



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513

Fax: (317) 232-4711

Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

March 3, 2023

To: The Officials of Caston School Corporation  
Caston School Corporation  
9815 S State Road 25  
Rochester, IN 46975

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Caston School Corporation. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period July 1, 2020 to June 30, 2022. Per the *Independent Auditor's Report*, the financial statements included in the report present fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2022, and its cash receipts, cash disbursements, and other financing sources (uses) for the period of July 1, 2020 to June 30, 2022 in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

We call your attention to the finding included in the report on pages 38 and 39. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on page 40.

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 Caston 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

**CASTON SCHOOL CORPORATION**  
Fulton County, Indiana

**FINANCIAL STATEMENT**  
As of June 30, 2022, and for the  
period of July 1, 2020 to June 30, 2022

CASTON SCHOOL CORPORATION  
Fulton County, Indiana

FINANCIAL STATEMENT  
As of June 30, 2022, and for the  
period of July 1, 2020 to June 30, 2022

CONTENTS

SCHEDULE OF OFFICIALS (Unaudited) .....	1
INDEPENDENT AUDITOR'S REPORT .....	2
FINANCIAL STATEMENT	
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS .....	5
NOTES TO FINANCIAL STATEMENT .....	7
OTHER INFORMATION	
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS (Unaudited) .....	13
SCHEDULE OF PAYABLES AND RECEIVABLES (Unaudited) .....	25
SCHEDULE OF LEASES AND DEBT (Unaudited) .....	26
SCHEDULE OF CAPITAL ASSETS (Unaudited) .....	27
STATE REPORTING INFORMATION (Unaudited) .....	28
SUPPLEMENTARY INFORMATION	
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS .....	29
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS .....	31
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 <i>GOVERNMENT AUDITING STANDARDS</i> .....	32
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE .....	34
SCHEDULE OF FINDINGS AND QUESTIONED COSTS .....	37

CASTON SCHOOL CORPORATION  
SCHEDULE OF OFFICIALS (Unaudited)  
For the period July 1, 2020 to June 30, 2022

---

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Susan Loftain	07-01-20 to 06-30-22
Superintendent of Schools	Paul Voigt	07-01-20 to 06-30-22
President of the School Board	Chad Boldry	07-01-20 to 06-30-22

## INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance  
Caston School Corporation  
Fulton County, Indiana

**Report on the Audit of the Financial Statement*****Opinions***

We have audited the accompanying statement of receipts, disbursements, other financing sources (uses) and cash and investment balances of Caston School Corporation (the School Corporation) as of June 30, 2022 and for the period of July 1, 2020 to June 30, 2022, and the related notes to the financial statement.

*Unmodified Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statement presents fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2022, and its cash receipts, cash disbursements, and other financing sources (uses) for the period of July 1, 2020 to June 30, 2022 in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

*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, 2022, or changes in net position for the period of July 1, 2020 to June 30, 2022.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the School Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 1 to the financial statement, the financial statement is prepared by the School Corporation 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 and pervasive.

### ***Responsibilities of Management for the Financial Statement***

Management is responsible for the preparation and fair presentation of the 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School Corporation's ability to continue as a going concern for one year from the date the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statement***

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit 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 School Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statement that collectively comprise the School Corporation's financial statement. 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* is presented for purposes of additional analysis and are not a required part of the financial statement.

---

(Continued)

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. The 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.

#### **Other Information**

Management is responsible for the other information included with the financial statement. The other information comprises the Schedule of Officials, Other Information Schedules, and State Reporting Information, marked as unaudited on the table of contents, but does not include the financial statement and our auditor's report thereon. Our opinion on the financial statement does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statement, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statement, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

#### **Other Reporting Required by Governmental Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 17, 2023, 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

Indianapolis, Indiana  
February 17, 2023

CASTON SCHOOL CORPORATION  
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),  
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
As of June 30, 2022 and for the period July 1, 2020 through June 30, 2022

