



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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November 17, 2022

To: The Officials of Cloverdale Community School Corporation
Cloverdale Community School Corporation
310 E Logan Street
Cloverdale, IN 46120

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Cloverdale Community School Corporation. We have reviewed the audit report opened upon by Crowe LLP, Independent Public Accountants, for the period July 1, 2019 to June 30, 2021.

Per the *Independent Auditor's Report*, the financial statement referred to above presents fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2021, and its cash receipts, cash disbursements, and other financing sources (uses) for the period of July 1, 2019 to June 30, 2021 in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

We call your attention to the findings included in the report on pages 35 through 37. Please the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on page 38.

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 Cloverdale Community School Corporation was prepared in accordance with the guidelines established by the State Board of Accounts.

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

A handwritten signature in black ink that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

CLOVERDALE COMMUNITY SCHOOL CORPORATION
Putnam County, Indiana

FINANCIAL STATEMENT
As of June 30, 2021, and for the
period of July 1, 2019 to June 30, 2021

CLOVERDALE COMMUNITY SCHOOL CORPORATION
Putnam County, Indiana

FINANCIAL STATEMENT
As of June 30, 2021, and for the
period of July 1, 2019 to June 30, 2021

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CLOVERDALE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF OFFICIALS (Unaudited)
For the period July 1, 2019 to June 30, 2021

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Mendy Shrout	07-01-19 to 06-30-21
Superintendent of Schools	Greg Linton	07-01-19 to 06-30-21
President of the School Board	Vivian Whitaker	07-01-19 to 06-30-21

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Cloverdale Community School Corporation
Putnam County, Indiana

Report on the Financial Statement

We have audited the accompanying statement of receipts, disbursements, other financing sources (uses) and cash and investment balances of the Cloverdale Community School Corporation (the School Corporation) as of June 30, 2021 and for the period of July 1, 2019 to June 30, 2021, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, 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 statement 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 statement.

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

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

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

(Continued)

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the School Corporation as of June 30, 2021, or changes in net position for the period of July 1, 2019 to June 30, 2021.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2021, and its cash receipts, cash disbursements, and other financing sources (uses) for the period of July 1, 2019 to June 30, 2021 in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The accompanying Schedule of Expenditures of Federal Awards as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Schedule of Officials, Supplementary Information Schedules, and State Reporting Information are presented for purposes of additional analysis and are not a required part of the financial statement.

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

The Schedule of Officials, Supplementary Information Schedules, and State Reporting Information, marked as unaudited on the table of contents, have not been subjected to the auditing procedures applied in the audit of the financial statement, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2022 on our consideration of the School Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
November 11, 2022

CLOVERDALE COMMUNITY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
As of June 30, 2021 and for the period July 1, 2019 through June 30, 2021

Fund	Cash and Investments 07-01-2019		Other Financing Sources (Uses)		Cash and Investments 06-30-2020		Other Financing Sources (Uses)		Cash and Investments 06-30-2021	
	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements
Education	\$ 514,580	\$ 7,701,175	\$ 6,440,201	\$ (569,000)	\$ 1,206,554	\$ 8,115,555	\$ 6,916,707	\$ (957,522)	\$ 1,447,880	
Debt Service	1,185,230	1,643,355	1,826,185	(9,658)	992,742	1,711,027	1,614,617	-	1,089,152	
Retirement/Severance Bond Debt Service	121,469	212,815	170,907	-	163,377	110,761	173,186	-	100,952	
Operations	1,541,111	2,192,308	3,078,831	569,000	1,223,588	2,611,832	2,933,775	968,081	1,869,726	
Local Rainy Day	2,432,868	14,901	261,493	-	2,186,276	2,540	586,341	-	1,602,475	
Retirement/Severance Bond	565,140	-	-	-	565,140	-	-	-	565,140	
Construction Project 2020	-	-	-	-	-	-	-	1,600,794	1,600,794	
School Lunch	(16,731)	446,904	463,803	-	(33,630)	465,226	494,895	-	(63,299)	
Curricular Materials Rental	11,287	82,840	117,410	9,658	(13,625)	78,266	23,745	9,522	50,418	
Early Literacy Preschool	-	24,399	395	97,344	121,348	10,755	75	-	132,028	
Educational License Plates	452	75	-	-	527	37	-	-	564	
Safe Haven School	1,341	-	1	-	1,340	-	-	-	1,340	
Donations Gifts And Trusts	-	4,215	2,072	15,428	17,571	10,650	8,848	-	19,373	
Putnam Co Foundation/Snails	12,616	13,448	7,054	-	19,010	-	8,326	-	10,684	
Summer Remedial Reading Progra	-	-	-	10,563	10,563	-	-	-	10,563	
Knoy After School	-	-	917	5,879	4,962	-	834	-	4,128	
West Central Study Council	-	8,072	3,019	10,397	15,450	3,583	2,558	-	16,475	
Ffa Yearlong Living To Serve Grant	-	-	-	-	-	3,000	2,798	-	202	
Donations	15,428	-	-	(15,428)	-	-	-	-	-	
Early Literacy Pre-School	97,344	-	-	(97,344)	-	-	-	-	-	
Summer Remedial Reading Progra	10,563	-	-	(10,563)	-	-	-	-	-	
Knoy Center	5,879	-	-	(5,879)	-	-	-	-	-	
West Central Study Council	10,397	-	-	(10,397)	-	-	-	-	-	
Formative Assessment	-	13,260	12,312	-	948	10,820	10,608	-	1,160	
High Ability 2016	259	-	-	(259)	-	-	-	-	-	
Medicaid Reimbursement	76,955	44,759	35,783	-	85,931	58,176	18,556	-	125,551	
Secured Schools Safety Grant	-	-	-	-	-	86,345	74,171	-	12,174	
Early Intervention Grants	(9)	3,923	3,501	-	413	3,185	3,598	-	-	
School Technology Fund	885	-	-	(885)	-	-	-	-	-	
Career And Technical Performance Grant	21,169	-	-	-	21,169	2,902	-	-	24,071	
High Ability Students	-	29,229	19,388	259	10,100	23,711	26,071	-	7,740	
State Connectivity Grant	-	3,058	5,450	885	(1,507)	8,095	15,727	-	(9,139)	
Title I Fy2019-20	(1,198)	209,557	225,565	-	(17,206)	66,485	49,279	-	-	
Title I (20-21)	-	-	-	-	-	155,533	180,494	-	(24,961)	
Title Iv (19-21)	-	12,245	12,415	-	(170)	5,621	5,451	-	-	
Title Iv A Fy 20-22	-	-	-	-	-	917	1,440	-	(523)	
21St Century Learning Center	(154)	162,114	175,800	(195)	(14,035)	28,504	14,625	-	(156)	
21St Century Cohort 8 Yr 4	-	-	-	-	-	136,584	188,779	-	(52,195)	
Cohort 8 Year 2	(195)	-	-	195	-	-	-	-	-	
Title Ii Part A Fy 2020	-	-	-	-	-	9,603	12,347	-	(2,744)	
Title Iia	(1,260)	14,678	16,299	-	(2,881)	2,881	-	-	-	

