



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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December 30, 2022

To: The Officials of Paoli Community School Corporation
Paoli Community School Corporation
501 S Elm St
Paoli, IN 47454

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Paoli Community School Corporation. We have reviewed the audit report opined 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 Paoli Community 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.

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 Paoli 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 cursive script that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

PAOLI COMMUNITY SCHOOL CORPORATION
Orange County, Indiana

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

PAOLI COMMUNITY SCHOOL CORPORATION
Orange 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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PAOLI 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	Courtney Brown	07-01-19 to 06-30-21
Superintendent of Schools	Greg Walker	07-01-19 to 06-30-21
President of the School Board	Lila Tucker	07-01-19 to 06-30-21

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Paoli Community School Corporation
Orange 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 Paoli 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 December 19, 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
December 19, 2022

PAOLI 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	\$ 582,593	\$ 9,840,293	\$ 8,041,159	\$ (1,126,796)	\$ 1,254,931	\$ 9,238,705	\$ 7,839,759	\$ (1,187,096)	\$ 1,466,781	
Debt Service	572,377	1,287,546	1,284,983	11,891	586,831	1,557,472	1,394,510	-	749,793	
Operations	1,243,095	2,129,223	2,803,032	1,250,909	1,820,195	2,753,783	3,244,224	725,489	2,055,243	
Local Rainy Day	525,413	-	-	-	525,413	-	-	474,587	1,000,000	
Phs Construction 2020B	-	-	102,860	993,035	890,175	-	833,908	-	56,267	
Tes Construction 2020A	-	-	303,259	4,737,950	4,434,691	-	3,436,092	-	998,599	
School Lunch	51,069	553,294	564,142	-	40,221	451,336	451,336	-	40,221	
Curricular Materials Rental	164,435	84,226	201,119	224,892	272,434	164,195	85,592	-	351,037	
Self-Insurance	295,646	1,390,424	1,030,200	-	655,870	1,355,749	1,190,520	-	821,099	
Levy Excess Fund	192,106	-	-	(192,106)	-	-	-	-	-	
River Boat Casino	694,201	391,064	360,824	(158,539)	565,902	210,569	275,080	-	501,391	
Occf Block Grant	1,406	-	124	-	1,282	-	-	-	1,282	
Growing Resilient Rams Grant	-	2,800	2,800	-	-	2,500	2,175	-	325	
Whas Crusade For Children Fy19	-	11,804	11,804	-	-	-	-	-	-	
Whas Crusade For Children Fy20	-	-	-	-	-	20,000	20,000	-	-	
United Way Family Cafe Grant	-	500	156	-	344	-	-	-	344	
Occf Capacity Building Grant	-	-	-	-	-	25,513	29,479	-	(3,966)	
Little Rams Preschool	-	-	-	-	-	23,175	-	-	23,175	
Chromebook	12,652	10,949	10,563	3,500	16,538	14,251	15,679	3,820	18,930	
Educational License Plates	1,482	168	-	-	1,650	150	-	-	1,800	
Donation	6,194	2,490	2,699	-	5,985	4,000	3,071	-	6,914	
Donation-Animal Science Bldg	10,609	-	9,198	-	1,411	-	1,411	-	-	
Drug Testing Donation	2,000	1,525	2,025	-	1,500	-	1,039	-	461	
Orange Co Com Scholarship Fund	2,400	-	1,400	-	1,000	-	-	-	1,000	
Jennifer Lundergan Award	4	-	-	-	4	-	-	-	4	
Formative Assessment	-	14,613	14,613	-	-	13,648	9,342	-	4,306	
Secured Schools Safety Grant	(22,500)	22,500	50,000	-	(50,000)	45,000	30,000	-	(35,000)	
Science Technology Engineering And Mat	4,196	-	-	-	4,196	-	-	-	4,196	
Early Intervention 19/20 Grant	-	4,578	2,875	-	1,703	-	1,703	-	-	
Early Intervention Grant 20/21	-	-	-	-	-	4,005	2,630	-	1,375	
Nesp 2019 Grant	-	487	-	-	487	-	487	-	-	
Non English Speaking Programs	270	-	-	-	270	-	-	-	270	
Career And Technical Performance Grant	12,138	-	7,619	-	4,519	-	3,008	-	1,511	
Teacher Appreciation Sy 19-20	-	48,819	48,819	-	-	-	-	-	-	
Teacher Appreciation Grant	-	-	-	-	-	46,423	46,423	-	-	
High Ability Students	16,755	30,314	33,011	-	14,058	24,710	34,791	-	3,977	
State Connectivity Grant	3,715	5,760	-	-	9,475	5,760	4,872	-	10,363	
2019 Iyi Prof Dev Grant	281	-	281	-	-	-	-	-	-	
IRTF-FAMILY FUN NIGHT GRANT	-	500	403	-	97	-	-	-	97	
Title I 18/19 Grant	(45,695)	145,325	99,630	-	-	-	-	-	-	
Title I 19/20 Grant	-	224,211	262,035	-	(37,824)	165,297	127,472	-	1	

(Continued)