Fund	Cash and Investments		Disbursements	Other	Cash and Investments		Disbursements	Other	Cash and Investments	
	07-01-2020	Receipts		Financing Sources (Uses)	06-30-2021	Receipts		Financing Sources (Uses)	06-30-2022	
Education	\$ 2,213,608	\$ 4,606,050	\$ 3,982,834	\$ (410,511)	\$ 2,426,313	\$ 5,464,318	\$ 4,620,768	\$ (430,000)	\$ 2,839,863	
Debt Service	149,048	351,650	430,500	-	70,198	404,537	351,500	-	123,235	
Operations	3,143,429	2,514,124	2,033,721	317,175	3,941,007	2,469,010	2,583,193	330,240	4,157,064	
Rainy Day	1,161,958	676	96,803	100,000	1,165,831	-	37,072	100,000	1,228,759	
School Lunch	37,585	453,579	395,836	-	95,328	593,561	569,496	160	119,553	
Textbook Rental	125,565	81,515	89,513	-	117,567	87,660	108,027	-	97,200	
Donations Gifts Trusts	2,348	6,000	5,152	-	3,196	-	-	-	3,196	
Formative Assessment Grant	-	7,258	7,258	-	-	8,936	8,936	-	-	
Special Education Excess Costs	(49,328)	160,732	111,404	-	-	-	-	-	-	
Safe/Drug Free School	6,955	-	-	-	6,955	2,900	1,983	-	7,872	
Medicaid Reimb Fund	13,067	22,352	9,422	-	25,997	42,553	8,180	-	60,370	
Secured School Safety Grant	-	60,663	49,098	-	11,565	56,000	27,565	-	40,000	
Alternative Ed Grant	-	3,648	3,648	-	-	-	-	-	-	
Eig 2020-2021	-	1,945	-	-	1,945	-	1,945	-	-	
Non-English Speaking Program	-	-	-	-	-	4,637	-	-	4,637	
Career & Tech Perf.	830	-	-	-	830	-	-	-	830	
Teachers Appreciation Grant	-	25,100	25,611	511	-	-	-	-	-	
2021-22 Tag	-	-	-	-	-	27,316	27,316	-	-	
High Ability Grant 20-21	12,075	21,870	31,330	-	2,615	24,032	13,997	-	12,650	
State Connect/Technology	18,477	7,830	1,200	-	25,107	10,280	3,889	-	31,498	
Project Lead The Way	-	2,400	2,400	-	-	3,600	1,200	-	2,400	
Ipep Grant	-	-	-	-	-	11,656	4,320	-	7,336	
Title I 19-20	(10,120)	41,109	30,989	-	-	-	-	-	-	
Title I 20-21	-	76,213	96,035	-	(19,822)	41,478	21,656	-	-	
Title I Fy21-22	-	-	-	-	-	68,741	76,975	-	(8,234)	
Local Reading Improvement	500	-	479	-	21	-	-	-	21	
Idea Special Ed Fy19 611	(1)	1	-	-	-	1,864	1,864	-	-	
Idea Spec Ed Fy20 611	(12,018)	145,421	133,957	-	(554)	109,514	125,072	-	(16,112)	
Idea Spec Ed Fy20 619	-	6,113	6,113	-	-	-	-	-	-	
Idea Spec Ed Fy21 619	-	6,135	6,135	-	-	-	-	-	-	
Title Iv Part A 18-19	-	12,845	12,845	-	-	-	-	-	-	
Title Iv 19-21	-	-	-	-	-	12,996	12,996	-	-	
Title Iv 20-22	-	-	-	-	-	10,000	10,000	-	-	
Title Ii Part A 18-20	(3,252)	11,041	7,789	-	-	-	-	-	-	
Title Ii Fy19-21	-	18,732	20,250	-	(1,518)	1,942	423	-	1	
Title Ii A Ffy 20-22	-	-	1,021	-	(1,021)	22,094	21,073	-	-	
Title Ii Fy2021-2023	-	-	-	-	-	2,982	6,157	-	(3,175)	
Fy22 Idea Arp 611	-	-	-	-	-	5,809	5,809	-	-	
Fy22 Idea Arp 619	-	-	-	-	-	2,897	2,897	-	-	
Whin Elearning	-	-	-	-	-	35,000	34,993	-	7	
ESSER III	-	-	-	-	-	-	113,045	-	(113,045)	

(Continued)

CASTON SCHOOL CORPORATION  
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),  
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
As of June 30, 2022 and for the period July 1, 2020 through June 30, 2022

