Excess (deficiency) of receipts over disbursements	-	-	(24,785)	-	-	-	-	-	-	-	-	-	-	-	-
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	-	-	(24,785)	-	-	-	-	-	-	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ 40,248	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2022 through June 30, 2023

	AFA-125 Before Taxes	Am. F. Assurance- After Taxes	Aflac Sec 125	Aflac	Annuities	HSA	Critical Illness	Anytime Fitness	Garnishments	Child Support	Adj-Old Checks	E-Pay	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,751,925
Receipts:													
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	20,645,525
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	182
State sources	-	-	-	-	-	-	-	-	-	-	-	-	28,592,006
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	3,939,846
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	2,471	1,933	53,659	34,975	868,438	224,807	63,290	2,057	6,248	11,080	29	4,664,086	12,002,810
Total receipts	2,471	1,933	53,659	34,975	868,438	224,807	63,290	2,057	6,248	11,080	29	4,664,086	65,180,369
Disbursements:													
Instruction	-	-	-	-	-	-	-	-	-	-	-	-	23,752,878
Support services	-	-	-	-	-	-	-	-	-	-	-	-	19,702,428
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	3,415,874
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	800,272
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	8,023,964
Nonprogrammed charges	2,471	1,933	53,659	34,975	868,438	224,807	63,290	2,057	6,248	11,080	29	4,664,086	11,773,710
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	2,471	1,933	53,659	34,975	868,438	224,807	63,290	2,057	6,248	11,080	29	4,664,086	67,469,126
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	-	-	-	-	-	(2,288,757)
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	1,099,500
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	1,441,988
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	(1,441,988)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	1,099,500
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	-	-	-	-	-	-	(1,189,257)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,562,668

SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2023

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 997,322	\$ 405,898

SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2023

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities:				
Sunman Dearborn High School Building Corporation	Renovation and Addition to East Central High School	\$ 3,443,000	7/15/2013	1/15/2026
Sunman-Dearborn High School Buildings Corp 2020	Renovations to all buildings and Addition of Natatorium	<u>2,120,000</u>	1/15/2021	1/15/2038
Total governmental activities		<u>5,563,000</u>		
Total of annual lease payments		<u>\$ 5,563,000</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:			
Other	Common School Tech Loans	\$ 644,425	\$ 287,889
Other	Pension Bonds	<u>2,675,000</u>	<u>1,015,000</u>
Total governmental activities		<u>3,319,425</u>	<u>1,302,889</u>
Totals		<u>\$ 3,319,425</u>	<u>\$ 1,302,889</u>

SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2023

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 1,116,000
Infrastructure	2,632,087
Buildings	164,358,757
Machinery, equipment, and vehicles	9,605,196
Construction in progress	500,000
Books and other	<u>100,000</u>
 Total governmental activities	 <u>178,312,040</u>
 Total capital assets	 <u>\$ 178,312,040</u>

SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
STATE REPORTING INFORMATION
July 1, 2021 through 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.

SUNMAN-DEARBORN COMMUNITY 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	\$ 384,319	\$ 177,646	\$ 561,965
National School Lunch Program		10.555	FY2022, FY2023	1,695,933	900,289	2,596,222
Commodities		10.555	FY2022, FY2023	222,244	158,129	380,372
Summer Food Service Program for Children		10.559	FY2022, FY2023	<u>33,392</u>	<u>182,076</u>	<u>215,468</u>
Total - Child Nutrition Cluster				<u>2,335,888</u>	<u>1,418,140</u>	<u>3,754,027</u>
State Pandemic Electronic Benefit Transfer Administrative Costs Grants	Indiana Department of Education	10.649	FY2022, FY2023	<u>614</u>	<u>628</u>	<u>1,242</u>
Total - Department of Agriculture				<u>2,336,502</u>	<u>1,418,768</u>	<u>3,755,269</u>
<u>Department of Education</u>						
Special Education Cluster (IDEA)						
Special Education Grants to States	Indiana Department of Education					
IDEA, Part B		84.027	21611-164-PN01	98,413	-	98,413
COVID-19 - Supplemental Funding - IDEA, Part B		84.027X	22611-164-ARP	5,730	-	5,730
IDEA, Part B		84.027	22611-164-PN01	763,485	140,375	903,860
IDEA, Part B		84.027	23611-164-PN01	<u>-</u>	<u>754,365</u>	<u>754,365</u>
Total - Special Education Grants to States				<u>867,628</u>	<u>894,740</u>	<u>1,762,368</u>
Special Education Preschool Grants	Indiana Department of Education					
IDEA, Preschool		84.173	21619-164-PN01	8,328	-	8,328
IDEA, Preschool		84.173	22619-164-PN01	16,190	5,542	21,732
IDEA, Preschool		84.173	23619-164-PN01	<u>-</u>	<u>23,600</u>	<u>23,600</u>
Total - Special Education Preschool Grants				<u>24,518</u>	<u>29,142</u>	<u>53,660</u>
Total - Special Education Cluster (IDEA)				<u>892,146</u>	<u>923,882</u>	<u>1,816,028</u>
Title I Grants to Local Educational Agencies	Indiana Department of Education					
Title I, Part A		84.010A	S010A200014	19,001	-	19,001
Title I, Part A		84.010A	S010A210014	249,378	30,976	280,354
Title I, Part A		84.010A	S010A220014	<u>-</u>	<u>239,030</u>	<u>239,030</u>
Total - Title I Grants to Local Educational Agencies				<u>268,379</u>	<u>270,006</u>	<u>538,385</u>