(Continued)

CLOVERDALE COMMUNITY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
As of June 30, 2021 and for the period July 1, 2020 through June 30, 2021

Fund	Cash and Investments 07-01-2019	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2020	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2021
Title Iia Fy2019-2021	\$ -	\$ 13,050	\$ 15,299	\$ -	\$ (2,249)	\$ 19,552	\$ 18,703	\$ -	\$ (1,400)
Federal Stimulus - 18002 Governoryçös Emer	-	-	-	-	-	31,228	32,428	-	(1,200)
Federal Stimulus - 18003 Educ. Stab Reli	-	-	148,170	-	(148,170)	198,320	50,491	-	(341)
Insurance Clearing	2,209	-	2,209	-	-	-	-	-	-
Court Order Clearing	-	15	15	-	-	-	-	-	-
Prepaid School Lunch Accounts	11,845	116,920	100,642	-	28,123	17,961	20,617	-	25,467
Federal Tax Clearing	-	452,328	452,328	-	-	58,055	58,055	-	-
Oasdi Clearing	-	234,058	234,058	-	-	33,291	33,275	-	16
Medicare Clearing	-	54,740	54,740	-	-	7,786	7,782	-	4
State Tax Clearing	12,555	170,002	169,889	-	12,668	20,700	8,059	-	25,309
County Tax Clearing	7,159	99,688	99,129	-	7,718	12,587	5,071	-	15,234
Insurance Clearing	29,040	380,444	391,859	-	17,625	67,824	73,485	-	11,964
Annuities Clearing	-	174,272	167,140	-	7,132	23,802	23,802	-	7,132
Perf Clearing	-	24,006	24,006	-	-	3,339	3,339	-	-
Trf Clearing	-	5,682	5,682	-	-	880	880	-	-
Section 125 Clearing	18,214	20,787	20,177	-	18,824	2,162	62	-	20,924
Court Orders Clearing	-	28,567	28,567	-	-	3,221	3,221	-	-
Oasdi Non Certified Clearing	-	104,721	104,721	-	-	7,513	7,513	-	-
Medicare Non Certified Clearin	-	24,491	24,491	-	-	1,757	1,757	-	-
HSA Contrubitions Clearing	-	340	340	-	-	-	-	-	-
Donations	(455)	-	(455)	-	-	-	-	-	-
Fringe Benefit Clearing	-	700	700	-	-	-	-	-	-
Transfers	-	-	-	-	-	(143,636)	(143,636)	-	-
Totals	\$ 6,685,993	\$ 14,742,141	\$ 14,922,508	\$ -	\$ 6,505,626	\$ 14,088,936	\$ 13,572,755	\$ 1,620,875	\$ 8,642,682

See notes to financial statement.

CLOVERDALE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2021 and the Period of
July 1, 2019 to June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

The 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)

CLOVERDALE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2021 and the Period of
July 1, 2019 to June 30, 2021

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.

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

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

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

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

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

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

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)

CLOVERDALE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2021 and the Period of
July 1, 2019 to June 30, 2021

NOTE 2 - RECLASSIFICATION

Certain prior year balances have been reclassified to conform to the current fiscal year presentation. The reclassifications had no effect on total opening cash balances. The payroll withholding clearing funds which were previously reported in the aggregate amount of \$68,722 at June 30, 2019, has been reclassified to the following individual fund balances at July 1, 2019 to reflect the nature of the clearing fund activity as follows:

Insurance Clearing	\$ 2,209
State Tax Clearing	12,555
County Tax Clearing	7,159
Insurance Clearing	29,040
Section 125 Clearing	18,214
Donations	<u>(455)</u>
	<u>\$ 68,722</u>

NOTE 3 - 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 4 - PROPERTY TAXES

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

(Continued)

CLOVERDALE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2021 and the Period of
July 1, 2019 to June 30, 2021

NOTE 5 - DEPOSITS AND INVESTMENTS

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

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

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

NOTE 6 - RISK MANAGEMENT

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

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

NOTE 7 - CASH BALANCE DEFICITS

The financial statements contains some funds with deficits in cash. This is a result of certain funds being set up for reimbursable grants, but for which reimbursement was not yet received by June 30, 2020, and 2021. Deficits in other fund balances, including the School Lunch and Curricular Rental funds, were the result of disbursements exceeding receipts due to under-estimating current requirements for some funds. These deficits are to be prepaid from future receipts.

NOTE 8 - HOLDING CORPORATION

The School Corporation has entered into a capital lease with Cloverdale Community School Building Corp (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 period July 1, 2019 to June 30, 2020 totaled \$506,000. Lease payments for the period July 1, 2020 to June 30, 2021 totaled \$508,000.

(Continued)

CLOVERDALE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2021 and the Period of
July 1, 2019 to June 30, 2021

NOTE 8 - HOLDING CORPORATION (Continued)

The School Corporation has entered into a capital lease with Cloverdale High School Building Corp (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 period July 1, 2019 to June 30, 2020 totaled \$126,000. Lease payments for the period July 1, 2020 to June 30, 2021 totaled \$124,000.

The School Corporation has entered into a capital lease with Cloverdale Multi School Building Corp (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 period July 1, 2019 to June 30, 2020 totaled \$904,000. Lease payments for the period July 1, 2020 to June 30, 2021 totaled \$902,000.

NOTE 9 - 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.

Financial Report

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

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

Contributions

Members' contributions are set by state statute at 3 percent of compensation for the defined contribution component of PERF Hybrid. The employer may elect to make the contribution on behalf of the member of the defined contribution component of PERF Hybrid.