Fund	Cash and Investments			Other Financing Sources (Uses)	Cash and Investments			Other Financing Sources (Uses)	Cash and Investments
	07-01-2020	Receipts	Disbursements		06-30-2021	Receipts	Disbursements		
ESSER II	\$ -	\$ -	\$ 91,500	\$ -	\$ (91,500)	\$ -	\$ 196,565	\$ -	\$ (288,065)
ESSER I	-	-	130,178	-	(130,178)	132,645	2,467	-	-
Prepaid Lunch	4,985	290	345	-	4,930	(1,046)	431	-	3,453
Federal Tax - Clearing	(2,128)	333,243	331,225	-	(110)	318,352	318,352	-	(110)
Social Security-Cert	(3,437)	209,507	208,830	-	(2,760)	213,982	213,985	-	(2,763)
State Tax	(310)	129,575	129,575	-	(310)	133,186	132,888	-	(12)
County Tax	(205)	103,066	102,861	-	-	108,050	108,050	-	-
Teacher Retirement	248	8,878	3,195	-	5,931	3,349	3,349	-	5,931
P.E.R.F. Voluntary	(103)	1,741	1,741	-	(103)	1,751	1,751	-	(103)
Health Insurance	4,300	178,373	178,136	-	4,537	198,728	199,059	-	4,206
Life Insurance	373	567	733	-	207	692	634	-	265
Disability Insurance	2	1	-	-	3	1	-	-	4
Dental Insurance	537	34,418	34,823	-	132	37,830	38,017	-	(55)
Vision Insurance	689	13,566	13,561	-	694	9,545	9,608	-	631
Social Security-Classified	2,685	112,949	113,133	-	2,501	114,726	114,723	-	2,504
American Fidelity Assurance	3,108	44,503	44,565	(83)	2,963	52,649	51,920	-	3,692
Hsa-Vol-Emp Contributions	172	31,304	31,199	50	327	39,510	39,510	-	327
One America-Vol-Life Ins.	47	3,014	3,014	-	47	3,014	3,014	-	47
Child Support	-	1,040	997	-	43	2,525	2,525	-	43
Flex Spending	509	6,084	6,870	33	(244)	6,232	5,557	-	431
First Investors Annuity	-	52,390	52,590	-	(200)	51,584	49,524	-	1,860
Met Life	2,374	2,280	11,934	-	(7,280)	2,180	(5,110)	-	10
American Fidelity Annuity	1,798	15,970	15,970	-	1,798	29,437	29,337	-	1,898
Extra Curricular Payroll	-	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>\$ 6,826,370</b>	<b>\$ 9,927,761</b>	<b>\$ 9,098,318</b>	<b>\$ 7,175</b>	<b>\$ 7,662,988</b>	<b>\$ 10,985,235</b>	<b>\$ 10,318,503</b>	<b>\$ 400</b>	<b>\$ 8,330,120</b>

See notes to financial statement.

CASTON SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2022, and for the period July 1, 2020 to June 30, 2022

---

**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.

*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.

---

(Continued)

CASTON SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2022, and for the period July 1, 2020 to June 30, 2022

---

**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:

*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 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 contain 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, 2021, and 2022. Deficits in other fund balances, including the Federal Tax, Social Security, State Tax, P.E.R.F. Voluntary, Flex Spending, First Investors Annuity, Met Life, and Dental Insurance funds, were the result of disbursements exceeding receipts due to under-estimating current requirements for some funds. These deficits are to be prepaid from future receipts.

**NOTE 7 - HOLDING CORPORATION**

The School Corporation has entered into a capital lease with the Caston Educational 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, 2020 to June 30, 2021 totaled \$430,500. Lease payments for the period July 1, 2021 to June 30, 2022 totaled \$351,500.

**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)

CASTON SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2022, and for the period July 1, 2020 to June 30, 2022