(Continued)

SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period July 1, 2021 through June 30, 2023

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 06-30-23	Total Federal Awards Expended 07-01-21 to 06-30-23
Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367A	S367A200013	\$ 71,104	\$ -	\$ 71,104
Title II, Part A		84.367A	S367A210013	12,589	60,176	72,765
Title II, Part A		84.367A	S367A220013	-	29,452	29,452
Total - Supporting Effective Instruction State Grants				<u>83,693</u>	<u>89,628</u>	<u>173,321</u>
Student Support and Academic Enrichment Program	Indiana Department of Education					
Title IV, Part A		84.424	S424A200015	8,831	-	8,831
Title IV, Part A		84.424	S424A220015	-	20,120	20,120
Title IV, Part A		84.424	S424A210015	-	12,852	12,852
Total - Student Support and Academic Enrichment Program				<u>8,831</u>	<u>32,972</u>	<u>41,803</u>
COVID-19 - Education Stabilization Fund	Indiana Department of Education					
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	654	-	654
Elementary and Secondary School Emergency Relief (ESSER II) Fund		84.425D	S425D210013	752,927	145,377	898,304
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund		84.425U	S425U210013	759,436	1,146,671	1,906,107
Total - COVID-19 - Education Stabilization Fund				<u>1,513,017</u>	<u>1,292,048</u>	<u>2,805,065</u>
Total - Department of Education				<u>2,766,066</u>	<u>2,608,536</u>	<u>5,374,602</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster	IN Family and Social Services Admin					
Medical Assistance Program		93.778	FY2022, FY2023	48,075	66,837	114,912
Total - Department of Health and Human Services				<u>48,075</u>	<u>66,837</u>	<u>114,912</u>
Total federal awards expended				<u>\$ 5,150,643</u>	<u>\$ 4,094,141</u>	<u>\$ 9,244,783</u>

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

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

NOTE 1 - BASIS OF PRESENTATION

A. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the period of July 1, 2021 through June 30, 2023. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position of the School Corporation.

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

B. Other Significant Accounting Policies

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

NOTE 2 - INDIRECT COST RATE

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

NOTE 3 - OTHER INFORMATION

The School Corporation did not have any subrecipient activity for the period of July 1, 2021 through June 30, 2023.

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
Sunman-Dearborn Community School Corporation
Dearborn 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 Sunman-Dearborn Community School Corporation ("School Corporation"), which comprise the statement of receipts, disbursements, other financing sources (uses), and cash and investment balances of the School Corporation as of June 30, 2023 and for the period July 1, 2021 through June 30, 2023 and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement, and have issued our report thereon dated February 26, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

(Continued)

Report on Compliance and Other Matters

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

Purpose of this Report

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


Crowe LLP

Indianapolis, Indiana
February 26, 2024

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

Those Charged with Governance
Sunman-Dearborn Community School Corporation
Dearborn County, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Sunman-Dearborn Community School Corporation (School Corporation) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2023-001. Our opinion on each major federal program is not modified with respect to this matter.

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

Report on Internal Control Over Compliance

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

(Continued)

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 2023-001 to be a material weakness.

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

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

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

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


Crowe LLP

Indianapolis, Indiana
February 26, 2024

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

Section I – Summary of Auditor’s Results

Financial Statement

Type of auditor’s report issued: Adverse as to GAAP, Unmodified
as to regulatory basis

Internal control over financial reporting:

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

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

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

Federal Awards

Internal control over major programs:

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

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

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

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

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555, 10.559	Child Nutrition Cluster
84.425D, 84.425U	COVID-19 - Education Stabilization Fund

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

Auditee qualified as low-risk auditee? _____ Yes _____ X No

Section II – Financial Statement Findings

None noted.

(Continued)

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

Section III – Federal Award Findings and Questioned Costs

Finding 2023-001

Information on the federal program:

Subject: Education Stabilization Fund – Special Tests and Provisions - Wage Rate Requirements
Federal Agency: Department of Education
Federal Program: COVID-19 - Education Stabilization Fund
Assistance Listing Number: 84.425D, 84.425U
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Special Tests and Provisions - Wage Rate Requirements
Audit Findings: Material Weakness, Noncompliance

Criteria: 2 CFR section 200.303 states in part:

"The non-Federal entity must:

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

29 CFR 5.5 states in part:

a. The Agency head shall cause or require the contracting officer to insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a public building or public work, or building or work financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in §5.1, the following clauses...