PAOLI 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	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 I 20/21 Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 245,582	\$ 269,316	\$ -	\$ (23,734)
Idea Spec Ed	(5,680)	152,368	159,013	-	(12,325)	133,838	142,799	-	(21,286)
Spec Ed Shared Employees	(31,616)	423,002	422,907	-	(31,521)	331,342	350,514	-	(50,693)
Preschool Handicap	(6,314)	80,536	80,476	-	(6,254)	85,581	93,690	-	(14,363)
Title Iv Part A 17/18	-	6,463	6,463	-	-	-	-	-	-
Title Iv Part A Fy18	(5,127)	18,231	13,104	-	-	-	-	-	-
Title Iv Part A Fy19	-	14,160	18,865	-	(4,705)	15,036	10,331	-	-
Title Iv Part A Fy20	-	-	-	-	-	22,696	25,127	-	(2,431)
Medicaid Reimbursement-Federal	24,958	27,873	3,419	(13,204)	36,208	40,562	23,507	(12,904)	40,359
Title Ii Part A Fy18	(5,475)	35,931	30,455	-	1	-	-	-	1
Title Ii Part A Fy19	-	24,301	30,887	-	(6,586)	41,093	34,508	-	(1)
Title Ii Part A Fy20	-	-	-	-	-	24,756	29,128	-	(4,372)
Rural (Title Vi Part B) Fy18	(1,754)	9,962	8,208	-	-	-	-	-	-
Rural (Title Vi Part B) Fy19	-	22,454	24,270	-	(1,816)	5,061	3,246	-	(1)
Rural (Title Vi Part B) Fy20	-	-	-	-	-	24,635	24,636	-	(1)
ESSER II	-	-	-	-	-	-	45,399	-	(45,399)
Governor's Emergency Education Relief	-	-	-	-	-	116,303	121,155	-	(4,852)
ESSER	-	-	6,461	-	(6,461)	277,194	274,168	-	(3,435)
RECNRURAL EARLY COLLEGE NETWO	-	-	-	-	-	5,472	35,971	-	(30,499)
Prepaid School Lunch Accounts	3,568	27,414	27,414	-	3,568	18,149	18,149	-	3,568
Federal Tax	-	555,930	555,930	-	-	557,036	557,036	-	-
Social Security	-	554,202	554,202	-	-	552,877	552,877	-	-
State Tax	-	229,223	229,223	-	-	228,510	228,510	-	-
County Tax	-	120,992	120,992	-	-	120,673	120,673	-	-
Perf	-	5,007	5,007	-	-	5,830	5,830	-	-
Group Insurance	-	586,969	586,969	-	-	577,542	577,542	-	-
Annuities	-	133,051	133,051	-	-	135,471	135,471	-	-
Air Evac	-	4,985	4,985	-	-	4,416	4,416	-	-
Tag Benefits	-	8,105	8,105	-	-	7,034	7,034	-	-
High School Eca Reimb Payroll	-	13,926	13,926	-	-	20,817	20,741	-	76
Elementary Eca Reimb Payroll	-	643	643	-	-	975	975	-	-
Cafeteria Payroll	-	238,754	296,090	-	(57,336)	336,378	283,842	-	(4,800)
Special Withholdings	(2,910)	41,041	38,131	-	-	39,300	39,300	-	-
Totals	\$ 4,296,492	\$ 19,538,936	\$ 18,630,829	\$ 5,731,532	\$ 10,936,131	\$ 20,100,400	\$ 23,120,494	\$ 3,896	\$ 7,919,933

See notes to financial statement.

PAOLI COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2021, and for the period 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.

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

(Continued)

PAOLI COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2021, and for the period July 1, 2019 to June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

NOTE 2 - BUDGETS

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

NOTE 3 - PROPERTY TAXES

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

(Continued)

NOTE 5 - RISK MANAGEMENT

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

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

NOTE 6 - CASH BALANCE DEFICITS

The financial statement contains some funds with deficits in cash. This is a result of certain funds being set up for reimbursable grants, but for which reimbursement was not yet received by June 30, 2020, and 2021.

NOTE 7 - HOLDING CORPORATION

The School Corporation has entered into a series of capital leases with the Paoli Community School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments for the period July 1, 2019 to June 30, 2020 totaled \$642,000. Lease payments for the period July 1, 2020 to June 30, 2021 totaled \$724,000.

NOTE 8 - PENSION PLANS

Public Employees' Retirement Fund

Plan Description

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

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

NOTE 8 - PENSION PLANS (Continued)

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.

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.

(Continued)

NOTE 8 - PENSION PLANS (Continued)

Financial Report

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

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

Contributions

The School Corporation contributes the employer's share to Teachers' 1996 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.

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS

The School Corporation provides to eligible retirees and their spouses the following benefits: participation in the School Corporation's health insurance plan solely at the retiree's expense. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation.

NOTE 10 - SUBSEQUENT EVENT

In November 2022, the School Corporation issued debt in the amount of \$500,000 to finance a new chiller for the high school building.