(Continued)

CLOVERDALE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2021 and the Period of
July 1, 2019 to June 30, 2021

NOTE 9 - PENSION PLANS (Continued)

Teachers' Retirement Fund

Plan Descriptions

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

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

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

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

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

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

Financial Report

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

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

(Continued)

CLOVERDALE COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2021 and the Period of
July 1, 2019 to June 30, 2021

NOTE 9 - PENSION PLANS (Continued)

Contributions

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

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

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

SUPPLEMENTARY INFORMATION

CLOVERDALE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2019 through June 30, 2020

	Education	Debt Service	Retirement/Severance Bond Debt Service	Operations	Local Rainy Day	Retirement/Severance Bond	School Lunch	Curricular Materials Rental	Early Literacy Preschool	Educational License Plates	Safe Haven School	Donations Gifts And Trusts
Cash and investments - beginning	\$ 514,580	\$ 1,185,230	\$ 121,469	\$ 1,541,111	\$ 2,432,868	\$ 565,140	\$ (16,731)	\$ 11,287	\$ -	\$ 452	\$ 1,341	\$ -
Receipts:												
Local sources	150,826	1,643,355	212,815	2,192,308	14,901	-	106,673	37,054	24,399	-	-	4,215
Intermediate sources	-	-	-	-	-	-	-	-	-	75	-	-
State sources	7,550,349	-	-	-	-	-	4,136	45,786	-	-	-	-
Federal sources	-	-	-	-	-	-	336,095	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	7,701,175	1,643,355	212,815	2,192,308	14,901	-	446,904	82,840	24,399	75	-	4,215
Disbursements:												
Instruction	5,293,404	-	-	-	74,106	-	-	-	9	-	1	2,072
Support services	954,407	-	-	2,877,162	97,935	-	-	117,410	386	-	-	-
Noninstructional services	192,390	-	-	-	-	-	463,803	-	-	-	-	-
Facilities acquisition and construction	-	-	-	201,669	89,452	-	-	-	-	-	-	-
Debt services	-	1,826,185	170,907	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	6,440,201	1,826,185	170,907	3,078,831	261,493	-	463,803	117,410	395	-	1	2,072
Excess (deficiency) of receipts over disbursements	1,260,974	(182,830)	41,908	(886,523)	(246,592)	-	(16,899)	(34,570)	24,004	75	(1)	2,143
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	569,000	-	-	-	9,658	97,344	-	-	15,428
Transfers out	(569,000)	(9,658)	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(569,000)	(9,658)	-	569,000	-	-	-	9,658	97,344	-	-	15,428
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	691,974	(192,488)	41,908	(317,523)	(246,592)	-	(16,899)	(24,912)	121,348	75	(1)	17,571
Cash and investments - ending	\$ 1,206,554	\$ 992,742	\$ 163,377	\$ 1,223,588	\$ 2,186,276	\$ 565,140	\$ (33,630)	\$ (13,625)	\$ 121,348	\$ 527	\$ 1,340	\$ 17,571

(Continued)

CLOVERDALE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2019 through June 30, 2020

	Putnam Co Foundation/Snail s	Summer Remedial Reading Progra	Knoy After School	West Central Study Council	Donations	Early Literacy Pre-School	Summer Remedial Reading Progra	Knoy Center	West Central Study Council	Formative Assessment	High Ability 2016	Medicaid Reimbursement
Cash and investments - beginning	\$ 12,616	\$ -	\$ -	\$ -	\$ 15,428	\$ 97,344	\$ 10,563	\$ 5,879	\$ 10,397	\$ -	\$ 259	\$ 76,955
Receipts:												
Local sources	13,448	-	-	8,072	-	-	-	-	-	-	-	44,759
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	13,260	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	13,448	-	-	8,072	-	-	-	-	-	13,260	-	44,759
Disbursements:												
Instruction	7,054	-	-	-	-	-	-	-	-	12,312	-	-
Support services	-	-	-	3,019	-	-	-	-	-	-	-	35,783
Noninstructional services	-	-	917	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	7,054	-	917	3,019	-	-	-	-	-	12,312	-	35,783
Excess (deficiency) of receipts over disbursements	6,394	-	(917)	5,053	-	-	-	-	-	948	-	8,976
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	10,563	5,879	10,397	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(15,428)	(97,344)	(10,563)	(5,879)	(10,397)	-	(259)	-
Total other financing sources (uses)	-	10,563	5,879	10,397	(15,428)	(97,344)	(10,563)	(5,879)	(10,397)	-	(259)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,394	10,563	4,962	15,450	(15,428)	(97,344)	(10,563)	(5,879)	(10,397)	948	(259)	8,976
Cash and investments - ending	\$ 19,010	\$ 10,563	\$ 4,962	\$ 15,450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 948	\$ -	\$ 85,931

(Continued)

CLOVERDALE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2019 through June 30, 2020

	Early Intervention Grants	School Technology Fund	Career And Technical Performance Grant	High Ability Students	State Connectivity Grant	Title I Fy2019- 20	Title Iv (19-21)	21St Century Learning Center	Cohort 8 Year 2	Title Iia	Title Iia Fy2019- 2021	Federal Stimulus - 18003 Educ. Stab Reli
Cash and investments - beginning	\$ (9)	\$ 885	\$ 21,169	\$ -	\$ -	\$ (1,198)	\$ -	\$ (154)	\$ (195)	\$ (1,260)	\$ -	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	3,923	-	-	29,229	3,058	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	209,557	12,245	162,114	-	14,678	13,050	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	3,923	-	-	29,229	3,058	209,557	12,245	162,114	-	14,678	13,050	-
Disbursements:												
Instruction	3,501	-	-	19,388	-	193,145	10,975	-	-	2,961	5,115	148,170
Support services	-	-	-	-	5,450	32,181	1,440	20,282	-	13,338	10,184	-
Noninstructional services	-	-	-	-	-	239	-	155,518	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	3,501	-	-	19,388	5,450	225,565	12,415	175,800	-	16,299	15,299	148,170
Excess (deficiency) of receipts over disbursements	422	-	-	9,841	(2,392)	(16,008)	(170)	(13,686)	-	(1,621)	(2,249)	(148,170)
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	259	885	-	-	-	195	-	-	-
Transfers out	-	(885)	-	-	-	-	-	(195)	-	-	-	-
Total other financing sources (uses)	-	(885)	-	259	885	-	-	(195)	195	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	422	(885)	-	10,100	(1,507)	(16,008)	(170)	(13,881)	195	(1,621)	(2,249)	(148,170)
Cash and investments - ending	\$ 413	\$ -	\$ 21,169	\$ 10,100	\$ (1,507)	\$ (17,206)	\$ (170)	\$ (14,035)	\$ -	\$ (2,881)	\$ (2,249)	\$ (148,170)

