



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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INDIANAPOLIS, INDIANA 46204-2769

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February 17, 2022

To: The Officials of the Covington Community School Corporation
Covington Community School Corporation
1017 6th St
Covington, IN 47932

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Covington Community 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, and 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 Covington Community School Corporation was prepared in accordance with the guidelines established by the State Board of Accounts.

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

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

Paul D. Joyce, CPA
State Examiner

COVINGTON COMMUNITY SCHOOL CORPORATION
Fountain County, Indiana

FINANCIAL STATEMENTS
June 30, 2019 and 2020

COVINGTON COMMUNITY SCHOOL CORPORATION
Fountain County, Indiana

FINANCIAL STATEMENTS
June 30, 2019 and 2020

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

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Trudie J. Dillon	07-01-18 to 06-30-20
Superintendent of Schools	Dr. Kevin R. Smith	07-01-18 to 06-30-20
President of the School Board	Carolyn J. Lloyd	07-01-18 to 06-30-20

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Covington Community School Corporation
Fountain 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 Covington Community 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, and 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
Crowe LLP

Indianapolis, Indiana
February 10, 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.

COVINGTON COMMUNITY 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	\$ 1,429,050	\$ 2,758,766	\$ 3,010,151	\$ (1,177,665)	\$ -	\$ -	\$ -	\$ -	\$ -
Education	-	2,782,216	2,440,655	846,530	1,188,091	5,634,873	4,643,729	(487,163)	1,692,072
Debt Service	554,747	1,101,920	1,237,628	-	419,039	1,142,914	1,009,788	-	552,165
Operations	-	879,858	899,334	1,107,279	1,087,803	1,529,887	2,136,518	476,586	957,758
Capital Projects	534,327	325,771	498,485	(361,613)	-	-	-	-	-
School Transportation	305,527	195,806	266,454	(234,879)	-	-	-	-	-
School Bus Replacement	176,683	71,443	75,990	(172,136)	-	-	-	-	-
Local Rainy Day	1,585,857	-	-	-	1,585,857	31,812	63,620	-	1,554,049
Post-Retirement/Severance Future Benefits	553,124	-	50,301	-	502,823	-	105,793	-	397,030
Construction	445,237	7,007	450,770	-	-	556	2,030	-	-
Construction Fund 2018	967,769	-	252,273	-	715,496	-	501,792	-	213,704
TCAM Renovation	-	195,000	15,115	-	179,885	122,055	36,829	-	265,111
2020 FIT Construction Bond	-	-	-	-	-	2,103	25	1,400,000	1,402,078
School Lunch	113,111	394,712	464,827	135	43,131	334,304	368,058	-	9,377
Curricular Materials Rental	230,351	97,673	73,213	(11,834)	242,977	106,729	116,131	(15,381)	218,194
Self-Insurance	2,511	50	5,514	6,108	3,155	-	5,144	1,989	-
Joint Operations - Special Education Cooperative	5,498	12,778	18,816	540	-	-	-	-	-
HS MIMH/MOMH/SP 16-17	540	-	-	(540)	-	127,390	113,439	315	14,266
MS MOMH SP 19-20	-	-	-	-	-	89,482	81,015	-	8,467
MS MOMH 18.19	-	121,197	110,752	-	10,445	73	10,518	-	-
HS MOMH 18'19	-	110,491	101,280	-	9,211	-	8,896	(315)	-
Wabash River Special Svc Coop	165,287	-	137,522	(27,765)	-	1,337,323	1,226,885	193,058	303,496
Wabash River SP Service Coop 18-19	38,555	1,136,160	1,083,468	27,765	119,012	236,431	162,385	(193,058)	-
Speech Service to Preschool 13-14	(1,028)	960	2,273	2,341	-	14,253	12,258	1,015	3,010
Speech Service to Preschool	3,287	-	-	(3,287)	-	-	-	-	-
Pre School Speech 2018.19	-	14,323	12,704	945	2,564	685	2,234	(1,015)	-
Joint Operations - Area Vocational Education	7,765	-	5,257	(2,508)	-	31,678	20,298	7,275	18,655
Law Enforcement 18.19	-	36,532	27,119	2,485	11,898	-	4,623	(7,275)	-
TCAM 18-19	-	102,638	97,106	13,394	18,926	-	6,524	(12,402)	-
TCAM 13-14	18,632	-	5,238	(13,394)	-	108,129	98,968	12,402	21,563
Technology Repairs from TBR	-	-	-	-	-	-	-	5,354	5,354
Educational License Plates	1,088	18	1,106	-	-	38	-	-	38
Resilient Youth Planning Grant	-	-	-	-	-	-	14,527	19,814	5,287
Resilient Yth IMP Grant	-	-	-	-	-	-	69,604	85,832	16,228
Community Foundation Receipt	-	-	-	-	-	15,000	-	-	15,000
Miscellaneous Programs	4,495	-	4,495	-	-	-	-	-	-
Walmart Foundation Grant	-	1,300	1,300	-	-	-	-	-	-
Resilient Youth Initiative PL	-	19,814	4,560	-	15,254	-	(4,560)	(19,814)	-
Resilient Youth Implementation Grant	-	-	-	-	-	85,832	-	(85,832)	-
Formative Assessment	-	9,898	9,898	-	-	7,706	7,218	-	488
G/T High Ability 18.19	-	6,368	6,368	-	-	-	-	-	-