---

**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 an obligation of, and is paid by, the State of Indiana.

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

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

**SUPPLEMENTARY INFORMATION**

CASTON 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	Rainy Day	School Lunch	Textbook Rental	Donations Gifts Trusts	Formative Assessment Grant	Special Education Excess Costs	Safe/Drug Free School	Medicaid Reimb Fund
Cash and investments - beginning	\$ 2,213,608	\$ 149,048	\$ 3,143,429	\$ 1,161,958	\$ 37,585	\$ 125,565	\$ 2,348	\$ -	\$ (49,328)	\$ 6,955	\$ 13,067
Receipts:											
Local sources	65,120	351,650	2,513,975	676	58,218	57,143	6,000	-	-	-	-
Intermediate sources	-	-	149	-	-	-	-	-	-	-	-
State sources	4,540,930	-	-	-	3,460	24,372	-	7,258	160,732	-	22,352
Federal sources	-	-	-	-	391,901	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	4,606,050	351,650	2,514,124	676	453,579	81,515	6,000	7,258	160,732	-	22,352
Disbursements:											
Instruction	2,781,421	-	-	65,130	-	-	-	-	111,404	-	-
Support services	1,088,925	-	1,937,470	31,673	50	89,513	-	7,258	-	-	9,422
Noninstructional services	112,488	-	-	-	395,786	-	5,152	-	-	-	-
Facilities acquisition and construction	-	-	96,251	-	-	-	-	-	-	-	-
Debt services	-	430,500	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	3,982,834	430,500	2,033,721	96,803	395,836	89,513	5,152	7,258	111,404	-	9,422
Excess (deficiency) of receipts over disbursements	623,216	(78,850)	480,403	(96,127)	57,743	(7,998)	848	-	49,328	-	12,930
Other financing sources (uses):											
Proceeds of long-term debt	-	-	6,875	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	300	-	-	-	-	-	-	-	-
Transfers in	-	-	360,000	100,000	-	-	-	-	-	-	-
Transfers out	(410,511)	-	(50,000)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(410,511)	-	317,175	100,000	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	212,705	(78,850)	797,578	3,873	57,743	(7,998)	848	-	49,328	-	12,930
Cash and investments - ending	\$ 2,426,313	\$ 70,198	\$ 3,941,007	\$ 1,165,831	\$ 95,328	\$ 117,567	\$ 3,196	\$ -	\$ -	\$ 6,955	\$ 25,997

(Continued)

CASTON 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

	Secured School Safety Grant	Alternative Ed Grant	Eig 2020-2021	Non-English Speaking Program	Career & Tech Perf.	Teachers Appreciation Grant	2021-22 Tag	High Ability Grant 20-21	State Connect/Technol ogy	Project Lead The Way	Ipep Grant
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 830	\$ -	\$ -	\$ 12,075	\$ 18,477	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	60,663	3,648	1,945	-	-	25,100	-	21,870	7,830	2,400	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	60,663	3,648	1,945	-	-	25,100	-	21,870	7,830	2,400	-
Disbursements:											
Instruction	-	3,648	-	-	-	25,611	-	31,330	-	2,400	-
Support services	49,098	-	-	-	-	-	-	-	1,200	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	49,098	3,648	-	-	-	25,611	-	31,330	1,200	2,400	-
Excess (deficiency) of receipts over disbursements	11,565	-	1,945	-	-	(511)	-	(9,460)	6,630	-	-
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	511	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	511	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	11,565	-	1,945	-	-	-	-	(9,460)	6,630	-	-
Cash and investments - ending	\$ 11,565	\$ -	\$ 1,945	\$ -	\$ 830	\$ -	\$ -	\$ 2,615	\$ 25,107	\$ -	\$ -

(Continued)

CASTON 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 I 19-20	Title I 20-21	Title I Fy21-22	Local Reading Improvement	Idea Special Ed Fy19 611	Idea Spec Ed Fy20 611	Idea Spec Ed Fy20 619	Idea Spec Ed Fy21 619	Title Iv Part A 18-19	Title Iv 19-21	Title Iv 20-22
Cash and investments - beginning	\$ (10,120)	\$ -	\$ -	\$ 500	\$ (1)	\$ (12,018)	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	1	145,421	6,113	6,135	-	-	-
Federal sources	41,109	76,213	-	-	-	-	-	-	12,845	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	41,109	76,213	-	-	1	145,421	6,113	6,135	12,845	-	-
Disbursements:											
Instruction	7,564	96,035	-	-	-	133,957	6,113	6,135	-	-	-
Support services	23,425	-	-	479	-	-	-	-	12,845	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	30,989	96,035	-	479	-	133,957	6,113	6,135	12,845	-	-
Excess (deficiency) of receipts over disbursements	10,120	(19,822)	-	(479)	1	11,464	-	-	-	-	-
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	10,120	(19,822)	-	(479)	1	11,464	-	-	-	-	-
Cash and investments - ending	\$ -	\$ (19,822)	\$ -	\$ 21	\$ -	\$ (554)	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

