



STATE OF INDIANA
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December 13, 2022

To: The Officials of the New Castle Community School Corporation
New Castle Community School Corporation
322 Elliot Avenue
New Castle, IN 47362

This report is supplemental to the audit report of New Castle Community School Corporation (School Corporation), for the period July 1, 2019 to June 30, 2021. It has been provided as a separate report so that the reader may easily identify any Examination Findings that pertain to the School Corporation. It should be read in conjunction with the financial statement audit report of the School Corporation, which provides an opinion on the School Corporation's financial statements. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the School Corporation and perform procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Examination Findings and Results contained herein describe the identified reportable instances of noncompliance found as a result of these procedures.

We have reviewed the Supplemental Audit Report for New Castle Community School Corporation prepared by Crowe LLP, Independent Public Accountants, for the period July 1, 2019 to June 30, 2021. In our opinion, the Supplemental Audit Report was prepared in accordance with the guidelines established by the Indiana State Board of Accounts.

We call your attention to the findings in the report on page 3.

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

A handwritten signature in cursive script that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

COMPLIANCE EXAMINATION OF
NEW CASTLE COMMUNITY SCHOOL CORPORATION
Henry County, Indiana
July 1, 2019 to June 30, 2021

NEW CASTLE COMMUNITY SCHOOL CORPORATION

Henry County, Indiana
July 1, 2019 to June 30, 2021

CONTENTS

SCHEDULE OF OFFICIALS	1
INDEPENDENT ACCOUNTANT'S REPORT	2
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS:	
2021-001: OVERDRAWN CASH BALANCE	3
2021-002: SALES TAX PAID ON PURCHASE	3
EXIT CONFERENCE	4

NEW CASTLE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF OFFICIALS
July 1, 2019 to June 30, 2021

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Megan Bell	07-01-19 to 06-30-21
Superintendent of Schools	Dr. Matthew Shoemaker	07-01-19 to 06-30-21
President of the School Board	Travis Callaway	07-01-19 to 06-30-21

INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and
Management of the New Castle Community School Corporation

We have examined the New Castle Community School Corporation ("School Corporation") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations* during the period July 1, 2019 to June 30, 2021. Management of the School Corporation is responsible for the School Corporation's compliance with the specified requirements. Our responsibility is to express an opinion on the School Corporation's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the School Corporation complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the School Corporation complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our qualified opinion.

Our examination does not provide a legal determination on the School Corporation's compliance with specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination disclosed material noncompliance with the *Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations* applicable to the School Corporation during the period July 1, 2019 to June 30, 2021, as described in items 2021-001 and 2021-002 on the following Schedule of Examination Findings and Results.

In our opinion, except for the material noncompliance described in the preceding paragraph, the School Corporation complied, in all material respects, with the aforementioned requirements during the period July 1, 2019 to June 30, 2021.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
November 30, 2022

NEW CASTLE COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
July 1, 2019 to June 30, 2021

FINDING 2021-001: OVERDRAWN CASH BALANCE

Criteria: Chapter 1 of the Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations states in part, "The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the unit."

Condition: During testing of cash, we noted the Background Check clearing fund with a cash balance below zero as of June 30, 2021. The cash balance of the fund was (\$460).

FINDING 2021-002: SALES TAX PAID ON PURCHASE

Criteria: Chapter 1 of the Accounting and Uniform Compliance Guidelines Manual states in part, "*Sales taxes that are paid on qualifying purchases by the unit may be the personal obligation of the responsible official or employee.*"

Condition: During testing of disbursements, we noted one instance, in a sample of 42 disbursements, in which sales tax was paid by the unit. The total amount of sales tax identified as paid was \$11.68.

NEW CASTLE COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE
July 1, 2019 to June 30, 2021

The contents of this report were discussed on November 30, 2022 with Megan Bell, Corporation Treasurer, Dr. Matthew Shoemaker, Superintendent, and Jennifer Blackford, School Board President.