SUPPLEMENTARY INFORMATION

PAOLI 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	Operations	Local Rainy Day	Phs Construction 2020B	Tes Construction 2020A	School Lunch	Curricular Materials Rental	Self-Insurance	Levy Excess Fund	River Boat Casino
Cash and investments - beginning	\$ 582,593	\$ 572,377	\$ 1,243,095	\$ 525,413	\$ -	\$ -	\$ 51,069	\$ 164,435	\$ 295,646	\$ 192,106	\$ 694,201
Receipts:											
Local sources	208,055	1,287,546	2,128,208	-	-	-	181,119	31,878	1,390,424	-	-
Intermediate sources	2,146	-	-	-	-	-	-	-	-	-	391,064
State sources	9,630,092	-	-	-	-	-	2,501	52,348	-	-	-
Federal sources	-	-	-	-	-	-	369,674	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	1,015	-	-	-	-	-	-	-	-
Total receipts	9,840,293	1,287,546	2,129,223	-	-	-	553,294	84,226	1,390,424	-	391,064
Disbursements:											
Instruction	6,743,219	-	-	-	-	-	-	2,003	-	-	29,275
Support services	1,145,828	-	2,514,417	-	-	-	-	199,116	-	-	83,049
Noninstructional services	152,112	-	61,526	-	-	-	564,142	-	-	-	1,500
Facilities acquisition and construction	-	-	227,089	-	102,860	303,259	-	-	-	-	27,000
Debt services	-	1,284,983	-	-	-	-	-	-	-	-	220,000
Nonprogrammed charges	-	-	-	-	-	-	-	-	1,030,200	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	8,041,159	1,284,983	2,803,032	-	102,860	303,259	564,142	201,119	1,030,200	-	360,824
Excess (deficiency) of receipts over disbursements	1,799,134	2,563	(673,809)	-	(102,860)	(303,259)	(10,848)	(116,893)	360,224	-	30,240
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	993,035	4,737,950	-	-	-	-	-
Sale of capital assets	-	-	467	-	-	-	-	80	-	-	-
Transfers in	13,204	81,664	1,250,442	-	-	-	-	224,812	-	-	-
Transfers out	(1,140,000)	(69,773)	-	-	-	-	-	-	-	(192,106)	(158,539)
Total other financing sources (uses)	(1,126,796)	11,891	1,250,909	-	993,035	4,737,950	-	224,892	-	(192,106)	(158,539)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	672,338	14,454	577,100	-	890,175	4,434,691	(10,848)	107,999	360,224	(192,106)	(128,299)
Cash and investments - ending	\$ 1,254,931	\$ 586,831	\$ 1,820,195	\$ 525,413	\$ 890,175	\$ 4,434,691	\$ 40,221	\$ 272,434	\$ 655,870	\$ -	\$ 565,902

(Continued)

PAOLI 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

	Occf Block Grant	Growing Resilient Rams Grant	Whas Crusade For Children Fy19	United Way Family Cafe Grant	Chromebook	Educational License Plates	Donation	Donation-Animal Science Bldg	Drug Testing Donation	-	Jennifer Lundergan Award
Cash and investments - beginning	\$ 1,406	\$ -	\$ -	\$ -	\$ 12,652	\$ 1,482	\$ 6,194	\$ 10,609	\$ 2,000	\$ 2,400	\$ 4
Receipts:											
Local sources	-	2,800	11,804	500	10,949	-	2,490	-	1,525	-	-
Intermediate sources	-	-	-	-	-	168	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	2,800	11,804	500	10,949	168	2,490	-	1,525	-	-
Disbursements:											
Instruction	124	-	-	156	10,563	-	2,699	152	2,025	-	-
Support services	-	2,800	11,804	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	9,046	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	1,400	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	124	2,800	11,804	156	10,563	-	2,699	9,198	2,025	1,400	-
Excess (deficiency) of receipts over disbursements	(124)	-	-	344	386	168	(209)	(9,198)	(500)	(1,400)	-
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	3,500	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	3,500	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(124)	-	-	344	3,886	168	(209)	(9,198)	(500)	(1,400)	-
Cash and investments - ending	\$ 1,282	\$ -	\$ -	\$ 344	\$ 16,538	\$ 1,650	\$ 5,985	\$ 1,411	\$ 1,500	\$ 1,000	\$ 4

(Continued)

PAOLI 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

	Formative Assessment	Secured Schools Safety Grant	Science Technology Engineering And Mat	Early Intervention 19/20 Grant	Nesp 2019 Grant	Non English Speaking Programs	Career And Technical Performance Grant	Teacher Appreciation Sy 19-20	High Ability Students	State Connectivity Grant	2019 Iyi Prof Dev Grant
Cash and investments - beginning	\$ -	\$ (22,500)	\$ 4,196	\$ -	\$ -	\$ 270	\$ 12,138	\$ -	\$ 16,755	\$ 3,715	\$ 281
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	14,613	22,500	-	4,578	487	-	-	48,819	30,314	5,760	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	14,613	22,500	-	4,578	487	-	-	48,819	30,314	5,760	-
Disbursements:											
Instruction	14,613	-	-	2,875	-	-	7,619	48,819	32,983	-	281
Support services	-	50,000	-	-	-	-	-	-	28	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	14,613	50,000	-	2,875	-	-	7,619	48,819	33,011	-	281
Excess (deficiency) of receipts over disbursements	-	(27,500)	-	1,703	487	-	(7,619)	-	(2,697)	5,760	(281)
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	-	(27,500)	-	1,703	487	-	(7,619)	-	(2,697)	5,760	(281)
Cash and investments - ending	\$ -	\$ (50,000)	\$ 4,196	\$ 1,703	\$ 487	\$ 270	\$ 4,519	\$ -	\$ 14,058	\$ 9,475	\$ -

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PAOLI 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

