



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

February 17, 2022

To: The Officials of the Union School Corporation
Union School Corporation
RR 1
Modoc, IN 47358

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Union School Corporation. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period July 1, 2018 to June 30, 2020. Per the *Independent Auditor's Report*, the financial statements included in the report present fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2019 and 2020, and its cash receipts disbursements, other financing sources (uses) for the years then ended in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

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

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

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

A handwritten signature in blue ink that reads "Paul D. Joyce".

Paul D. Joyce, CPA
State Examiner

UNION SCHOOL CORPORATION
Randolph County, Indiana

FINANCIAL STATEMENTS
June 30, 2019 and 2020

UNION SCHOOL CORPORATION
Randolph County, Indiana

FINANCIAL STATEMENTS
June 30, 2019 and 2020

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UNION SCHOOL CORPORATION
SCHEDULE OF OFFICIALS (Unaudited)
June 30, 2019 and 2020

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Abigail Lindsey	07-01-18 to 06-30-20
Superintendent of Schools	Michael Huber	07-01-18 to 06-30-20
President of the School Board	Christina Ogden	07-01-18 to 06-30-20

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Union School Corporation
Randolph County, Indiana

Report on the Financial Statement

We have audited the accompanying statements of receipts, disbursements, other financing sources (uses), and cash and investment balances of the Union School Corporation (the School Corporation) as of and for the years ended June 30, 2019 and 2020, and the related notes (the financial statements).

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of these financial statements 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. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

(Continued)

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

As discussed in Note 1 to the financial statements, the School Corporation prepares its financial statements 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.

The effects on the financial statements 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.

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 statements referred to above do 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, 2019 and 2020, or changes in net position or cash flows thereof for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2019 and 2020, and its cash receipts disbursements, other financing sources (uses) for the years then ended in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Officials and Supplementary Information Schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The information has not been subjected to the auditing procedures applied in the audits of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.


Crowe LLP

Indianapolis, Indiana
February 7, 2022

FINANCIAL STATEMENTS AND ACCOMPANYING NOTES

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

UNION SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Years Ended June 30, 2019 and 2020