(Continued)

COVINGTON COMMUNITY 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	Receipts	Disbursements	Other	Cash and	Receipts	Disbursements	Other	Cash and
	Investments			Financing	Investments			Financing	Investments
	07-01-18			Sources (Uses)	06-30-19			Sources (Uses)	06-30-20
Early Childhood Intervention (First Steps)	-	22,218	17,510	-	4,708	-	-	-	4,708
Secured Schools Safety Grant	-	8,591	22,750	-	(14,159)	14,159	22,876	23,414	538
STEM (Science, Technology, Engineering, & Math)	-	-	-	-	-	-	5,400	-	(5,400)
Recreational Activities	-	66	-	-	66	-	66	-	-
School Technology	5,684	5,359	2,735	(2,949)	5,359	-	-	-	5,359
Career and Technical Performance Grant	24,089	9,655	8,218	-	25,526	-	3,991	-	21,535
Teacher Appreciation Grant	-	24,938	24,938	-	-	30,489	30,489	-	-
High Ability Students	-	-	-	-	-	27,939	31,668	-	(3,729)
State Connectivity Grant	-	4,928	-	2,949	7,877	8,911	1,229	-	15,559
Excess PTRC Distribution	1,901	-	-	(1,901)	-	-	-	-	-
Project Lead the Way	-	-	-	-	-	4,800	3,600	(4,800)	(3,600)
Title I 2018.19	-	99,890	102,295	-	(2,405)	10,420	8,015	-	-
Title I 13-14	(4,692)	12,569	7,877	-	-	97,425	99,815	-	(2,390)
IDEA	-	-	-	-	-	186,848	191,147	-	(4,299)
IDEA	(11,353)	216,106	210,467	-	(5,714)	24,031	18,317	-	-
Preschool Handicap	-	8,816	8,816	-	-	6,848	6,848	-	-
Student Support, Title IV	-	5,000	5,000	-	-	10,000	15,000	-	(5,000)
Title II, Part A, Supporting Effective Instruction	-	40,712	40,712	-	-	-	-	-	-
Title II-A	-	-	-	-	-	23,368	23,368	-	-
Prepaid School Fund Lunch	4,723	-	-	-	4,723	-	-	-	4,723
Food Service Pass-Thru Debt	1,823	-	-	-	1,823	-	-	-	1,823
Payroll Clearing	-	1,594,219	1,594,219	-	-	1,569,947	1,569,947	-	-
Totals	\$ 7,164,588	\$ 12,435,766	\$ 13,415,509	\$ -	\$ 6,184,845	\$ 12,974,438	\$ 12,856,065	\$ 1,399,999	\$ 7,703,217

See notes to financial statements.

COVINGTON COMMUNITY 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.

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.

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)

COVINGTON COMMUNITY 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.

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.

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)

COVINGTON COMMUNITY 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)

COVINGTON COMMUNITY 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)

COVINGTON COMMUNITY 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 Schools Safety Grant, Title I 2018.19, and IDEA deficits are a result of the funds being set up for reimbursable grant for the year end June 30, 2019.