CASTON 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 li Part A 18- 20	Title li Fy19-21	Title li A Ffy 20- 22	Title li Fy2021- 2023	Fy22 Idea Arp 611	Fy22 Idea Arp 619	Whin Elearning	ESSER III	ESSER II	ESSER I	Prepaid Lunch
Cash and investments - beginning	\$ (3,252)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,985
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	11,041	18,732	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	290
Total receipts	11,041	18,732	-	-	-	-	-	-	-	-	290
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	52,500	26,326	-
Support services	7,789	20,250	1,021	-	-	-	-	-	33,500	88,779	-
Noninstructional services	-	-	-	-	-	-	-	-	5,500	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	15,073	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	345
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	7,789	20,250	1,021	-	-	-	-	-	91,500	130,178	345
Excess (deficiency) of receipts over disbursements	3,252	(1,518)	(1,021)	-	-	-	-	-	(91,500)	(130,178)	(55)
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	3,252	(1,518)	(1,021)	-	-	-	-	-	(91,500)	(130,178)	(55)
Cash and investments - ending	\$ -	\$ (1,518)	\$ (1,021)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (91,500)	\$ (130,178)	\$ 4,930

(Continued)

CASTON 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

	Federal Tax - Clearing	Social Security- Cert	State Tax	County Tax	Teacher Retirement	P.E.R.F. Voluntary	Health Insurance	Life Insurance	Disability Insurance	Dental Insurance	Vision Insurance
Cash and investments - beginning	\$ (2,128)	\$ (3,437)	\$ (310)	\$ (205)	\$ 248	\$ (103)	\$ 4,300	\$ 373	\$ 2	\$ 537	\$ 689
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	333,243	209,507	129,575	103,066	8,878	1,741	178,373	567	1	34,418	13,566
Total receipts	333,243	209,507	129,575	103,066	8,878	1,741	178,373	567	1	34,418	13,566
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	331,225	208,830	129,575	102,861	3,195	1,741	178,136	733	-	34,823	13,561
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	331,225	208,830	129,575	102,861	3,195	1,741	178,136	733	-	34,823	13,561
Excess (deficiency) of receipts over disbursements	2,018	677	-	205	5,683	-	237	(166)	1	(405)	5
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,018	677	-	205	5,683	-	237	(166)	1	(405)	5
Cash and investments - ending	\$ (110)	\$ (2,760)	\$ (310)	\$ -	\$ 5,931	\$ (103)	\$ 4,537	\$ 207	\$ 3	\$ 132	\$ 694

(Continued)

CASTON 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

	Social Security- Classified	American Fidelity Assurance	Hsa-Vol-Emp Contributions	One America- Vol-Life Ins.	Child Support	Flex Spending	First Investors Annuity	Met Life	American Fidelity Annuity	Extra Curricular Payroll	Totals
Cash and investments - beginning	\$ 2,685	\$ 3,108	\$ 172	\$ 47	\$ -	\$ 509	\$ -	\$ 2,374	\$ 1,798	\$ -	\$ 6,826,370
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	3,052,782
Intermediate sources	-	-	-	-	-	-	-	-	-	-	149
State sources	-	-	-	-	-	-	-	-	-	-	5,040,230
Federal sources	-	-	-	-	-	-	-	-	-	-	551,841
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	112,949	44,503	31,304	3,014	1,040	6,084	52,390	2,280	15,970	-	1,282,759
Total receipts	112,949	44,503	31,304	3,014	1,040	6,084	52,390	2,280	15,970	-	9,927,761
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	3,349,574
Support services	-	-	-	-	-	-	-	-	-	-	3,402,697
Noninstructional services	-	-	-	-	-	-	-	-	-	-	518,926
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	111,324
Debt services	-	-	-	-	-	-	-	-	-	-	430,500
Nonprogrammed charges	113,133	44,565	31,199	3,014	997	6,870	52,590	11,934	15,970	-	1,285,297
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	113,133	44,565	31,199	3,014	997	6,870	52,590	11,934	15,970	-	9,098,318
Excess (deficiency) of receipts over disbursements	(184)	(62)	105	-	43	(786)	(200)	(9,654)	-	-	829,443
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	6,875
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	300
Transfers in	-	-	50	-	-	33	-	-	-	-	460,594
Transfers out	-	(83)	-	-	-	-	-	-	-	-	(460,594)
Total other financing sources (uses)	-	(83)	50	-	-	33	-	-	-	-	7,175
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(184)	(145)	155	-	43	(753)	(200)	(9,654)	-	-	836,618
Cash and investments - ending	\$ 2,501	\$ 2,963	\$ 327	\$ 47	\$ 43	\$ (244)	\$ (200)	\$ (7,280)	\$ 1,798	\$ -	\$ 7,662,988