	IRTF-FAMILY FUN NIGHT GRANT	Title I 18/19 Grant	Title I 19/20 Grant	Idea Spec Ed	Spec Ed Shared Employees	Preschool Handicap	Title Iv Part A 17/18	Title Iv Part A Fy18	Title Iv Part A Fy19	Medicaid Reimbursement- Federal	Title li Part A Fy18
Cash and investments - beginning	\$ -	\$ (45,695)	\$ -	\$ (5,680)	\$ (31,616)	\$ (6,314)	\$ -	\$ (5,127)	\$ -	\$ 24,958	\$ (5,475)
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	500	-	-	-	-	-	-	-	-	-	-
Federal sources	-	145,325	224,211	152,368	423,002	80,536	6,463	18,231	14,160	27,873	35,931
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	500	145,325	224,211	152,368	423,002	80,536	6,463	18,231	14,160	27,873	35,931
Disbursements:											
Instruction	403	88,030	253,199	159,003	266,747	80,471	5,674	-	-	3,300	28,703
Support services	-	11,600	8,836	10	156,160	5	789	13,104	18,865	119	1,752
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	403	99,630	262,035	159,013	422,907	80,476	6,463	13,104	18,865	3,419	30,455
Excess (deficiency) of receipts over disbursements	97	45,695	(37,824)	(6,645)	95	60	-	5,127	(4,705)	24,454	5,476
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	(13,204)	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	(13,204)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	97	45,695	(37,824)	(6,645)	95	60	-	5,127	(4,705)	11,250	5,476
Cash and investments - ending	\$ 97	\$ -	\$ (37,824)	\$ (12,325)	\$ (31,521)	\$ (6,254)	\$ -	\$ -	\$ (4,705)	\$ 36,208	\$ 1

(Continued)

PAOLI 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

	Title II Part A Fy19	Rural (Title VI Part B) Fy18	Rural (Title VI Part B) Fy19	ESSER	Prepaid School Lunch Accounts	Federal Tax	Social Security	State Tax	County Tax	Perf	Group Insurance
Cash and investments - beginning	\$ -	\$ (1,754)	\$ -	\$ -	\$ 3,568	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	24,301	9,962	22,454	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	27,414	555,930	554,202	229,223	120,992	5,007	586,969
Total receipts	24,301	9,962	22,454	-	27,414	555,930	554,202	229,223	120,992	5,007	586,969
Disbursements:											
Instruction	30,887	8,208	24,260	6,461	-	-	-	-	-	-	-
Support services	-	-	10	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	27,414	555,930	554,202	229,223	120,992	5,007	586,969
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	30,887	8,208	24,270	6,461	27,414	555,930	554,202	229,223	120,992	5,007	586,969
Excess (deficiency) of receipts over disbursements	(6,586)	1,754	(1,816)	(6,461)	-	-	-	-	-	-	-
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	(6,586)	1,754	(1,816)	(6,461)	-	-	-	-	-	-	-
Cash and investments - ending	\$ (6,586)	\$ -	\$ (1,816)	\$ (6,461)	\$ 3,568	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

PAOLI 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

	Annuities	Air Evac	Tag Benefits	High School Eca Reimb Payroll	Elementary Eca Reimb Payroll	Cafeteria Payroll	Special Withholdings	Trust	Hoosier Hills Money Market	Hoosier Hills Public Savings	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,910)	\$ -	\$ -	\$ -	\$ 4,296,492
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	5,257,298
Intermediate sources	-	-	-	-	-	-	-	-	-	-	393,378
State sources	-	-	-	-	-	-	-	-	-	-	9,812,512
Federal sources	-	-	-	-	-	-	-	-	-	-	1,554,491
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	133,051	4,985	8,105	13,926	643	238,754	41,041	-	-	-	2,521,257
Total receipts	133,051	4,985	8,105	13,926	643	238,754	41,041	-	-	-	19,538,936
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	7,852,752
Support services	-	-	-	-	-	-	-	-	-	-	4,218,292
Noninstructional services	-	-	-	-	-	-	-	-	-	-	779,280
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	669,254
Debt services	-	-	-	-	-	-	-	-	-	-	1,504,983
Nonprogrammed charges	133,051	4,985	8,105	13,926	643	296,090	38,131	-	-	-	3,606,268
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	133,051	4,985	8,105	13,926	643	296,090	38,131	-	-	-	18,630,829
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	(57,336)	2,910	-	-	-	908,107
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	5,730,985
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	547
Transfers in	-	-	-	-	-	-	-	-	-	-	1,573,622
Transfers out	-	-	-	-	-	-	-	-	-	-	(1,573,622)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	5,731,532
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	(57,336)	2,910	-	-	-	6,639,639
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (57,336)	\$ -	\$ -	\$ -	\$ -	\$ 10,936,131