The STEM (Science, Technology, Engineering, & Math), High Ability Students, Project Lead the Way, Title I 13-14, IDEA, Student Support Title IV deficits are a result of the funds being set up for reimbursable grant for the year end June 30, 2020.

NOTE 8 - HOLDING CORPORATION

The School Corporation has entered into a capital lease with the Covington Multi 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 ended June 30 2019 and 2020 totaled \$596,500 and \$617,000, respectively.

(Continued)

COVINGTON COMMUNITY 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)

COVINGTON COMMUNITY 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.

COVINGTON COMMUNITY 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	Operations	Capital Projects	School Transportation	School Bus Replacement	Local Rainy Day	Post-Retirement/ Severance Future Benefits	Construction	Construction Fund 2018	TCAM Renovation	School Lunch
Cash and investments - beginning	\$ 1,429,050	\$ -	\$ 554,747	\$ -	\$ 534,327	\$ 305,527	\$ 176,683	\$ 1,585,857	\$ 553,124	\$ 445,237	\$ 967,769	\$ -	\$ 113,111
Receipts:													
Local sources	7,683	13,548	1,101,920	874,297	325,771	189,867	71,443	-	-	1,641	-	195,000	198,253
Intermediate sources	149	141	-	19	-	-	-	-	-	-	-	-	-
State sources	2,737,463	2,768,506	-	-	-	-	-	-	-	-	-	-	5,709
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	190,750
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	13,471	21	-	5,542	-	5,939	-	-	-	5,366	-	-	-
Total receipts	2,758,766	2,782,216	1,101,920	879,858	325,771	195,806	71,443	-	-	7,007	-	195,000	394,712
Disbursements:													
Instruction	1,952,714	1,861,738	-	-	-	-	-	-	28,475	-	-	-	-
Support services	978,690	486,539	-	833,037	420,835	266,454	75,990	-	21,826	10,221	-	-	197
Noninstructional services	78,747	92,378	-	13,000	-	-	-	-	-	-	-	-	451,955
Facilities acquisition and construction	-	-	-	53,297	77,650	-	-	-	-	440,549	252,273	15,115	12,675
Debt services	-	-	1,237,628	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	3,010,151	2,440,655	1,237,628	899,334	498,485	266,454	75,990	-	50,301	450,770	252,273	15,115	464,827
Excess (deficiency) of receipts over disbursements	(251,385)	341,561	(135,708)	(19,476)	(172,714)	(70,648)	(4,547)	-	(50,301)	(443,763)	(252,273)	179,885	(70,115)
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	15,561	1,643,020	-	1,107,279	-	1,901	-	-	-	-	-	-	135
Transfers out	(1,193,226)	(796,490)	-	-	(361,613)	(236,780)	(172,136)	-	-	-	-	-	-
Total other financing sources (uses)	(1,177,665)	846,530	-	1,107,279	(361,613)	(234,879)	(172,136)	-	-	-	-	-	135
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,429,050)	1,188,091	(135,708)	1,087,803	(534,327)	(305,527)	(176,683)	-	(50,301)	(443,763)	(252,273)	179,885	(69,980)
Cash and investments - ending	\$ -	\$ 1,188,091	\$ 419,039	\$ 1,087,803	\$ -	\$ -	\$ -	\$ 1,585,857	\$ 502,823	\$ 1,474	\$ 715,496	\$ 179,885	\$ 43,131

(Continued)