(Continued)

CLOVERDALE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2019 through June 30, 2020

	Insurance Clearing	Court Order Clearing	Prepaid School Lunch Accounts	Federal Tax Clearing	Oasdi Clearing	Medicare Clearing	State Tax Clearing	County Tax Clearing	Insurance Clearing	Annuities Clearing	Perf Clearing	Trf Clearing
Cash and investments - beginning	\$ 2,209	\$ -	\$ 11,845	\$ -	\$ -	\$ -	\$ 12,555	\$ 7,159	\$ 29,040	\$ -	\$ -	\$ -
Receipts:												
Local sources	-	15	116,920	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	452,328	234,058	54,740	170,002	99,688	380,444	174,272	24,006	5,682
Total receipts	-	15	116,920	452,328	234,058	54,740	170,002	99,688	380,444	174,272	24,006	5,682
Disbursements:												
Instruction	-	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	2,209	15	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	100,642	452,328	234,058	54,740	169,889	99,129	391,859	167,140	24,006	5,682
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	2,209	15	100,642	452,328	234,058	54,740	169,889	99,129	391,859	167,140	24,006	5,682
Excess (deficiency) of receipts over disbursements	(2,209)	-	16,278	-	-	-	113	559	(11,415)	7,132	-	-
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	(2,209)	-	16,278	-	-	-	113	559	(11,415)	7,132	-	-
Cash and investments - ending	\$ -	\$ -	\$ 28,123	\$ -	\$ -	\$ -	\$ 12,668	\$ 7,718	\$ 17,625	\$ 7,132	\$ -	\$ -

(Continued)

CLOVERDALE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2019 through June 30, 2020

	Section 125 Clearing	Court Orders Clearing	Oasdi Non Certified Clearing	Medicare Non Certified Clearin	Hsa Contributions Clearing	Donations	Fringe Benefit Clearing	Totals
Cash and investments - beginning	\$ 18,214	\$ -	\$ -	\$ -	\$ -	\$ (455)	\$ -	\$ 6,685,993
Receipts:								
Local sources	-	-	-	-	-	-	-	4,569,760
Intermediate sources	-	-	-	-	-	-	-	75
State sources	-	-	-	-	-	-	-	7,649,741
Federal sources	-	-	-	-	-	-	-	747,739
Temporary loans	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other receipts	20,787	28,567	104,721	24,491	340	-	700	1,774,826
Total receipts	20,787	28,567	104,721	24,491	340	-	700	14,742,141
Disbursements:								
Instruction	-	-	-	-	-	-	-	5,772,213
Support services	-	-	-	-	-	-	-	4,168,977
Noninstructional services	-	-	-	-	-	-	-	815,091
Facilities acquisition and construction	-	-	-	-	-	-	-	291,121
Debt services	-	-	-	-	-	-	-	1,997,092
Nonprogrammed charges	20,177	28,567	104,721	24,491	340	(455)	700	1,878,014
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	20,177	28,567	104,721	24,491	340	(455)	700	14,922,508
Excess (deficiency) of receipts over disbursements	610	-	-	-	-	455	-	(180,367)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	719,608
Transfers out	-	-	-	-	-	-	-	(719,608)
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	610	-	-	-	-	455	-	(180,367)
Cash and investments - ending	\$ 18,824	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,505,626

CLOVERDALE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Education	Debt Service	Retirement/Severance Bond Debt Service	Operations	Local Rainy Day	Retirement/Severance Bond	Construction Project 2020	School Lunch	Curricular Materials Rental	Early Literacy Preschool	Educational License Plates
Cash and investments - beginning	\$ 1,206,554	\$ 992,742	\$ 163,377	\$ 1,223,588	\$ 2,186,276	\$ 565,140	\$ -	\$ (33,630)	\$ (13,625)	\$ 121,348	\$ 527
Receipts:											
Local sources	79,241	1,711,027	110,761	2,611,832	2,540	-	-	22,339	36,038	10,755	-
Intermediate sources	265	-	-	-	-	-	-	-	-	-	37
State sources	8,036,049	-	-	-	-	-	-	4,389	42,228	-	-
Federal sources	-	-	-	-	-	-	-	438,498	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	8,115,555	1,711,027	110,761	2,611,832	2,540	-	-	465,226	78,266	10,755	37
Disbursements:											
Instruction	5,626,955	-	-	-	138,764	-	-	-	-	-	-
Support services	1,159,549	-	-	2,856,559	158,430	-	-	-	23,745	75	-
Noninstructional services	130,203	-	-	-	-	-	-	494,895	-	-	-
Facilities acquisition and construction	-	-	-	77,216	289,147	-	-	-	-	-	-
Debt services	-	1,614,617	173,186	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	6,916,707	1,614,617	173,186	2,933,775	586,341	-	-	494,895	23,745	75	-
Excess (deficiency) of receipts over disbursements	1,198,848	96,410	(62,425)	(321,943)	(583,801)	-	-	(29,669)	54,521	10,680	37
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	20,081	-	-	1,600,794	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	948,000	-	-	-	-	9,522	-	-
Transfers out	(957,522)	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(957,522)	-	-	968,081	-	-	1,600,794	-	9,522	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	241,326	96,410	(62,425)	646,138	(583,801)	-	1,600,794	(29,669)	64,043	10,680	37
Cash and investments - ending	\$ 1,447,880	\$ 1,089,152	\$ 100,952	\$ 1,869,726	\$ 1,602,475	\$ 565,140	\$ 1,600,794	\$ (63,299)	\$ 50,418	\$ 132,028	\$ 564