PAOLI 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	Operations	Local Rainy Day	Phs Construction 2020B	Tes Construction 2020A	School Lunch	Curricular Materials Rental	Self-Insurance	River Boat Casino	Occf Block Grant
Cash and investments - beginning	\$ 1,254,931	\$ 586,831	\$ 1,820,195	\$ 525,413	\$ 890,175	\$ 4,434,691	\$ 40,221	\$ 272,434	\$ 655,870	\$ 565,902	\$ 1,282
Receipts:											
Local sources	184,738	1,557,472	2,750,349	-	-	-	451,336	40,223	1,355,749	-	-
Intermediate sources	1,480	-	-	-	-	-	-	-	-	210,569	-
State sources	9,052,487	-	-	-	-	-	-	123,972	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	3,434	-	-	-	-	-	-	-	-
Total receipts	9,238,705	1,557,472	2,753,783	-	-	-	451,336	164,195	1,355,749	210,569	-
Disbursements:											
Instruction	6,511,144	-	-	-	539	-	-	669	-	8,300	-
Support services	1,175,232	-	2,792,464	-	-	-	-	84,923	-	6,780	-
Noninstructional services	153,383	-	168,263	-	-	-	451,336	-	-	-	-
Facilities acquisition and construction	-	-	283,497	-	833,369	3,436,092	-	-	-	40,000	-
Debt services	-	1,394,510	-	-	-	-	-	-	-	220,000	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	1,190,520	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	7,839,759	1,394,510	3,244,224	-	833,908	3,436,092	451,336	85,592	1,190,520	275,080	-
Excess (deficiency) of receipts over disbursements	1,398,946	162,962	(490,441)	-	(833,908)	(3,436,092)	-	78,603	165,229	(64,511)	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	76	-	-	-	-	-	-	-	-
Transfers in	12,904	-	1,200,000	474,587	-	-	-	-	-	-	-
Transfers out	(1,200,000)	-	(474,587)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(1,187,096)	-	725,489	474,587	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	211,850	162,962	235,048	474,587	(833,908)	(3,436,092)	-	78,603	165,229	(64,511)	-
Cash and investments - ending	\$ 1,466,781	\$ 749,793	\$ 2,055,243	\$ 1,000,000	\$ 56,267	\$ 998,599	\$ 40,221	\$ 351,037	\$ 821,099	\$ 501,391	\$ 1,282

(Continued)

PAOLI 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

	Growing Resilient Rams Grant	Whas Crusade For Children Fy20	United Way Family Cafe Grant	Occf Capacity Buildng Grant	Little Rams Preschool	Chromebook	Educational License Plates	Donation	Donation-Animal Science Bldg	Drug Testing Donation	\$
Cash and investments - beginning	\$ -	\$ -	\$ 344	\$ -	\$ -	\$ 16,538	\$ 1,650	\$ 5,985	\$ 1,411	\$ 1,500	\$ 1,000
Receipts:											
Local sources	2,500	20,000	-	25,513	23,175	14,251	-	4,000	-	-	-
Intermediate sources	-	-	-	-	-	-	150	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	2,500	20,000	-	25,513	23,175	14,251	150	4,000	-	-	-
Disbursements:											
Instruction	-	20,000	-	29,479	-	15,679	-	3,071	371	1,039	-
Support services	2,175	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	1,040	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	2,175	20,000	-	29,479	-	15,679	-	3,071	1,411	1,039	-
Excess (deficiency) of receipts over disbursements	325	-	-	(3,966)	23,175	(1,428)	150	929	(1,411)	(1,039)	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	3,820	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	3,820	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	325	-	-	(3,966)	23,175	2,392	150	929	(1,411)	(1,039)	-
Cash and investments - ending	\$ 325	\$ -	\$ 344	\$ (3,966)	\$ 23,175	\$ 18,930	\$ 1,800	\$ 6,914	\$ -	\$ 461	\$ 1,000

(Continued)

PAOLI 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

	Jennifer Lundergan Award	Formative Assessment	Secured Schools Safety Grant	Science Technology Engineering And Mat	Early Intervention 19/20 Grant	Early Intervention Grant 20/21	Nesp 2019 Grant	Non English Speaking Programs	Career And Technical Performance Grant	Teacher Appreciation Grant	High Ability Students
Cash and investments - beginning	\$ 4	\$ -	\$ (50,000)	\$ 4,196	\$ 1,703	\$ -	\$ 487	\$ 270	\$ 4,519	\$ -	\$ 14,058
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	13,648	45,000	-	-	4,005	-	-	-	46,423	24,710
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	13,648	45,000	-	-	4,005	-	-	-	46,423	24,710
Disbursements:											
Instruction	-	9,342	-	-	1,703	2,630	337	-	3,008	46,423	34,791
Support services	-	-	30,000	-	-	-	150	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	9,342	30,000	-	1,703	2,630	487	-	3,008	46,423	34,791
Excess (deficiency) of receipts over disbursements	-	4,306	15,000	-	(1,703)	1,375	(487)	-	(3,008)	-	(10,081)
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	-	4,306	15,000	-	(1,703)	1,375	(487)	-	(3,008)	-	(10,081)
Cash and investments - ending	\$ 4	\$ 4,306	\$ (35,000)	\$ 4,196	\$ -	\$ 1,375	\$ -	\$ 270	\$ 1,511	\$ -	\$ 3,977

(Continued)