COVINGTON COMMUNITY 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

	Curricular Materials Rental	Self- Insurance	Joint Operations - Special Education Cooperative	HS MIMH MOMH/SP 16-17	MS MOMH 19-20	HS MOMH 18'19	Wabash River Special Svc Coop	Wabash River SP Service Coop 18-19	Speech Service to Preschool 13-14	Speech Service to Preschool	Pre School Speech 2018.19	Joint Operations - Area Vocational Education	Law Enforcement 18.19
Cash and investments - beginning	\$ 230,351	\$ 2,511	\$ 5,498	\$ 540	\$ -	\$ -	\$ 165,287	\$ 38,555	\$ (1,028)	\$ 3,287	\$ -	\$ 7,765	\$ -
Receipts:													
Local sources	71,687	-	12,778	-	121,197	110,491	-	1,136,132	960	-	14,323	-	36,532
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	25,388	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	598	50	-	-	-	-	-	28	-	-	-	-	-
Total receipts	97,673	50	12,778	-	121,197	110,491	-	1,136,160	960	-	14,323	-	36,532
Disbursements:													
Instruction	-	-	18,816	-	110,752	101,280	136,827	1,062,659	2,273	-	12,704	5,257	27,119
Support services	73,213	5,514	-	-	-	-	695	20,809	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	73,213	5,514	18,816	-	110,752	101,280	137,522	1,083,468	2,273	-	12,704	5,257	27,119
Excess (deficiency) of receipts over disbursements	24,460	(5,464)	(6,038)	-	10,445	9,211	(137,522)	52,692	(1,313)	-	1,619	(5,257)	9,413
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	3,862	6,108	540	-	-	-	-	27,765	3,286	-	945	-	2,508
Transfers out	(15,696)	-	-	(540)	-	-	(27,765)	-	(945)	(3,287)	-	(2,508)	(23)
Total other financing sources (uses)	(11,834)	6,108	540	(540)	-	-	(27,765)	27,765	2,341	(3,287)	945	(2,508)	2,485
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	12,626	644	(5,498)	(540)	10,445	9,211	(165,287)	80,457	1,028	(3,287)	2,564	(7,765)	11,898
Cash and investments - ending	\$ 242,977	\$ 3,155	\$ -	\$ -	\$ 10,445	\$ 9,211	\$ -	\$ 119,012	\$ -	\$ -	\$ 2,564	\$ -	\$ 11,898

(Continued)

COVINGTON COMMUNITY 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

	TCAM 18-19	TCAM 13-14	Educational License Plates	Miscellaneous Programs	Walmart Foundation Grant	Resilient Youth Initiative PL	Formative Assessment	G/T High Ability 18.19	Early Childhood Intervention (First Steps)	Secured Schools Safety Grant	Recreational Activities	School Technology	Career and Technical Performance Grant
Cash and investments - beginning	\$ -	\$ 18,632	\$ 1,088	\$ 4,495	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,684	\$ 24,089
Receipts:													
Local sources	102,638	-	-	-	-	19,814	-	-	-	-	-	-	-
Intermediate sources	-	-	18	-	1,300	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	9,898	6,368	22,218	8,591	66	5,359	9,655
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	102,638	-	18	-	1,300	19,814	9,898	6,368	22,218	8,591	66	5,359	9,655
Disbursements:													
Instruction	84,279	4,268	-	4,495	1,300	4,560	-	6,368	17,510	-	-	-	8,218
Support services	12,827	970	1,106	-	-	-	9,898	-	-	22,750	-	2,735	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	97,106	5,238	1,106	4,495	1,300	4,560	9,898	6,368	17,510	22,750	-	2,735	8,218
Excess (deficiency) of receipts over disbursements	5,532	(5,238)	(1,088)	(4,495)	-	15,254	-	-	4,708	(14,159)	66	2,624	1,437
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	13,394	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	(13,394)	-	-	-	-	-	-	-	-	-	(2,949)	-
Total other financing sources (uses)	13,394	(13,394)	-	-	-	-	-	-	-	-	-	(2,949)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	18,926	(18,632)	(1,088)	(4,495)	-	15,254	-	-	4,708	(14,159)	66	(325)	1,437
Cash and investments - ending	\$ 18,926	\$ -	\$ -	\$ -	\$ -	\$ 15,254	\$ -	\$ -	\$ 4,708	\$ (14,159)	\$ 66	\$ 5,359	\$ 25,526

(Continued)