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CLOVERDALE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Safe Haven School	Donations And Trusts	Gifts Putnam Co Foundation/Snai s	Summer Remedial Reading Progra	Knoy After School	West Central Study Council	Ffa Yearlong Living To Serve Grant	Formative Assessment	Medicaid Reimbursement	Secured Schools Safety Grant	Early Intervention Grants
Cash and investments - beginning	\$ 1,340	\$ 17,571	\$ 19,010	\$ 10,563	\$ 4,962	\$ 15,450	\$ -	\$ 948	\$ 85,931	\$ -	\$ 413
Receipts:											
Local sources	-	10,650	-	-	-	3,583	-	-	58,176	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	10,820	-	86,345	3,185
Federal sources	-	-	-	-	-	-	3,000	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	10,650	-	-	-	3,583	3,000	10,820	58,176	86,345	3,185
Disbursements:											
Instruction	-	8,848	8,326	-	-	-	2,798	10,608	-	-	3,598
Support services	-	-	-	-	-	2,558	-	-	18,556	-	-
Noninstructional services	-	-	-	-	834	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	74,171	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	8,848	8,326	-	834	2,558	2,798	10,608	18,556	74,171	3,598
Excess (deficiency) of receipts over disbursements	-	1,802	(8,326)	-	(834)	1,025	202	212	39,620	12,174	(413)
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,802	(8,326)	-	(834)	1,025	202	212	39,620	12,174	(413)
Cash and investments - ending	\$ 1,340	\$ 19,373	\$ 10,684	\$ 10,563	\$ 4,128	\$ 16,475	\$ 202	\$ 1,160	\$ 125,551	\$ 12,174	\$ -

(Continued)

CLOVERDALE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Career And Technical Performance Grant	High Ability Students	State Connectivity Grant	Title I Fy2019- 20	Title I (20-21)	Title Iv (19-21)	Title Iv A Fy 20- 22	21St Century Learning Center	21St Century Cohort 8 Yr 4	Title li Part A Fy 2020	Title lia
Cash and investments - beginning	\$ 21,169	\$ 10,100	\$ (1,507)	\$ (17,206)	\$ -	\$ (170)	\$ -	\$ (14,035)	\$ -	\$ -	\$ (2,881)
Receipts:											
Local sources	-	-	4,965	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	23,711	3,130	-	-	-	-	-	-	-	-
Federal sources	2,902	-	-	66,485	155,533	5,621	917	28,504	136,584	9,603	2,881
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	2,902	23,711	8,095	66,485	155,533	5,621	917	28,504	136,584	9,603	2,881
Disbursements:											
Instruction	-	26,071	-	40,607	159,457	5,451	1,440	-	-	4,847	-
Support services	-	-	15,727	8,412	21,037	-	-	2,677	20,677	7,500	-
Noninstructional services	-	-	-	260	-	-	-	11,948	168,102	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	26,071	15,727	49,279	180,494	5,451	1,440	14,625	188,779	12,347	-
Excess (deficiency) of receipts over disbursements	2,902	(2,360)	(7,632)	17,206	(24,961)	170	(523)	13,879	(52,195)	(2,744)	2,881
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	2,902	(2,360)	(7,632)	17,206	(24,961)	170	(523)	13,879	(52,195)	(2,744)	2,881
Cash and investments - ending	\$ 24,071	\$ 7,740	\$ (9,139)	\$ -	\$ (24,961)	\$ -	\$ (523)	\$ (156)	\$ (52,195)	\$ (2,744)	\$ -

(Continued)

CLOVERDALE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Title lia Fy2019- 2021	Federal Stimulus - 18002 Governorççös Emer	Federal Stimulus - 18003 Educ. Stab Reli	Prepaid School Lunch Accounts	Federal Tax Clearing	Oasdi Clearing	Medicare Clearing	State Tax Clearing	County Tax Clearing	Insurance Clearing	Annuities Clearing
Cash and investments - beginning	\$ (2,249)	\$ -	\$ (148,170)	\$ 28,123	\$ -	\$ -	\$ -	\$ 12,668	\$ 7,718	\$ 17,625	\$ 7,132
Receipts:											
Local sources	-	31,228	-	17,961	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	19,552	-	198,320	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	58,055	33,291	7,786	20,700	12,587	67,824	23,802
Total receipts	19,552	31,228	198,320	17,961	58,055	33,291	7,786	20,700	12,587	67,824	23,802
Disbursements:											
Instruction	2,154	-	50,491	-	-	-	-	-	-	-	-
Support services	16,549	32,428	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	20,617	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	58,055	33,275	7,782	8,059	5,071	73,485	23,802
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	18,703	32,428	50,491	20,617	58,055	33,275	7,782	8,059	5,071	73,485	23,802
Excess (deficiency) of receipts over disbursements	849	(1,200)	147,829	(2,656)	-	16	4	12,641	7,516	(5,661)	-
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	849	(1,200)	147,829	(2,656)	-	16	4	12,641	7,516	(5,661)	-
Cash and investments - ending	\$ (1,400)	\$ (1,200)	\$ (341)	\$ 25,467	\$ -	\$ 16	\$ 4	\$ 25,309	\$ 15,234	\$ 11,964	\$ 7,132

(Continued)

CLOVERDALE COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Perf Clearing	Trf Clearing	Section 125 Clearing	Court Orders Clearing	Oasdi Non Certified Clearing	Medicare Non Certified Clearin	Fringe Benefit Clearing	Transfers	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 18,824	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,505,626
Receipts:									
Local sources	-	-	-	-	-	-	-	-	4,711,096
Intermediate sources	-	-	-	-	-	-	-	-	302
State sources	-	-	-	-	-	-	-	-	8,209,857
Federal sources	-	-	-	-	-	-	-	-	1,068,400
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other receipts	3,339	880	2,162	3,221	7,513	1,757	-	(143,636)	99,281
Total receipts	3,339	880	2,162	3,221	7,513	1,757	-	(143,636)	14,088,936
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	6,090,415
Support services	-	-	-	-	-	-	-	-	4,344,479
Noninstructional services	-	-	-	-	-	-	-	-	826,859
Facilities acquisition and construction	-	-	-	-	-	-	-	-	440,534
Debt services	-	-	-	-	-	-	-	-	1,787,803
Nonprogrammed charges	3,339	880	62	3,221	7,513	1,757	-	(143,636)	82,665
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	3,339	880	62	3,221	7,513	1,757	-	(143,636)	13,572,755
Excess (deficiency) of receipts over disbursements	-	-	2,100	-	-	-	-	-	516,181
Other financing sources (uses)									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	1,620,875
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	957,522
Transfers out	-	-	-	-	-	-	-	-	(957,522)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	1,620,875
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	2,100	-	-	-	-	-	2,137,056
Cash and investments - ending	\$ -	\$ -	\$ 20,924	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,642,682