Fund	Cash and Investments		Other Financing		Cash and Investments		Other Financing		Cash and Investments	
	07-01-18	Receipts	Disbursements	Sources (Uses)	06-30-19	Receipts	Disbursements	Sources (Uses)	06-30-20	
General	\$ 249,277	\$ 11,255,969	\$ 10,375,411	\$ (1,129,835)	\$ -	\$ -	\$ -	\$ -	\$ -	
Education	-	12,629,382	10,986,066	180,660	1,823,976	30,227,667	28,077,333	(840,000)	3,134,310	
Debt Service	162,725	426,803	388,461	-	201,067	355,282	191,900	-	364,449	
Retirement/Severance Bond Debt Service	88,227	92,077	133,988	-	46,316	25,145	66,840	-	4,621	
Operations	-	691,859	699,715	812,228	804,372	1,147,732	1,368,366	340,000	923,738	
Capital Projects	(10,618)	216,588	204,885	(1,085)	-	-	-	-	-	
School Transportation	301,203	134,010	138,212	(297,001)	-	-	-	-	-	
School Bus Replacement	204,246	32,039	18,144	(218,141)	-	-	-	-	-	
Local Rainy Day	580,168	-	35,669	784,639	1,329,138	-	-	500,000	1,829,138	
Retirement/Severance Bond	184,639	-	-	(184,639)	-	-	-	-	-	
Construction	339,915	-	339,915	-	-	-	-	-	-	
School Lunch	(60,384)	179,166	169,316	52,786	2,252	193,590	159,160	-	36,682	
Curricular Materials Rental	5,185	32,397	-	-	37,582	813	-	-	38,395	
Levy Excess	8,011	-	8,011	-	-	-	-	-	-	
Educational License Plates	938	-	-	-	938	-	-	-	938	
McDonald's Science Grant	181	-	-	-	181	-	-	5,407	5,588	
Miscellaneous Programs	5,248	-	-	-	5,248	-	-	(5,248)	-	
Lowe's Toolbox Grant	160	-	-	-	160	-	-	(160)	-	
Teacher Quality Improvement Program	1,606	-	-	-	1,606	-	-	-	1,606	
High Ability 2015-2016	24,374	12,037	2,739	-	33,672	-	-	-	33,672	
High Ability 2014-2015	6,141	-	-	-	6,141	-	-	(6,141)	-	
High Ability	25,591	13,036	9,836	-	28,791	-	13,775	(15,016)	-	
Alternative Education Grant	-	-	-	-	-	263,413	240,916	-	22,497	
Non-English Speaking Program	5,473	1,874	700	-	6,647	1,500	1,250	-	6,897	
School Technology	27,048	7,000	2,830	-	31,218	3,120	14,157	-	20,181	
Career and Technical Performance Grant	-	3,656	1,188	-	2,468	-	290	-	2,178	
High Ability Students	-	14,630	-	-	14,630	37,091	8,230	-	43,491	
Preschool	977	-	-	-	977	-	-	(977)	-	
Other State Funds	-	-	-	-	-	-	3,642	22,134	18,492	
Title I	57,177	89,502	111,975	-	34,704	33,933	79,889	-	(11,252)	
Title I 2014-2015	71,382	-	-	-	71,382	-	-	-	71,382	
Title I 2015-2016	(82,913)	-	-	-	(82,913)	-	-	-	(82,913)	
Title I 2019-2020	-	-	-	-	-	3,496	13,237	-	(9,741)	
Title I SIG	-	12,500	-	-	12,500	30,000	48,692	-	(6,192)	
IDEA	-	-	-	-	-	220,867	209,824	-	11,043	
Student Support, Title IV	-	-	-	-	-	9,893	9,893	-	-	
Title II, Part A, Supporting Effective Instruction	(145)	-	-	-	(145)	-	-	-	(145)	
Title II 18-19	-	-	-	-	-	16,985	18,205	-	(1,220)	
Title II 19-20	-	-	-	-	-	-	540	-	(540)	
Title II	(676)	-	-	-	(676)	-	-	-	(676)	
Rural Schools and Low Income Program	(17,989)	-	2,831	-	(20,820)	-	2,982	-	(23,802)	
Rural Schools & Low Income 19/20	-	-	-	-	-	4,787	12,984	-	(8,197)	
Fiscal Stabilization - Education	(388)	-	-	388	-	-	-	-	-	
Payroll Withholdings	(89,966)	755,543	563,852	1	101,726	631,973	638,509	-	95,190	
Totals	\$ 2,086,813	\$ 26,600,068	\$ 24,193,744	\$ 1	\$ 4,493,138	\$ 33,207,287	\$ 31,180,614	\$ (1)	\$ 6,519,810	

See notes to financial statements.

UNION SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: School Corporation, as used herein, shall include, but is not limited to, the following: 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 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.

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.

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.

(Continued)

UNION SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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:

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.

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.

(Continued)

UNION SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2020

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 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 February 15. These rates were based upon the preceding year's lien date (March 1 in a year ending before January 1, 2016 and January 1 in a year beginning after June 30, 2015) assessed valuations adjusted for various tax credits. 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 (PDIF). 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. Given the limited investment parameters applicable under state statute, certain risks, such as credit, custodial, concentration, and interest rate are not deemed significant.

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

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 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.

(Continued)

UNION SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2020

NOTE 6 - PENSION PLANS

Public Employees' Retirement Fund

Plan Description

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

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

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

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

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

Teachers' Retirement Fund

Plan Description

The Indiana Teachers' Retirement Fund (TRF) Defined Benefit Plan is a cost-sharing multiple-employer defined benefit pension plan and provides retirement, disability, and survivor benefits to plan members. TRF is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2 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 fund.

TRF is composed of two accounts: Teachers' Pre-1996 and Teachers' 1996. All legally qualified and regularly employed licensed teachers serving in State of Indiana public schools are eligible to participate in Teachers' 1996. Membership in Teachers' Pre-1996 is closed to new entrants. Generally, members hired before 1996 participate in this account and members hired after 1995 participate in Teachers' 1996. Both accounts have two components: the employer-funded defined benefit component and a defined contribution account.

(Continued)

UNION SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2020

NOTE 6 - PENSION PLANS (Continued)

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 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 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) is considered to be an obligation of, and is paid by, the State of Indiana.