PAOLI 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

	State Connectivity Grant	IRTF-FAMILY FUN NIGHT GRANT	Title I 19/20 Grant	Title I 20/21 Grant	Idea Spec Ed	Spec Ed Shared Employees	Preschool Handicap	Title Iv Part A Fy19	Title Iv Part A Fy20	Medicaid Reimbursement- Federal	Title Ii Part A Fy18
Cash and investments - beginning	\$ 9,475	\$ 97	\$ (37,824)	\$ -	\$ (12,325)	\$ (31,521)	\$ (6,254)	\$ (4,705)	\$ -	\$ 36,208	\$ 1
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	5,760	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	165,297	245,582	133,838	331,342	85,581	15,036	22,696	40,562	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	5,760	-	165,297	245,582	133,838	331,342	85,581	15,036	22,696	40,562	-
Disbursements:											
Instruction	-	-	124,272	220,010	142,788	240,678	93,685	-	-	23,507	-
Support services	4,872	-	3,200	48,246	11	109,836	5	10,331	25,127	-	-
Noninstructional services	-	-	-	1,060	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	4,872	-	127,472	269,316	142,799	350,514	93,690	10,331	25,127	23,507	-
Excess (deficiency) of receipts over disbursements	888	-	37,825	(23,734)	(8,961)	(19,172)	(8,109)	4,705	(2,431)	17,055	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	(12,904)	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	(12,904)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	888	-	37,825	(23,734)	(8,961)	(19,172)	(8,109)	4,705	(2,431)	4,151	-
Cash and investments - ending	\$ 10,363	\$ 97	\$ 1	\$ (23,734)	\$ (21,286)	\$ (50,693)	\$ (14,363)	\$ -	\$ (2,431)	\$ 40,359	\$ 1

(Continued)

PAOLI 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 II Part A Fy19	Title II Part A Fy20	Rural (Title VI Part B) Fy19	Rural (Title VI Part B) Fy20	ESSER II	Governor's Emergency Education Relief	ESSER	REC-N-RURAL EARLY COLLEGE NETWO	Prepaid School Lunch Accounts	Federal Tax	Social Security
Cash and investments - beginning	\$ (6,586)	\$ -	\$ (1,816)	\$ -	\$ -	\$ -	\$ (6,461)	\$ -	\$ 3,568	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	41,093	24,756	5,061	24,635	-	116,303	277,194	5,472	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	18,149	557,036	552,877
Total receipts	41,093	24,756	5,061	24,635	-	116,303	277,194	5,472	18,149	557,036	552,877
Disbursements:											
Instruction	32,569	29,128	3,246	24,625	45,119	69,218	130,888	34,229	-	-	-
Support services	1,939	-	-	11	280	-	143,280	1,742	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	51,937	-	-	18,149	557,036	552,877
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	34,508	29,128	3,246	24,636	45,399	121,155	274,168	35,971	18,149	557,036	552,877
Excess (deficiency) of receipts over disbursements	6,585	(4,372)	1,815	(1)	(45,399)	(4,852)	3,026	(30,499)	-	-	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	18,149	-	-
Transfers out	-	-	-	-	-	-	-	-	(18,149)	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	6,585	(4,372)	1,815	(1)	(45,399)	(4,852)	3,026	(30,499)	-	-	-
Cash and investments - ending	\$ (1)	\$ (4,372)	\$ (1)	\$ (1)	\$ (45,399)	\$ (4,852)	\$ (3,435)	\$ (30,499)	\$ 3,568	\$ -	\$ -

(Continued)

PAOLI 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

	State Tax	County Tax	Perf	Group Insurance	Annuities	Air Evac	Tag Benefits	High School Eca Reimb Payroll	Elementary Eca Reimb Payroll	Cafeteria Payroll	Special Withholdings	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (57,336)	\$ -	\$ 10,936,131
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	6,429,306
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	212,199
State sources	-	-	-	-	-	-	-	-	-	-	-	9,316,005
Federal sources	-	-	-	-	-	-	-	-	-	-	-	1,534,448
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	228,510	120,673	5,830	577,542	135,471	4,416	7,034	20,817	975	336,378	39,300	2,608,442
Total receipts	228,510	120,673	5,830	577,542	135,471	4,416	7,034	20,817	975	336,378	39,300	20,100,400
Disbursements:												
Instruction	-	-	-	-	-	-	-	-	-	-	-	7,902,487
Support services	-	-	-	-	-	-	-	-	-	-	-	4,440,604
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	774,042
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	4,593,998
Debt services	-	-	-	-	-	-	-	-	-	-	-	1,614,510
Nonprogrammed charges	228,510	120,673	5,830	577,542	135,471	4,416	7,034	20,741	975	283,842	39,300	3,794,853
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	228,510	120,673	5,830	577,542	135,471	4,416	7,034	20,741	975	283,842	39,300	23,120,494
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	76	-	52,536	-	(3,020,094)
Other financing sources (uses)												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	3,896
Transfers in	-	-	-	-	-	-	-	-	-	-	-	1,705,640
Transfers out	-	-	-	-	-	-	-	-	-	-	-	(1,705,640)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	3,896
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	-	76	-	52,536	-	(3,016,198)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76	\$ -	\$ (4,800)	\$ -	\$ 7,919,933

PAOLI 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	\$ 416,160	\$ 244,833