CLOVERDALE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2021

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ <u>603,699</u>	\$ <u>83,520</u>

CLOVERDALE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2021

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental Activities:				
Cloverdale High School Bldg Corp	Construction Renovations	\$ 128,000	6/25/2015	1/15/2031
Cloverdale Community School Bldg Corp	Construction Renovations	254,000	7/9/2012	1/15/2021
Cloverdale Multi School Bldg Corp	Construction Renovations	<u>901,000</u>	6/20/2013	1/15/2024
Total governmental activities		<u>1,283,000</u>		
Total of annual lease payments		<u>\$ 1,283,000</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	Pension Liability	\$ 1,344,482	\$ 175,800
Notes and Loans Payable	Common School Loan A0440	<u>399,159</u>	<u>116,629</u>
Total governmental activities		<u>1,743,641</u>	<u>292,429</u>
Totals		<u>\$ 1,743,641</u>	<u>\$ 292,429</u>

CLOVERDALE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2021

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	\$ 278,120
Buildings	52,801,400
Machinery, equipment, and vehicles	2,681,225
Construction in progress	<u>1,400,000</u>
Total governmental activities	<u>57,160,745</u>
Total capital assets	<u>\$ 57,160,745</u>

CLOVERDALE COMMUNITY SCHOOL CORPORATION
STATE REPORTING INFORMATION
July 1, 2019 - June 30, 2021

Financial Statement and Accompanying Notes:

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

In addition to this report, other reports may have been issued for the School Corporation. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.

Indiana Department of Education Reporting:

The School Corporation's Financial Reports can be found on the Indiana Department of Education website: <http://www.doe.in.gov/finance/school-financial-reports>. This website is maintained by the Indiana Department of Education. More current financial information is available from the School Corporation Treasurer's office. Additionally, some financial information of the School Corporation can be found on the Indiana Gateway for Government Units website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the School Corporation's Financial Reports referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The other information on the IDOE website and on the Indiana Gateway for Government Units presented was approved by management of the School Corporation. It is presented as intended by the School Corporation.

CLOVERDALE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period July 1, 2019 through June 30, 2021

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-20	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 07-01-19 to 06-30-21
<u>Department of Agriculture</u>						
Child Nutrition Cluster	Indiana Department of Education					
School Breakfast Program		10.553	FY2020-FY2021	\$ 64,984	\$ 66,840	\$ 131,824
National School Lunch Program		10.555	FY2020-FY2021	271,111	371,658	642,769
Commodities		10.555	FY2020-FY2021	<u>49,148</u>	<u>59,604</u>	<u>108,752</u>
Total - Child Nutrition Cluster				<u>385,243</u>	<u>498,102</u>	<u>883,345</u>
Total - Department of Agriculture				<u>385,243</u>	<u>498,102</u>	<u>883,345</u>
<u>Department of Education</u>						
Special Education Cluster(IDEA)	Indiana Department of Education					
Special Education - Grants to States						
IDEA, Part B		84.027	18611-046-PN01	3,486	-	3,486
IDEA, Part B		84.027	19611-046-PN01	115,658	5,092	120,750
IDEA, Part B		84.027	20611-044-PN01	197,941	130,263	328,204
IDEA, Part B		84.027	21611-044-PN01	<u>-</u>	<u>187,875</u>	<u>187,875</u>
Total - Special Education - Grants to States				<u>317,085</u>	<u>323,230</u>	<u>640,315</u>
Special Education - Preschool Grants	Indiana Department of Education					
IDEA, Preschool		84.173	18619-046-PN01	9,556	-	9,556
IDEA, Preschool		84.173	19619-046-PN01	10,092	-	10,092
IDEA, Preschool		84.173	20619-044-PN01	98	125	223
IDEA, Preschool		84.173	21619-044-PN01	<u>-</u>	<u>235</u>	<u>235</u>
Total - Special Education - Preschool Grants				<u>19,746</u>	<u>360</u>	<u>20,106</u>
Total - Special Education Cluster(IDEA)				<u>336,831</u>	<u>323,590</u>	<u>660,421</u>
Title I Grants to Local Educational Agencies	Indiana Department of Education					
Title I, Part A		84.010	S010A190014	209,557	-	209,557
Title I, Part A		84.010	S010A200014	<u>-</u>	<u>222,018</u>	<u>222,018</u>
Total - Title I Grants to Local Educational Agencies				<u>209,557</u>	<u>222,018</u>	<u>431,575</u>

(Continued)

CLOVERDALE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period July 1, 2019 through June 30, 2021

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-20	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 07-01-19 to 06-30-21
Twenty First Century Comm Learning Centers Cohort 8	Indiana Department of Education	84.287	S287C180014	\$ 162,114	\$ 165,088	\$ 327,202
Supporting Effective Instruction State Grants Title II, Part A	Indiana Department of Education	84.367	S367A180013	27,727	-	27,727
Title II, Part A		84.367	S367A190013	-	32,036	32,036
Total - Supporting Effective Instruction State Grants				<u>27,727</u>	<u>32,036</u>	<u>59,763</u>
Student Support and Academic Enrichment Program Title IV, Part A	Indiana Department of Education	84.424	S424A190015	12,244	-	12,244
Title IV, Part A		84.424	S424A200015	-	6,539	6,539
Total - Student Support and Academic Enrichment Program				<u>12,244</u>	<u>6,539</u>	<u>18,783</u>
Career and Technical Education - Basic Grants to States Career And Technical Performance Grant		84.048	CTE	-	2,902	2,902
Total - Career and Technical Education - Basic Grants to States						
COVID-19 - Education Stabilization Fund Governor's Emergency Education Relief (GEER) Fund	Indiana Department of Education	84.425C	S425C200018	-	31,228	31,228
Elementary and Secondary School Emergency Relief (ESSER) Fund		84.425D	S425D200013	-	198,320	198,320
Total - COVID-19 - Education Stabilization Fund				<u>-</u>	<u>229,548</u>	<u>229,548</u>
Total - Department of Education				<u>748,473</u>	<u>981,721</u>	<u>1,730,194</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster Medicaid Assistance Program	Indiana Department of Education	93.778	FY2020-FY2021	31,357	41,903	73,260
Total - Medicaid Cluster				<u>31,357</u>	<u>41,903</u>	<u>73,260</u>
Total - Department of Health and Human Services				<u>31,357</u>	<u>41,903</u>	<u>73,260</u>
Total federal awards expended				<u>\$ 1,165,073</u>	<u>\$ 1,521,726</u>	<u>\$ 2,686,799</u>

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

CLOVERDALE COMMUNITY SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period of July 1, 2019 to June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the period of July 1, 2019 to June 30, 2021. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position of the School Corporation.

