



STATE OF INDIANA
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February 3, 2023

To: The Officials of the Southwest School Corporation
Southwest School Corporation
1502 North Section Street
Sullivan, IN 47882

This report is supplemental to the audit report of Southwest 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 Southwest 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 finding 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
SOUTHWEST SCHOOL CORPORATION
Sullivan County, Indiana
July 1, 2019 to June 30, 2021

SOUTHWEST SCHOOL CORPORATION

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

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SOUTHWEST SCHOOL CORPORATION
SCHEDULE OF OFFICIALS
July 1, 2019 to June 30, 2021

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Michele Hazelrigg	07-01-19 to 06-30-21
Superintendent of Schools	Chris Stitzle	07-01-19 to 06-30-21
President of the School Board	Barbara Rotramel Mitzi Badger	07-01-19 to 12-31-20 01-01-21 to 06-30-21

INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and
Management of the Southwest School Corporation

We have examined the Southwest 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 item 2021-001 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
January 26, 2023

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

FINDING 2021-001: AVERAGE DAILY MEMBERSHIP (ADM) TESTING

Criteria: The School Corporation is responsible for reporting ADM to the Indiana Department of Education (IDOE). The ADM Summary Report shall provide a written certification of ADM to properly document responsibility. The ADM Summary Report must be signed by the Superintendent/Principal/Director of Schools and the Trustee/Corporate Treasurer and be uploaded to IDOE for each reporting period in the fiscal year. Supporting documentation of enrollment and attendance/engagement information by grade and school must be maintained for audit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public Schools, Part 9).

Indiana Code 20-33-2-24 states, *“The superintendent or an attendance officer having jurisdiction shall report a child who is habitually absent from school in violation of this chapter to an intake officer of the juvenile court or the department of child services. The intake officer or the department of child services shall proceed in accord with IC 31-30 through IC 31-40.”*

Condition: During our testing of the virtual ADM count, one student in our sample of 3 students selected for testing, was not regularly attending class during 2020-2021 school year. The student was reported as absent, unexcused for the ADM count on September 18, 2020; however, the student was not actively attending classes the two weeks before or after the count date. The student subsequently withdrew on November 9, 2020.

The School Corporation did not report the student as a habitually absent student as required by IC 20-33-2-24. The School Corporation will need to follow up with IDOE to determine if the School Corporation should have received tuition support for this student.

SOUTHWEST SCHOOL CORPORATION
EXIT CONFERENCE
July 1, 2019 to June 30, 2021

The contents of this report were discussed on January 26, 2023, with Michele Hazelrigg, Treasurer, Chris Stitzle, Superintendent, and Jerry Wilson, School Board Vice President.