PAOLI 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:				
Old National Bank	Casino Revenue Bond	\$ 220,000	1/15/2021	7/15/2026
Old National Bank	Ad Valorem Property Tax First Mortgage Bonds Series 2020A	254,000	7/15/2021	1/15/2038
Old National Bank	Ad Valorem Property Tax First Mortgage Bonds Series 2020B	54,000	7/15/2021	1/15/2038
Springs Valley Bank & Trust	Sports Complex Lease Rental	<u>156,500</u>	11/24/2014	1/15/2035
Total governmental activities		<u>684,500</u>		
Total of annual lease payments		<u>\$ 684,500</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:			
Notes and Loans Payable	Common School Loans A0461	\$ 37,500	\$ 38,625
Notes and Loans Payable	Common School Loans A0528	965,981	134,271
Notes and Loans Payable	Common School Loans A448	-	-
Notes and Loans Payable	Common School Loans A567	<u>5,510,204</u>	<u>624,490</u>
Total governmental activities		<u>6,513,685</u>	<u>797,386</u>
Totals		<u>\$6,513,685</u>	<u>\$ 797,386</u>

PAOLI 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	\$ 212,393
Buildings	32,152,244
Improvements other than buildings	854,175
Machinery, equipment, and vehicles	<u>1,833,534</u>
Total governmental activities	<u>35,052,346</u>
Total capital assets	<u>\$ 35,052,346</u>

PAOLI 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.

PAOLI 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
<u>Department of Agriculture</u>						
Child Nutrition Cluster						
Child Nutrition Cluster						
	Indiana Department of Education					
School Breakfast Program		10.553	FY2020, FY2021	\$ 95,849	\$ 166,099	\$ 261,948
National School Lunch Program		10.555	FY2020, FY2021	236,991	278,194	515,185
Commodities		10.555	FY2020, FY2021	43,096	56,193	99,289
Summer Food Service Program for Children		10.559	FY2020, FY2021	30,135	3,256	33,391
Total - Child Nutrition Cluster				<u>406,071</u>	<u>503,742</u>	<u>909,813</u>
Total - Department of Agriculture				<u>406,071</u>	<u>503,742</u>	<u>909,813</u>
<u>Department of Education</u>						
Special Education Cluster(IDEA)						
Special Education Grants to States						
	Indiana Department of Education					
Special Ed-Part B		84.027	18611-082-PN01	1,627	-	1,627
Federal Part B 611		84.027	19611-082-PN01	214,617	1,858	216,475
Federal Part B 611		84.027	20611-085-PN01	126,433	208,311	334,744
Federal Part B 611		84.027	21611-085-PN01	-	145,479	145,479
Total - Special Education Grants to States				<u>342,677</u>	<u>355,648</u>	<u>698,325</u>
Special Education Preschool Grants						
	Indiana Department of Education					
Special Ed Preschool		84.173	18619-082-PN01	35	-	35
Special Ed Preschool		84.173	19619-082-PN01	7,240	-	7,240
Special Ed Preschool		84.173	20619-085-PN01	10,929	9,545	20,474
Special Ed Preschool		84.173	21619-085-PN01	-	12,857	12,857
Total - Special Education Preschool Grants				<u>18,204</u>	<u>22,402</u>	<u>40,606</u>
Total - Special Education Cluster(IDEA)				<u>360,881</u>	<u>378,050</u>	<u>738,931</u>
Title I Grants to Local Educational Agencies						
	Indiana Department of Education					
Title I, Part A		84.010	S010A180014	145,324	-	145,324
Title I, Part A		84.010	S010A190014	224,211	165,297	389,508
Title I, Part A		84.010	S010A200014	-	245,582	245,582
Total - Title I Grants to Local Educational Agencies				<u>369,535</u>	<u>410,879</u>	<u>780,414</u>

(Continued)

PAOLI 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
Rural Education	Indiana Department of Education					
Rural and Low Income Schools		84.358	S358B200014	\$ -	\$ 24,635	\$ 24,635
Rural and Low Income Schools		84.358	S424A180015	9,962	-	9,962
Rural and Low Income Schools		84.358	S424A190015	22,454	5,061	27,515
Total - Rural and Low Income School				<u>32,416</u>	<u>29,696</u>	<u>62,112</u>
Title II - Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367	S367A180013	35,929	-	35,929
Title II, Part A		84.367	S367A190013	24,301	41,093	65,394
Title II, Part A		84.367	S367A200013	-	24,756	24,756
Total - Title II Supporting Effective Instruction State Grants				<u>60,230</u>	<u>65,849</u>	<u>126,079</u>
Education Innovation and Research	Indiana Department of Education					
REC�		84.411	U411B190018	-	5,472	5,472
Title IV Part A-Student Support and Academic Enrichment Program	Indiana Department of Education					
Title IV, Part A		84.424	S424A170015	6,463	-	6,463
Title IV, Part A		84.424	S424A180015	18,231	-	18,231
Title IV, Part A		84.424	S424A190015	14,160	15,036	29,196
Title IV, Part A		84.424	S424A200015	-	22,696	22,696
Total - Title IV Part A - Student Support and Academic Enrichment Grants				<u>38,854</u>	<u>37,732</u>	<u>76,586</u>
COVID-19 Education Stabilization Fund	Indiana Department of Education					
Governor's Emergency Education Relief (GEER) Fund		84.425C	S424A200015	-	116,303	116,303
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	-	277,194	277,194
Total - COVID-19 - Education Stabilization Fund				<u>-</u>	<u>393,497</u>	<u>393,497</u>
Total - Department of Education				<u>861,916</u>	<u>1,321,175</u>	<u>2,183,091</u>
Total federal awards expended				<u>\$ 1,267,987</u>	<u>\$ 1,824,917</u>	<u>\$ 3,092,904</u>