CASTON SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 July 1, 2021 through June 30, 2022

	Education	Debt Service	Operations	Rainy Day	School Lunch	Textbook Rental	Donations Gifts Trusts	Formative Assessment Grant	Special Education Excess Costs	Safe/Drug Free School	Medicaid Reimb Fund
Cash and investments - beginning	\$ 2,426,313	\$ 70,198	\$ 3,941,007	\$ 1,165,831	\$ 95,328	\$ 117,567	\$ 3,196	\$ -	\$ -	\$ 6,955	\$ 25,997
Receipts:											
Local sources	88,204	404,537	2,468,869	-	81,473	57,911	-	-	-	-	-
Intermediate sources	-	-	141	-	-	-	-	-	-	-	-
State sources	5,376,114	-	-	-	3,924	29,749	-	8,936	-	2,900	42,553
Federal sources	-	-	-	-	508,164	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	5,464,318	404,537	2,469,010	-	593,561	87,660	-	8,936	-	2,900	42,553
Disbursements:											
Instruction	3,332,110	-	-	20,236	-	-	-	-	-	-	-
Support services	1,175,217	-	2,069,640	16,836	-	108,027	-	8,936	-	1,983	8,180
Noninstructional services	113,441	-	-	-	569,496	-	-	-	-	-	-
Facilities acquisition and construction	-	-	513,553	-	-	-	-	-	-	-	-
Debt services	-	351,500	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	4,620,768	351,500	2,583,193	37,072	569,496	108,027	-	8,936	-	1,983	8,180
Excess (deficiency) of receipts over disbursements	843,550	53,037	(114,183)	(37,072)	24,065	(20,367)	-	-	-	917	34,373
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	400	-	-	-	-	-	-	-	-
Transfers in	-	-	380,000	100,000	160	-	-	-	-	-	-
Transfers out	(430,000)	-	(50,160)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(430,000)	-	330,240	100,000	160	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	413,550	53,037	216,057	62,928	24,225	(20,367)	-	-	-	917	34,373
Cash and investments - ending	\$ 2,839,863	\$ 123,235	\$ 4,157,064	\$ 1,228,759	\$ 119,553	\$ 97,200	\$ 3,196	\$ -	\$ -	\$ 7,872	\$ 60,370

(Continued)

CASTON SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 July 1, 2021 through June 30, 2022

	Secured School Safety Grant	Alternative Ed Grant	Eig 2020-2021	Non-English Speaking Program	Career & Tech Perf.	Teachers Appreciation Grant	2021-22 Tag	High Ability Grant 20-21	State Connect/Technol ogy	Project Lead The Way	Ipep Grant
Cash and investments - beginning	\$ 11,565	\$ -	\$ 1,945	\$ -	\$ 830	\$ -	\$ -	\$ 2,615	\$ 25,107	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	56,000	-	-	4,637	-	-	27,316	24,032	10,280	3,600	11,656
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	56,000	-	-	4,637	-	-	27,316	24,032	10,280	3,600	11,656
Disbursements:											
Instruction	-	-	1,945	-	-	-	27,316	13,997	-	1,200	-
Support services	27,565	-	-	-	-	-	-	-	3,889	-	4,320
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	27,565	-	1,945	-	-	-	27,316	13,997	3,889	1,200	4,320
Excess (deficiency) of receipts over disbursements	28,435	-	(1,945)	4,637	-	-	-	10,035	6,391	2,400	7,336
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	28,435	-	(1,945)	4,637	-	-	-	10,035	6,391	2,400	7,336
Cash and investments - ending	\$ 40,000	\$ -	\$ -	\$ 4,637	\$ 830	\$ -	\$ -	\$ 12,650	\$ 31,498	\$ 2,400	\$ 7,336

(Continued)

CASTON SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 July 1, 2021 through June 30, 2022