NOTE 7 - CASH BALANCE DEFICITS

The Title II, Part A, Supporting Effective Instruction, Title II, and Rural Schools and Low Income Program deficits are a result of the funds being set up for reimbursement grant. The Title I 2015-2016 deficit is a result of needing funds transferred to the fund to cover the deficit in the year end June 30, 2019.

The Title I, Title I 2019-2020, Title I SIG, IDEA, Title II, Part A, Supporting Effective Instruction, Title II 18-19, Title II 19-20, Title II, Rural Schools and Low Income Program, and Rural Schools & Low Income 19/20 deficits are a result of the funds being set up for reimbursement grant. The Title I 2015-2016 deficit is a result of needing funds transferred to the fund to cover the deficit in the year end June 30, 2020.

NOTE 8 - HOLDING CORPORATION

The School Corporation has entered into a capital lease with the Union 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 during the years 2019 and 2020 totaled \$ 388,460 and \$189,550, respectively.

(Continued)

UNION SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2020

NOTE 9 - ESTABLISHMENT OF THE EDUCATION FUND AND OPERATIONS FUND

State statute (IC 20-40-2-2) required the establishment of an Education Fund to be used to pay expenses allocated to student instruction and learning. The balance in the School Corporation's General Fund as of December 31, 2018, was required to be transferred to the Education Fund on January 1, 2019 (IC 20-40-2-7).

In addition, an Operations Fund was required to be established under state statute (IC 20-40-18-1). The fund may be used to carry out capital project plans; pay transportation costs attributable to the transportation of school children; carry out a school bus replacement plan; pay expenses that are allocated to overhead and operational expenditures; provide funds to an art association or a historical society; and establish, maintain, and equip a public playground. The Indiana Codes establishing the Capital Projects Fund (IC 20-40-8-6); School Transportation (IC 20-40-6-4); School Bus Replacement (IC 20-40-7-5); Historical Fund; Playground Fund; and Art Fund were repealed effective January 1, 2019. Guidance was provided by the Indiana Department of Education to transfer the balances remaining in these funds as of December 31, 2018, to the Operations Fund.

The Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, issued by the Indiana State Board of Accounts, includes the chart of accounts used by school corporations which coincides with the State Board of Education's determined categories in accordance with state statute (IC 20-42.5-3-7).

SUPPLEMENTAL INFORMATION (Unaudited)

UNION SCHOOL CORPORATION
OTHER INFORMATION
June 30, 2020

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 statements 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 statements 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 presented was approved by management of the School Corporation. It is presented as intended by the School Corporation.

UNION SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2019

	General	Education	Debt Service	Retirement/ Severance Bond Debt Service	Operations	Capital Projects	School Transportation	School Bus Replacement	Local Rainy Day	Retirement/ Severance Bond	Construction	School Lunch	Curricular Materials Rental	Levy Excess
Cash and investments - beginning	\$ 249,277	\$ -	\$ 162,725	\$ 88,227	\$ -	\$ (10,618)	\$ 301,203	\$ 204,246	\$ 580,168	\$ 184,639	\$ 339,915	\$ (60,384)	\$ 5,185	\$ 8,011
Receipts:														
Local sources	43,796	37,768	426,803	92,077	691,859	216,588	134,010	32,039	-	-	-	179,166	1,279	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	11,212,173	12,591,614	-	-	-	-	-	-	-	-	-	-	31,118	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	11,255,969	12,629,382	426,803	92,077	691,859	216,588	134,010	32,039	-	-	-	179,166	32,397	-
Disbursements:														
Instruction	9,728,330	10,594,215	-	-	-	-	-	-	-	-	-	-	-	-
Support services	498,678	367,099	-	-	699,071	203,165	138,212	18,144	35,669	-	339,915	1,236	-	8,011
Noninstructional services	18,225	24,370	-	-	-	-	-	-	-	-	-	168,080	-	-
Facilities acquisition and construction	-	-	-	-	644	1,720	-	-	-	-	-	-	-	-
Debt services	544	382	388,461	133,988	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	129,634	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	10,375,411	10,986,066	388,461	133,988	699,715	204,885	138,212	18,144	35,669	-	339,915	169,316	-	8,011
Excess (deficiency) of receipts over disbursements	880,558	1,643,316	38,342	(41,911)	(7,856)	11,703	(4,202)	13,895	(35,669)	-	(339,915)	9,850	32,397	(8,011)
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	476,660	-	-	812,228	-	-	-	784,639	-	-	52,786	-	-
Transfers out	(1,129,835)	(296,000)	-	-	-	(1,085)	(297,001)	(218,141)	-	(184,639)	-	-	-	-
Total other financing sources (uses)	(1,129,835)	180,660	-	-	812,228	(1,085)	(297,001)	(218,141)	784,639	(184,639)	-	52,786	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(249,277)	1,823,976	38,342	(41,911)	804,372	10,618	(301,203)	(204,246)	748,970	(184,639)	(339,915)	62,636	32,397	(8,011)
Cash and investments - ending	\$ -	\$ 1,823,976	\$ 201,067	\$ 46,316	\$ 804,372	\$ -	\$ -	\$ -	\$ 1,329,138	\$ -	\$ -	\$ 2,252	\$ 37,582	\$ -