COVINGTON COMMUNITY 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

	Teacher Appreciation Grant	State Connectivity Grant	Excess PTRC Distribution	Title I 2018.19	Title I 13-14	IDEA	Preschool Handicap	Student Support, Title IV	Title II, Part A, Supporting Effective Instruction	Prepaid Food School Lunch	Food Service Pass-Thru Debt	Payroll Clearing	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 1,901	\$ -	\$ (4,692)	\$ (11,353)	\$ -	\$ -	\$ -	\$ 4,723	\$ 1,823	\$ -	\$ 7,164,588
Receipts:													
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	4,605,975
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	1,627
State sources	24,938	4,928	-	-	-	-	-	-	-	-	-	-	5,629,087
Federal sources	-	-	-	99,890	12,569	216,106	8,816	5,000	40,712	-	-	-	573,843
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	1,594,219	1,625,234
Total receipts	24,938	4,928	-	99,890	12,569	216,106	8,816	5,000	40,712	-	-	1,594,219	12,435,766
Disbursements:													
Instruction	24,938	-	-	99,019	7,823	210,467	8,816	-	-	-	-	-	5,802,675
Support services	-	-	-	3,276	-	-	-	5,000	40,712	-	-	-	3,293,294
Noninstructional services	-	-	-	-	54	-	-	-	-	-	-	-	636,134
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	851,559
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	1,237,628
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	1,594,219	1,594,219
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	24,938	-	-	102,295	7,877	210,467	8,816	5,000	40,712	-	-	1,594,219	13,415,509
Excess (deficiency) of receipts over disbursements	-	4,928	-	(2,405)	4,692	5,639	-	-	-	-	-	-	(979,743)
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	2,949	-	-	-	-	-	-	-	-	-	-	2,829,253
Transfers out	-	-	(1,901)	-	-	-	-	-	-	-	-	-	(2,829,253)
Total other financing sources (uses)	-	2,949	(1,901)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	7,877	(1,901)	(2,405)	4,692	5,639	-	-	-	-	-	-	(979,743)
Cash and investments - ending	\$ -	\$ 7,877	\$ -	\$ (2,405)	\$ -	\$ (5,714)	\$ -	\$ -	\$ -	\$ 4,723	\$ 1,823	\$ -	\$ 6,184,845

COVINGTON COMMUNITY 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	Operations	Local Rainy Day	Post-Retirement/ Severance Future Benefits	Construction	Construction Fund 2018	TCAM Renovation	2020 FIT Construction Bond	School Lunch	Curricular Materials Rental	Self-Insurance	HS MIMH MOMH/SP 16-17
Cash and investments - beginning	\$ 1,188,091	\$ 419,039	\$ 1,087,803	\$ 1,585,857	\$ 502,823	\$ 1,474	\$ 715,496	\$ 179,885	\$ -	\$ 43,131	\$ 242,977	\$ 3,155	\$ -
Receipts:													
Local sources	27,313	1,142,914	1,496,477	-	-	-	-	122,055	2,078	147,901	79,676	-	127,390
Intermediate sources	141	-	122	-	-	-	-	-	-	-	-	-	-
State sources	5,603,059	-	-	-	-	-	-	-	-	5,644	25,770	-	-
Federal sources	-	-	-	-	-	-	-	-	-	180,759	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	4,360	-	33,288	31,812	-	556	-	-	25	-	1,283	-	-
Total receipts	5,634,873	1,142,914	1,529,887	31,812	-	556	-	122,055	2,103	334,304	106,729	-	127,390
Disbursements:													
Instruction	3,597,752	-	-	-	-	-	-	-	-	-	-	-	113,439
Support services	875,296	-	1,895,405	31,808	105,793	-	1,250	16,829	25	-	116,131	5,144	-
Noninstructional services	170,681	-	-	-	-	-	-	-	-	368,058	-	-	-
Facilities acquisition and construction	-	-	241,113	31,812	-	2,030	500,542	20,000	-	-	-	-	-
Debt services	-	1,009,788	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	4,643,729	1,009,788	2,136,518	63,620	105,793	2,030	501,792	36,829	25	368,058	116,131	5,144	113,439
Excess (deficiency) of receipts over disbursements	991,144	133,126	(606,631)	(31,808)	(105,793)	(1,474)	(501,792)	85,226	2,078	(33,754)	(9,402)	(5,144)	13,951
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	1,400,000	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	12,837	-	500,000	-	-	-	-	-	-	-	-	6,673	315
Transfers out	(500,000)	-	(23,414)	-	-	-	-	-	-	-	(15,381)	(4,684)	-
Total other financing sources (uses)	(487,163)	-	476,586	-	-	-	-	-	1,400,000	-	(15,381)	1,989	315
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	503,981	133,126	(130,045)	(31,808)	(105,793)	(1,474)	(501,792)	85,226	1,402,078	(33,754)	(24,783)	(3,155)	14,266
Cash and investments - ending	\$ 1,692,072	\$ 552,165	\$ 957,758	\$ 1,554,049	\$ 397,030	\$ -	\$ 213,704	\$ 265,111	\$ 1,402,078	\$ 9,377	\$ 218,194	\$ -	\$ 14,266