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

B. Other Significant Accounting Policies

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

NOTE 2 – INDIRECT COST RATE

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

NOTE 3 – SPECIAL EDUCATION COOPERATIVE (ALN: 84.027, 84.173)

The School Corporation is a member of the Old National Trail Special Services Cooperative (Cooperative), which operates the special education program for the School Corporation. As a result, some activity for the Special Education Cluster (IDEA) that is presented on the SEFA is not presented as receipts and disbursements in the financial statement for the School Corporation. This activity is reported on the financial statement of the Cooperative.

NOTE 4 – OTHER INFORMATION

The School Corporation did not have any subrecipient activity for the period July 1, 2019 to June 30, 2021.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENT PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Those Charged with Governance
Cloverdale Community School Corporation
Putnam County, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of Cloverdale Community School Corporation ("School Corporation"), which comprise the statement of receipts, disbursements, other financing sources (uses), and cash and investment balances of the School Corporation as of June 30, 2021 and for the period July 1, 2019 to June 30, 2021 and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement, and have issued our report thereon dated November 11, 2022.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2021-001 that we consider to be a material weakness.

(Continued)

Compliance and Other Matters

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

Management's Response to Finding

The School Corporation's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The School Corporation's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
November 11, 2022

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

Those Charged with Governance
Cloverdale Community School Corporation
Putnam County, Indiana

Report on Compliance for Each Major Federal Program

We have audited Cloverdale Community School Corporation (the School Corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the School Corporation's major federal programs for the period July 1, 2019 to June 30, 2021. The School Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School Corporation's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the School Corporation's compliance.

Opinion on Each Major Federal Program

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the period July 1, 2019 to June 30, 2021.

(Continued)

Report on Internal Control Over Compliance

Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2021-002, that we consider to be a significant deficiency.

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

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
November 11, 2022

CLOVERDALE COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 July 1, 2019 to June 30, 2021

Section I – Summary of Auditor’s Results

Financial Statement

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

Internal control over financial reporting:

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

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

Internal control over major programs:

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

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

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

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

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

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

CLOVERDALE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

Section II – Financial Statement Findings

FINDING 2021-001

Subject: Preparation of the Schedule of Expenditures of Federal Awards
Audit Findings: Material Weakness

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

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

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

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

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

2 CFR 200.508 states in part:

"The auditee must: . . .

(b) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with § 200.510 Financial statements. . . ."

2 CFR 200.510(b) states:

"*Schedule of expenditures of Federal awards.* The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502 Basis for determining Federal awards expended. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

(1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within a cluster of programs, and provide the applicable Federal agency name.

(Continued)

CLOVERDALE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

Section II – Financial Statement Findings (Continued)

FINDING 2021-001 (Continued)

(2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.

(3) Provide total Federal awards expended for each individual Federal program and the Assistance Listings Number or other identifying number when the Assistance Listings information is not available. For a cluster of programs also provide the total for the cluster.

(4) Include the total amount provided to subrecipients from each Federal program.

(5) For loan or loan guarantee programs described in § 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.

(6) Include notes that describe that significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in §200.414 Indirect (F&A) costs."

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

Cause: Management had not established a system of internal control that would have ensured proper reporting of the SEFA.

Context: The federal grant information entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the SEFA. Due to the lack of effective internal controls, the following errors resulted in the understatement of the total federal awards reported on the SEFA by \$287,652 for the period July 1, 2019 through June 30, 2021:

1. The Child Nutrition Cluster funds, including commodities, were understated by \$24,676.
2. The Special Education Cluster funds were understated by \$228,846.
3. The Career and Technical Performance Grant funds were understated by \$2,902.
4. The Education Stabilization Fund (GEER) funds were understated by \$31,228.

Additionally, the pass-through numbers were incorrectly listed for the Special Education, Title I, Title II, Title IV, and GEER grants on the SEFA. Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA to correct the issues noted above.

Effect: Without a proper system of internal control in place that operate effectively, material misstatements of the SEFA could go undetected.

Repeat Finding: Yes. The prior finding number was 2019-001.

Recommendation: We recommended that the School Corporation's management establish a formal review over the SEFA to ensure amounts reported are accurate and complete.

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

(Continued)

CLOVERDALE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

Section III – Federal Award Findings and Questioned Costs

Finding 2021-002

Information on the federal program:

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

Criteria: 2 CFR 200.302(b) states in part:

"The financial management system of each non-Federal entity must provide for the following:

(2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.328 Financial reporting"

34 CFR 76.722 states:

"A State may require a subgrantee to submit reports in a manner and format that assists the State in complying with the requirements under 34 CFR 76.720 and in carrying out other responsibilities under the program."

Condition: The School Corporation did not submit Annual Data Report in a timely manner during fiscal year 2021.

Cause: There were not sufficient internal controls in place to ensure the Annual Data Report was submitted by the deadline.

Effect: The Annual Data Report required to be submitted during fiscal year 2021 was not submitted in a timely manner.

Questioned Costs: There were no questioned costs identified.

Context: The Annual Data Report for the period of March 13, 2020 to September 30, 2020 was due to the Indiana Department of Education (IDOE) by January 21, 2021. The School Corporation submitted the report on January 27, 2021. In addition, there was no documented review by someone other than the preparer of the report to ensure the information submitted was complete and accurate.

Identification as a repeat finding: No.

Recommendation: We recommend management review internal controls around the preparation, review and submission of the Annual Data Reports to verify reports are submitted timely. We recommend someone other than the preparer of the report perform a documented review prior to submission to validate the accuracy and completeness of the data submitted.

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

Clverdale Community School Corporation

310 East Logan St. • Cloverdale, Indiana 46120 • (765) 795-4664 • (765) 795-5166 Fax

Greg Linton
Superintendent

Cathy Ames
Curriculum Director

Lynn Lotz
Executive Secretary

Mendy Shrout
Treasurer

CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS June 30, 2021

FINDING 2021-001 – PREPARATION OF SEFA

Subject: Preparation of the Schedule of Expenditures of Federal Awards
Audit Findings: Material Weakness

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

Views of responsible officials and planned corrective action: Management agrees with the finding and will take the following actions to correct, including using the Federal Clearing House website to verify the fund title with the CFDA number. The Corporation Treasurer and Superintendent will review and approve the financial data before it is submitted formally for the corporation. A copy of the SEFA is printed, signed by the Superintendent and retained for audit.