(Continued)

UNION SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2019

	Educational License Plates	McDonald's Science Grant	Miscellaneous Programs	Lowe's Toolbox Grant	Teacher Quality Improvement Program	High Ability 2015-2016	High Ability 2014-2015	High Ability	Non-English Speaking Program	School Technology	Career and Technical Performance Grant	High Ability Students	Preschool
Cash and investments - beginning	\$ 938	\$ 181	\$ 5,248	\$ 160	\$ 1,606	\$ 24,374	\$ 6,141	\$ 25,591	\$ 5,473	\$ 27,048	\$ -	\$ -	\$ 977
Receipts:													
Local sources	-	-	-	-	-	-	-	-	1,874	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	12,037	-	13,036	-	7,000	3,656	14,630	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	12,037	-	13,036	1,874	7,000	3,656	14,630	-
Disbursements:													
Instruction	-	-	-	-	-	2,739	-	9,836	700	-	1,188	-	-
Support services	-	-	-	-	-	-	-	-	-	2,830	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	2,739	-	9,836	700	2,830	1,188	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	9,298	-	3,200	1,174	4,170	2,468	14,630	-
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	-	-	-	-	-	9,298	-	3,200	1,174	4,170	2,468	14,630	-
Cash and investments - ending	\$ 938	\$ 181	\$ 5,248	\$ 160	\$ 1,606	\$ 33,672	\$ 6,141	\$ 28,791	\$ 6,647	\$ 31,218	\$ 2,468	\$ 14,630	\$ 977

(Continued)

UNION SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2019

	Title I	Title I 2014-2015	Title I 2015-2016	Title I SIG	Title II, Part A, Supporting Effective Instruction	Title II	Rural Schools and Low Income Program	Fiscal Stabilization Education	Payroll Withholdings	Totals
Cash and investments - beginning	\$ 57,177	\$ 71,382	\$ (82,913)	\$ -	\$ (145)	\$ (676)	\$ (17,989)	\$ (388)	\$ (89,966)	\$ 2,086,813
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	1,857,259
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	23,885,264
Federal sources	89,502	-	-	12,500	-	-	-	-	-	102,002
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	755,543	755,543
Total receipts	89,502	-	-	12,500	-	-	-	-	755,543	26,600,068
Disbursements:										
Instruction	104,236	-	-	-	-	-	-	-	-	20,441,244
Support services	7,739	-	-	-	-	-	2,831	-	-	2,322,600
Noninstructional services	-	-	-	-	-	-	-	-	-	210,675
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	2,364
Debt services	-	-	-	-	-	-	-	-	-	523,375
Nonprogrammed charges	-	-	-	-	-	-	-	-	563,852	693,486
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	111,975	-	-	-	-	-	2,831	-	563,852	24,193,744
Excess (deficiency) of receipts over disbursements	(22,473)	-	-	12,500	-	-	(2,831)	-	191,691	2,406,324
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	388	-	2,126,701
Transfers out	-	-	-	-	-	-	-	-	1	(2,126,700)
Total other financing sources (uses)	-	-	-	-	-	-	-	388	1	1
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(22,473)	-	-	12,500	-	-	(2,831)	388	191,692	2,406,325
Cash and investments - ending	\$ 34,704	\$ 71,382	\$ (82,913)	\$ 12,500	\$ (145)	\$ (676)	\$ (20,820)	\$ -	\$ 101,726	\$ 4,493,138