(Continued)

COVINGTON COMMUNITY 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

	MS MOMH SP 19-20	MS MOMH 19-20	HS MOMH 18'19	Wabash River Special Svc Coop	Wabash River SP Service Coop 18-19	Speech Service to Preschool 13-14	Pre School Speech 2018.19	Joint Operations - Area Vocational Education	Law Enforcement 18.19	TCAM 18-19	TCAM 13-14	Technology Repairs from TBR	Educational License Plates	Resilient Youth Planning Grant
Cash and investments - beginning	\$ -	\$ 10,445	\$ 9,211	\$ -	\$ 119,012	\$ -	\$ 2,564	\$ -	\$ 11,898	\$ 18,926	\$ -	\$ -	\$ -	\$ -
Receipts:														
Local sources	89,482	73	-	1,337,267	236,431	14,253	685	31,678	-	-	108,129	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	38	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	56	-	-	-	-	-	-	-	-	-	-
Total receipts	89,482	73	-	1,337,323	236,431	14,253	685	31,678	-	-	108,129	-	38	-
Disbursements:														
Instruction	81,015	10,518	8,896	1,203,829	162,385	12,258	2,234	20,298	4,623	2,698	89,565	-	-	14,527
Support services	-	-	-	23,056	-	-	-	-	-	3,826	9,403	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	81,015	10,518	8,896	1,226,885	162,385	12,258	2,234	20,298	4,623	6,524	98,968	-	-	14,527
Excess (deficiency) of receipts over disbursements	8,467	(10,445)	(8,896)	110,438	74,046	1,995	(1,549)	11,380	(4,623)	(6,524)	9,161	-	38	(14,527)
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	193,058	-	1,015	-	7,275	-	-	12,402	5,354	-	19,814
Transfers out	-	-	(315)	-	(193,058)	-	(1,015)	-	(7,275)	(12,402)	-	-	-	-
Total other financing sources (uses)	-	-	(315)	193,058	(193,058)	1,015	(1,015)	7,275	(7,275)	(12,402)	12,402	5,354	-	19,814
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	8,467	(10,445)	(9,211)	303,496	(119,012)	3,010	(2,564)	18,655	(11,898)	(18,926)	21,563	5,354	38	5,287
Cash and investments - ending	\$ 8,467	\$ -	\$ -	\$ 303,496	\$ -	\$ 3,010	\$ -	\$ 18,655	\$ -	\$ -	\$ 21,563	\$ 5,354	\$ 38	\$ 5,287

(Continued)

COVINGTON COMMUNITY 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

	Resiliant Yth IMP Grant	Community Foundation Receipt	Resilient Youth Initiative PL	Resilient Youth Youth Grant	Formative Assessment	Early Childhood Intervention (First Steps)	Secured Schools Safety Grant	STEM (Science, Technology, & Math)	Recreational Activities	School Technology	Career and Technical Performance Grant	Teacher Appreciation Grant	High Ability Students	State Connectivity Grant
Cash and investments - beginning	\$ -	\$ -	\$ 15,254	\$ -	\$ -	\$ 4,708	\$ (14,159)	\$ -	\$ 66	\$ 5,359	\$ 25,526	\$ -	\$ -	\$ 7,877
Receipts:														
Local sources	-	-	-	85,832	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	15,000	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	7,706	-	14,159	-	-	-	-	30,489	27,939	8,911
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	15,000	-	85,832	7,706	-	14,159	-	-	-	-	30,489	27,939	8,911
Disbursements:														
Instruction	-	-	(4,560)	-	-	-	-	5,400	66	-	3,991	30,489	31,668	-
Support services	69,604	-	-	-	7,218	-	22,876	-	-	-	-	-	-	1,229
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	69,604	-	(4,560)	-	7,218	-	22,876	5,400	66	-	3,991	30,489	31,668	1,229
Excess (deficiency) of receipts over disbursements	(69,604)	15,000	4,560	85,832	488	-	(8,717)	(5,400)	(66)	-	(3,991)	-	(3,729)	7,682
Other financing sources (uses):														
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	85,832	-	-	-	-	-	23,414	-	-	-	-	-	-	-
Transfers out	-	-	(19,814)	(85,832)	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	85,832	-	(19,814)	(85,832)	-	-	23,414	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	16,228	15,000	(15,254)	-	488	-	14,697	(5,400)	(66)	-	(3,991)	-	(3,729)	7,682
Cash and investments - ending	\$ 16,228	\$ 15,000	\$ -	\$ -	\$ 488	\$ 4,708	\$ 538	\$ (5,400)	\$ -	\$ 5,359	\$ 21,535	\$ -	\$ (3,729)	\$ 15,559