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

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

NOTE 1 - BASIS OF PRESENTATION

A. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the period of July 1, 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 South Central Area Special Education Co-op 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
Paoli Community School Corporation
Orange 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 Paoli 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 December 19, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

(Continued)

Compliance and Other Matters

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

Purpose of this Report

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
December 19, 2022

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

Those Charged with Governance
Paoli Community School Corporation
Orange County, Indiana

Report on Compliance for Each Major Federal Program

We have audited Paoli 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 each 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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
December 19, 2022

PAOLI 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?	_____ Yes	___X___ No	
Significant deficiencies identified not considered to be material weaknesses?	_____ Yes	___X___ None Reported	
Noncompliance material to financial statement noted?	_____ Yes	___X___ No	

Federal Awards

Internal control over major programs			
Material weakness(es) identified?	_____ Yes	___X___ No	
Significant deficiencies identified not considered to be material weaknesses?	_____ Yes	___X___ None Reported	
Type of auditor’s report issued on compliance for major programs	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	_____ Yes	___X___ No	

Identification of major programs

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555, 10.559	Child Nutrition Cluster
84.010	Title I Grants to Educational Agencies

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

Auditee qualified as low-risk auditee?	_____ Yes	___X___ No	
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Section II – Financial Statement Findings

None noted.

Section III – Federal Award Findings and Questioned Costs

None noted.

PAOLI COMMUNITY SCHOOL CORPORATION

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DR. SHERRY WISE
ASSISTANT SUPERINTENDENT

LISA MUTH
SECRETARY

CINDY EUBANK
DEPUTY TREASURER

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2019-001

Subject: Child Nutrition Cluster - Procurement and Suspension and Debarment
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program,
Summer Food Service Program for Children
CFDA Numbers: 10.553, 10.555, 10.559
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 Wilson Education Center (Service Center). During the fiscal years 2017-2018 and 2018-2019, the Service Center solicited, evaluated, and awarded bids for bread, milk, and other products on behalf of its members. There was inadequate oversight performed by the School Corporation of the procurement and suspension and debarment procedures of the Service Center. 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.

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. During fiscal year 2019-2020, the School Corporation only used the Service Center for the bread product procurements. Another Service Center was used for bread procurements for 2020-2021. A separate purchasing cooperative was used for milk procurements in fiscal year 2019-2020 and 2020-2021. For all procurements tested in fiscal year 2019-2020 and 2020-2021, proper controls were in place at the purchasing cooperatives and School Corporation to ensure compliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.



Signature

Corporation Treasurer

Title

12-19-2022

Date

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2019-002

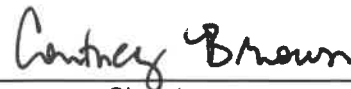
Subject: Special Education Cluster (IDEA) - Internal Controls
Federal Agency: Department of Education
Federal Programs: Special Education Grants to States, Special Education Preschool Grants
CFDA Numbers: 84.027, 84.173
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Matching, Level of Effort, Earmarking
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 Matching, Level of Effort, Earmarking compliance requirement.

One employee prepared the maintenance of effort calculation without an internal control system to verify the calculation for accuracy. There was no documentation or other evidence of an oversight, review, or approval process to ensure that the School Corporation was in compliance with the level of effort requirements of the grant.

The lack of internal controls was isolated to fiscal year 2017-2018.

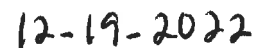
Status: Resolved. Proper controls were in place including a documented, secondary review of the calculation.



Signature



Title



Date

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2019-003

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
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Procurement and Suspension and Debarment
Audit Findings: Matter Weakness, Other Matters

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.

The School Corporation is a member of the South Central Area Special Education Cooperative (Cooperative). During the fiscal years 2017-2018 and 2018-2019, the Cooperative spent the federal money on behalf of all its members and there was inadequate oversight performed by the School Corporation of the procurement and suspension and debarment practices of the Cooperative.

Procurement

The Cooperative did not obtain price or rate quotations from an adequate number of qualified sources, and full and open competition was not provided for purchases that fell within the small purchases requirement. Documentation was not provided to show that consideration was given to the reasonableness of prices of purchases made, and full and open competition was not provided for purchases that fell within the micro-purchases requirement.

The Cooperative had a written procurement policy; however, it did not reflect the required state and federal laws and regulations.

The Cooperative did not maintain written standards of conduct covering conflicts of interest concerning employees engaged in the selection, award, and administration of contracts supported by federal awards.

Suspension and Debarment

The Cooperative's Director signed the Application and Assurance Plan as a condition of federal assistance, which stated that the Cooperative would verify that contractors were not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal agency, or by any department, agency or political subdivision of the State of Indiana. However, the School Corporation did not have procedures in place to monitor that the Cooperative verified that the vendors were not suspended or debarred or otherwise excluded from or ineligible for participation in federal assistance programs prior to entering into a covered transaction with them.

The lack of supporting documentation within small purchases requirement of price or rate quotations were systemic issues throughout the audit period.

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The lack of an adequate written procurement policy, and lack of a written conflict of interest policy were pervasive throughout the audit period.

Status: Resolved. Proper controls were implemented by the Special Education Cooperative to ensure compliance with requirements related to the grant agreement and the Procurement and Suspension and Debarment compliance requirements.

Courtney Brown

Signature

Corporation Treasurer

Title

12-19-2022

Date