(1) Minimum wages.

(i) All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics...

(3)(ii)(A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the (write in name of appropriate federal agency) if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant, sponsor, or owner, as the case may be, for transmission to the (write in name of agency).

(Continued)

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

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

Finding 2023-001 (Continued)

2 CFR 200 Appendix II states in part:

In addition to other provisions required by the Federal agency or non-Federal entity; all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable. . . .

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. . . .”

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 Special Tests and Provisions – Wage Rate Requirements compliance requirements. The School Corporation did not include Davis Bacon wage rate requirements in its contract with vendor which includes labor. The School Corporation did not obtain the weekly payroll reports certifications from a construction company and its subcontractors for a building project.

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 design and implement an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement and the Special Tests and Provisions – Wage Rate Requirements compliance requirement could result in the loss of future federal funds to the School Corporation.

Questioned Costs: There were no questioned costs identified.

Context: The School Corporation did not have an internal control designed to collect the weekly payroll reports certifications from a construction company and its subcontractors, as applicable, for building projects which included playground equipment. As of June 30, 2023, \$75,190 was disbursed related to this capital project. The construction payments represented approximately 2.7% of the Education Stabilization Fund expenditures for the audit period. Therefore, no review was performed to ensure that pay rates complied with the federal wage rate requirements. The construction contracts did not include clauses for federal wage rate requirements.

Identification as a repeat finding: No.

Recommendation: We recommend the School Corporation include Davis-Bacon wage requirements in vendor contracts which are federally funded and implement a formal process to ensure the required weekly payroll report certifications are collected and reviewed by management to ensure compliance with the federal wage rate requirements.

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



SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
1 TROJAN PLACE, SUITE B, ST. LEON, IN 47012

Dr. Andrew Jackson
Superintendent

Ms. Mary Ann Baines
Director of Financial Operations

Mr. Brandon Burress
Director of Student Services

Ms. Kelly Roth
Director of Student Services

Ms. Jamie Shartzter
Director of Transportation

CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS

June 30, 2023

Finding 2023-001

Information on the federal program:

Subject: Education Stabilization Fund – Special Tests and Provisions - Wage Rate Requirements
Federal Agency: Department of Education
Federal Program: COVID-19 - Education Stabilization Fund
Assistance Listing Number: 84.425D, 84.425U
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Special Tests and Provisions - Wage Rate Requirements
Audit Findings: Material Weakness, Noncompliance

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 Special Tests and Provisions – Wage Rate Requirements compliance requirements. The School Corporation did not include Davis Bacon wage rate requirements in its contract with vendor which includes labor. The School Corporation did not obtain the weekly payroll reports certifications from a construction company and its subcontractors for a building project.

Context: The School Corporation did not have an internal control designed to collect the weekly payroll reports certifications from a construction company and its subcontractors, as applicable, for building projects which included playground equipment. As of June 30, 2023, \$75,190 was disbursed related to this capital project. The construction payments represented approximately 2.7% of the Education Stabilization Fund expenditures for the audit period. Therefore, no review was performed to ensure that pay rates complied with the federal wage rate requirements. The construction contracts did not include clauses for federal wage rate requirements.

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding.

For any contracts related to projects with a cost of greater than \$2,000 for the construction, alternation, or repair of public buildings or public works and which are federally funded, management will include a Davis Bacon wage rate requirement clause in the contract or request the vendor to sign a certificate or contract amendment affirming the contractor will comply with federal wage requirements. Management will designate a project manager to oversee the federally funded project and ensure the collection of the required weekly payroll wage report and document their review verifying prevailing wages are being paid to contractors.

Responsible Party and Timeline for Completion: Mary Ann Baines, Director of Financial Operations/Treasurer, will oversee the corrective action plan which will be implemented immediately and steps will be taken to collect on wage reports for work performed since July 1, 2023.



SUNMAN-DEARBORN COMMUNITY SCHOOL CORPORATION
1 TROJAN PLACE, SUITE B, ST. LEON, IN 47012

Dr. Andrew Jackson
Superintendent

Ms. Mary Ann Baines
Director of Financial Operations

Mr. Brandon Burress
Director of Student Services

Ms. Kelly Roth
Director of Student Services

Ms. Jamie Shartzler
Director of Transportation

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2021-001

Subject: Preparation of the Schedule of Expenditures of Federal Awards

Audit Findings: Material Weakness

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

Context: The federal grant information entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the SEFA. During substantive testing of the SEFA, the following errors resulted in the net understatement of the total federal awards reported on the SEFA by \$283,045 for the period July 1, 2019, through June 30, 2021:

1. The Medicaid Cluster expenditures were understated by \$57,481.
2. The Education Stabilization Fund expenditures were understated by \$231,818.
3. The Supporting Effective Instruction State Grants expenditures were overstated by \$5,431.
4. The Title I Grants to Local Educational Agencies expenditures were overstated by \$823.

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

Status: Resolved.