UNION SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2020

	Education	Debt Service	Retirement/ Severance Bond Debt Service	Operations	Local Rainy Day	School Lunch	Curricular Materials Rental	Levy Excess	Educational License Plates	McDonald's Science Grant	Miscellaneous Programs	Lowe's Toolbox Grant	Teacher Quality Improvement Program	High Ability 2015-2016
Cash and investments - beginning	\$ 1,823,976	\$ 201,067	\$ 46,316	\$ 804,372	\$ 1,329,138	\$ 2,252	\$ 37,582	\$ -	\$ 938	\$ 181	\$ 5,248	\$ 160	\$ 1,606	\$ 33,672
Receipts:														
Local sources	88,773	355,282	25,145	1,147,732	-	30,589	813	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	30,138,894	-	-	-	-	784	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	162,217	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	30,227,667	355,282	25,145	1,147,732	-	193,590	813	-	-	-	-	-	-	-
Disbursements:														
Instruction	27,574,747	-	-	-	-	-	-	-	-	-	-	-	-	-
Support services	464,253	-	-	1,327,392	-	-	-	-	-	-	-	-	-	-
Noninstructional services	35,182	-	-	-	-	159,160	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	3,112	-	-	-	-	-	-	-	-	-	-
Debt services	-	191,900	66,840	37,862	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	3,151	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	28,077,333	191,900	66,840	1,368,366	-	159,160	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	2,150,334	163,382	(41,695)	(220,634)	-	34,430	813	-	-	-	-	-	-	-
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	340,000	500,000	-	-	-	-	5,407	-	-	-	-
Transfers out	(840,000)	-	-	-	-	-	-	-	-	-	(5,248)	(160)	-	-
Total other financing sources (uses)	(840,000)	-	-	340,000	500,000	-	-	-	-	5,407	(5,248)	(160)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,310,334	163,382	(41,695)	119,366	500,000	34,430	813	-	-	5,407	(5,248)	(160)	-	-
Cash and investments - ending	\$ 3,134,310	\$ 364,449	\$ 4,621	\$ 923,738	\$ 1,829,138	\$ 36,682	\$ 38,395	\$ -	\$ 938	\$ 5,588	\$ -	\$ -	\$ 1,606	\$ 33,672

(Continued)

UNION SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2020

	High Ability 2014-2015	High Ability	Alternative Education Grant	Non-English Speaking Program	School Technology	Career and Technical Performance Grant	High Ability Students	Preschool	Other State Funds	Title I	Title I 2014-2015	Title I 2015-2016	Title I 2019-2020	Title I SIG	IDEA
Cash and investments - beginning	\$ 6,141	\$ 28,791	\$ -	\$ 6,647	\$ 31,218	\$ 2,468	\$ 14,630	\$ 977	\$ -	\$ 34,704	\$ 71,382	\$ (82,913)	\$ -	\$ 12,500	\$ -
Receipts:															
Local sources	-	-	-	1,500	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	263,413	-	3,120	-	37,091	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	33,933	-	-	3,496	30,000	220,867
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	263,413	1,500	3,120	-	37,091	-	-	33,933	-	-	3,496	30,000	220,867
Disbursements:															
Instruction	-	13,775	240,916	1,250	13,079	290	8,230	-	3,642	79,889	-	-	13,237	48,692	209,824
Support services	-	-	-	-	1,078	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	13,775	240,916	1,250	14,157	290	8,230	-	3,642	79,889	-	-	13,237	48,692	209,824
Excess (deficiency) of receipts over disbursements	-	(13,775)	22,497	250	(11,037)	(290)	28,861	-	(3,642)	(45,956)	-	-	(9,741)	(18,692)	11,043
Other financing sources (uses):															
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	22,134	-	-	-	-	-	-
Transfers out	(6,141)	(15,016)	-	-	-	-	-	(977)	-	-	-	-	-	-	-
Total other financing sources (uses)	(6,141)	(15,016)	-	-	-	-	-	(977)	22,134	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6,141)	(28,791)	22,497	250	(11,037)	(290)	28,861	(977)	18,492	(45,956)	-	-	(9,741)	(18,692)	11,043
Cash and investments - ending	\$ -	\$ -	\$ 22,497	\$ 6,897	\$ 20,181	\$ 2,178	\$ 43,491	\$ -	\$ 18,492	\$ (11,252)	\$ 71,382	\$ (82,913)	\$ (9,741)	\$ (6,192)	\$ 11,043