Responsible party and timeline for completion: Greg Linton, superintendent, will sign the printed copy each year when complete.

Finding 2021-002 – LATE ADR SUBMISSION TO IDOE

Condition: The annual data report for the period of March 13, 2020 to September 30, 2020 was Due to the IDOE by January 21, 2021.

Views of responsible officials and planned corrective action: Management agrees with the finding and will take the following actions to correct, including the creation of a grant management timeline with deadline due dates.

Responsible party and timeline for completion: Cathy Ames, Curriculum Director, November 2022.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2019-001

Subject: Preparation of the Schedule of Expenditures of Federal Awards
Audit Finding: Material Weakness, Noncompliance

Condition and Context:

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

The School Corporation failed to properly review the federal grant information prepared and submitted into the Indiana Gateway for Government Units financial reporting system, which was the source of the SEFA, for accuracy prior to submission.

Due to the lack of controls, the SEFA presented for audit contained the following errors:

1. The School Breakfast Program - fiscal year 2017-2018 expenditures were overstated by \$4,671.
2. The National School Lunch Program - After School Snack Program - 2017-2018 expenditures were understated by \$9,730.
3. The National School Lunch Program - Commodities - 2017-2018 expenditures were understated by \$388.
4. The Twenty-First Century Community Learning Centers - 2017-2018 expenditures were overstated by \$4,873.
5. The Twenty-First Century Community Learning Centers - 2018-2019 expenditures were overstated by \$4,753.
6. The National School Lunch Program - After School Snack Program - 2018-2019 expenditures were understated by \$10,661.
7. The National School Lunch Program - Commodities - 2018-2019 expenditures were understated by \$3,013.
8. The Title I Grants to Local Educational Agencies - 2018-2019 expenditures were understated by \$5,555.
9. The Student Support and Academic Enrichment Program - 2018-2019 expenditures were understated by \$2,325.
10. The Medical Assistance Program - 2017-2018 expenditures were understated by \$30,215.
11. The Medical Assistance Program - 2018-2019 expenditures were understated by \$39,182.

Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA.

Status: Not Resolved. See finding 2021-001.

FINDING 2019-002

Subject: Child Nutrition Cluster - Procurement and Suspension and Debarment
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY2018, FY2019
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Procurement and Suspension and Debarment
Audit Findings: Material Weakness, Modified Opinion

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

Status: Resolved.

FINDING 2019-003

Subject: Child Nutrition Cluster - Program Income
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY2018, FY2019
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Program Income
Audit Findings: Material Weakness, Modified Opinion

Condition and Context

An effective internal control system was not in place at the School Corporation to ensure compliance with the grant agreement and the Program Income compliance requirement. The amounts charged for breakfast and lunch for fiscal year 2017-2018 did not agree to the amounts approved by the School Board. In addition, the amounts recorded in the School Lunch fund did not agree to the sales reports for any of the months during the audit period. The lack of controls and noncompliance were systemic issues throughout the audit period. The incorrect amount charged for breakfast and lunch was isolated to 2017-2018.

Status: Resolved.

FINDING 2019-004

Subject: Child Nutrition Cluster - Special Tests and Provisions - Verification of Free and Reduced Meal Applications (NSLP), Special Tests and Provisions - School Food Accounts
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY2018, FY2019
Pass-Through Entity: Indiana Department of Education
Compliance Requirements: Special Tests and Provision - Verification of Free and Reduced Meal Applications (NSLP), Special Tests and Provisions - School Food Accounts
Audit Finding: Material Weakness

Condition and Context

An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP), and Special Tests and Provisions – School Food Accounts compliance requirements.

Verification of Free and Reduced Meal Applications (NSLP)

The Food Service Director determined eligibility for free and reduced lunches and was also responsible for verification of those applications in fiscal year 2017-2018. There was no oversight, review, or approval process during 2017-2018 to ensure that the verification process was accurate and complete.

School Food Accounts

The Treasurer posted the receipts for the school food accounts. There was no oversight, review, or approval process to ensure that the receipt process was accurate and complete. The lack of controls was a systemic issue throughout the audit period.

Status: Resolved.

FINDING 2019-005

Subject: Child Nutrition Cluster - Cash Management
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY2018, FY2019
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Cash Management
Audit Finding: Material Weakness

Condition and Context

An effective internal control system was not in place at the School Corporation in order to ensure compliance with the grant agreement and the Cash Management compliance requirement.

The School Corporation did not have an effective internal control system in place to ensure that the balance in the School Lunch fund, which represents the net cash resources, did not exceed a three month average of School Lunch fund expenditures.

The lack of controls was a systemic issue, which occurred throughout the audit period.

Status: Resolved.

FINDING 2019-006

Subject: Child Nutrition Cluster - Eligibility
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY2018, FY2019
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Eligibility
Audit Finding: Material Weakness

Condition and Context

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

The Food Service Director is the sole person responsible for making the determination of eligibility on the free and reduced lunch applications. There was no evidence of an oversight, review, or approval process to ensure the accuracy of the eligibility determinations.

The lack of controls was a systemic issue, which occurred throughout the audit period.

Status: Resolved.

FINDING 2019-007

Subject: Special Education Cluster (IDEA) - Procurement and Suspension and Debarment
Federal Agency: Department of Education
Federal Programs: Special Education Grants to States, Special Education Preschool Grants

CFDA Numbers: 84.027, 84.173

Federal Award Numbers and Years (or Other Identifying Numbers): 14216-046-PN01, 14217-046-PN01,
18611-046-PN01, 19611-046-PN01,
45716-046-PN01, 45717-046-PN01,
18619-046-PN01, 19619-046-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

Audit Findings: Material Weakness, Other Matters

Condition and Context

The School Corporation is a member of the Old National Trail Special Services Cooperative (Cooperative). During the fiscal years 2017-2018 and 2018-2019, the Cooperative operated the special education program and spent the federal money on behalf of all its members. There was inadequate oversight performed by the School Corporation of the procurement and suspension and debarment procedures of the Cooperative.

Status: Resolved.