(Continued)

COVINGTON COMMUNITY 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

	Project Lead the Way	Title I 2018.19	Title I 13-14	IDEA	IDEA	Preschool Handicap	Student Support, Title IV	Title II-A	Prepaid Food School Lunch	Food Service Pass-Thru Debt	Payroll Clearing	Totals
Cash and investments - beginning	\$ -	\$ (2,405)	\$ -	\$ -	\$ (5,714)	\$ -	\$ -	\$ -	\$ 4,723	\$ 1,823	\$ -	\$ 6,184,845
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	5,049,634
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	15,301
State sources	4,800	-	-	-	-	-	-	-	-	-	-	5,728,477
Federal sources	-	10,420	97,425	186,848	24,031	6,848	10,000	23,368	-	-	-	539,699
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	1,569,947	1,641,327
Total receipts	4,800	10,420	97,425	186,848	24,031	6,848	10,000	23,368	-	-	1,569,947	12,974,438
Disbursements:												
Instruction	3,600	8,015	98,405	191,147	18,317	6,848	-	-	-	-	-	5,717,423
Support services	-	-	1,410	-	-	-	15,000	23,368	-	-	-	3,224,671
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	538,739
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	795,497
Debt services	-	-	-	-	-	-	-	-	-	-	-	1,009,788
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	1,569,947	1,569,947
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	3,600	8,015	99,815	191,147	18,317	6,848	15,000	23,368	-	-	1,569,947	12,856,065
Excess (deficiency) of receipts over disbursements	1,200	2,405	(2,390)	(4,299)	5,714	-	(5,000)	-	-	-	-	118,373
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	1,400,000
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	867,989
Transfers out	(4,800)	-	-	-	-	-	-	-	-	-	-	(867,990)
Total other financing sources (uses)	(4,800)	-	-	-	-	-	-	-	-	-	-	1,399,999
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,600)	2,405	(2,390)	(4,299)	5,714	-	(5,000)	-	-	-	-	1,518,372
Cash and investments - ending	\$ (3,600)	\$ -	\$ (2,390)	\$ (4,299)	\$ -	\$ -	\$ (5,000)	\$ -	\$ 4,723	\$ 1,823	\$ -	\$ 7,703,217

COVINGTON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2020

<u>Government or Enterprise</u>	Accounts Payable	Accounts Receivable
Governmental activities	\$ 325,672	\$ -

COVINGTON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2020

<u>Type</u>	<u>Description of Debt</u>	<u>Ending Principal Balance</u>	<u>Principal and Interest Due Within One Year</u>
<u>Type</u>	<u>Purpose</u>		
Governmental activities:			
General obligation bonds	GO Bond of 2018 - Building Improvement	\$ 910,000	\$ 226,500
Notes and loans payable	Bldg Corp Lease Rental - Construction	4,066,500	616,500
Notes and loans payable	Common School Loan - Building Improvement	564,375	73,638
Notes and loans payable	Bldg Corp Lease Rental 2019 - Construction	<u>-</u>	<u>201,500</u>
Total governmental activities		<u>5,540,875</u>	<u>1,118,138</u>
Totals		<u>\$ 5,540,875</u>	<u>\$ 1,118,138</u>

COVINGTON COMMUNITY 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	\$ 235,496
Buildings	20,611,838
Improvements other than buildings	8,219,345
Machinery, equipment, and vehicles	<u>2,869,475</u>
 Total governmental activities	 <u>31,936,154</u>
 Total capital assets	 <u>\$ 31,936,154</u>

COVINGTON COMMUNITY 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 Covington Community 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*.

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

The contents of this report were discussed on December 3, 2021, with Vicki Jones, Treasurer, Doug Hunter, Board President, and Kevin Smith, Superintendent.