(Continued)

UNION SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2020

	Student Support, Title IV	Title II, Part A, Supporting Effective Instruction	Title II 18-19	Title II 19-20	Title II	Rural Schools and Low Income Program	Rural Schools & Low Income 19/20	Payroll Withholdings	Totals
Cash and investments - beginning	\$ -	\$ (145)	\$ -	\$ -	\$ (676)	\$ (20,820)	\$ -	\$ 101,726	\$ 4,493,138
Receipts:									
Local sources	-	-	-	-	-	-	-	-	1,649,834
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	4,787	-	30,448,089
Federal sources	9,893	-	16,985	-	-	-	-	-	477,391
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	631,973	631,973
Total receipts	9,893	-	16,985	-	-	-	4,787	631,973	33,207,287
Disbursements:									
Instruction	-	-	290	540	-	-	12,984	-	28,221,385
Support services	9,893	-	17,915	-	-	2,982	-	-	1,823,513
Noninstructional services	-	-	-	-	-	-	-	-	194,342
Facilities acquisition and construction	-	-	-	-	-	-	-	-	3,112
Debt services	-	-	-	-	-	-	-	-	296,602
Nonprogrammed charges	-	-	-	-	-	-	-	638,509	641,660
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	9,893	-	18,205	540	-	2,982	12,984	638,509	31,180,614
Excess (deficiency) of receipts over disbursements	-	-	(1,220)	(540)	-	(2,982)	(8,197)	(6,536)	2,026,673
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	867,541
Transfers out	-	-	-	-	-	-	-	-	(867,542)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	(1)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(1,220)	(540)	-	(2,982)	(8,197)	(6,536)	2,026,672
Cash and investments - ending	\$ -	\$ (145)	\$ (1,220)	\$ (540)	\$ (676)	\$ (23,802)	\$ (8,197)	\$ 95,190	\$ 6,519,810

UNION COUNTY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2020

<u>Government or Enterprise</u>	Accounts Payable	Accounts Receivable
Governmental activities	<u>\$ 355,157</u>	<u>\$ 350,757</u>

SCHEDULE OF LEASES AND DEBT
SCHEDULE OF PAYABLES AND RECEIVABLES

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities:				
-	-	\$ -	1/0/1900	1/0/1900
Union County School Building Corporation	Series 2016	592,000	7/15/2016	1/15/2024
Union County School Building Corporation	Series 2018	<u>781,000</u>	12/11/2018	12/31/2024
Total governmental activities		<u>1,373,000</u>		
Total of annual lease payments		<u>\$1,373,000</u>		

<u>Description of Debt</u>	<u>Purpose</u>	<u>Ending Principal Balance</u>	<u>Principal and Interest Due Within One Year</u>
<u>Type</u>			
Governmental activities:			
General obligation bonds	-	\$ -	\$ -
General obligation bonds	Pension Bond	<u>625,000</u>	<u>133,547</u>
Total governmental activities		<u>625,000</u>	<u>133,547</u>
Totals		<u>\$ 625,000</u>	<u>\$ 133,547</u>

UNION COUNTY SCHOOL CORPORATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2020

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	\$ 169,085
Buildings	23,918,781
Machinery, equipment, and vehicles	3,822,910
Construction in progress	5,000,000
Books and other	<u>1,286,258</u>
Total governmental activities	<u>34,197,034</u>
Total capital assets	<u>\$ 34,197,034</u>

UNION SCHOOL CORPORATION
OTHER REPORT
June 30, 2019 and 2020

The reports presented herein were prepared in addition to another official report prepared for the School Corporation as listed below:

Indiana State Board of Accounts Compliance Examination of the Union School Corporation.

The above report contains the results of the compliance examination as required by the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations*.

UNION SCHOOL CORPORATION
EXIT CONFERENCE
July 1, 2018 to June 30, 2020

The contents of this report were discussed on December 1, 2021 with Abbie Lindsey, Business Manager, Michael Huber, Superintendent, and Christa Ellis, Vice-President of the Board.