	Title I 19-20	Title I 20-21	Title I Fy21-22	Local Reading Improvement	Idea Special Ed Fy19 611	Idea Spec Ed Fy20 611	Idea Spec Ed Fy20 619	Idea Spec Ed Fy21 619	Title Iv Part A 18-19	Title Iv 19-21	Title Iv 20-22
Cash and investments - beginning	\$ -	\$ (19,822)	\$ -	\$ 21	\$ -	\$ (554)	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	1,864	109,514	-	-	-	-	-
Federal sources	-	41,478	68,741	-	-	-	-	-	-	12,996	10,000
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	41,478	68,741	-	1,864	109,514	-	-	-	12,996	10,000
Disbursements:											
Instruction	-	21,656	35,545	-	1,864	125,072	-	-	-	-	-
Support services	-	-	41,430	-	-	-	-	-	-	12,996	10,000
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	21,656	76,975	-	1,864	125,072	-	-	-	12,996	10,000
Excess (deficiency) of receipts over disbursements	-	19,822	(8,234)	-	-	(15,558)	-	-	-	-	-
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	-	19,822	(8,234)	-	-	(15,558)	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ (8,234)	\$ 21	\$ -	\$ (16,112)	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

CASTON SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 July 1, 2021 through June 30, 2022

	Title li Part A 18- 20	Title li Fy19-21	Title li A Ffy 20- 22	Title li Fy2021- 2023	Fy22 Idea Arp 611	Fy22 Idea Arp 619	Whin Elearning	ESSER III	ESSER II	ESSER I	Prepaid Lunch
Cash and investments - beginning	\$ -	\$ (1,518)	\$ (1,021)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (91,500)	\$ (130,178)	\$ 4,930
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	5,809	2,897	-	-	-	-	-
Federal sources	-	1,942	22,094	2,982	-	-	35,000	-	-	132,645	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	(1,046)
Total receipts	-	1,942	22,094	2,982	5,809	2,897	35,000	-	-	132,645	(1,046)
Disbursements:											
Instruction	-	-	-	-	5,809	2,897	-	49,256	52,299	-	-
Support services	-	423	21,073	6,157	-	-	34,993	63,789	78,266	2,467	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	66,000	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	431
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	423	21,073	6,157	5,809	2,897	34,993	113,045	196,565	2,467	431
Excess (deficiency) of receipts over disbursements	-	1,519	1,021	(3,175)	-	-	7	(113,045)	(196,565)	130,178	(1,477)
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,519	1,021	(3,175)	-	-	7	(113,045)	(196,565)	130,178	(1,477)
Cash and investments - ending	\$ -	\$ 1	\$ -	\$ (3,175)	\$ -	\$ -	\$ 7	\$ (113,045)	\$ (288,065)	\$ -	\$ 3,453

(Continued)

CASTON SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 July 1, 2021 through June 30, 2022

	Federal Tax - Clearing	Social Security- Cert	State Tax	County Tax	Teacher Retirement	P.E.R.F. Voluntary	Health Insurance	Life Insurance	Disability Insurance	Dental Insurance	Vision Insurance
Cash and investments - beginning	\$ (110)	\$ (2,760)	\$ (310)	\$ -	\$ 5,931	\$ (103)	\$ 4,537	\$ 207	\$ 3	\$ 132	\$ 694
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	318,352	213,982	133,186	108,050	3,349	1,751	198,728	692	1	37,830	9,545
Total receipts	318,352	213,982	133,186	108,050	3,349	1,751	198,728	692	1	37,830	9,545
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	318,352	213,985	132,888	108,050	3,349	1,751	199,059	634	-	38,017	9,608
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	318,352	213,985	132,888	108,050	3,349	1,751	199,059	634	-	38,017	9,608
Excess (deficiency) of receipts over disbursements	-	(3)	298	-	-	-	(331)	58	1	(187)	(63)
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	-	(3)	298	-	-	-	(331)	58	1	(187)	(63)
Cash and investments - ending	\$ (110)	\$ (2,763)	\$ (12)	\$ -	\$ 5,931	\$ (103)	\$ 4,206	\$ 265	\$ 4	\$ (55)	\$ 631

(Continued)

CASTON SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 July 1, 2021 through June 30, 2022

	Social Security- Classified	American Fidelity Assurance	Hsa-Vol-Emp Contributions	One America- Vol-Life Ins.	Child Support	Flex Spending	First Investors Annuity	Met Life	American Fidelity Annuity	Extra Curricular Payroll	Totals
Cash and investments - beginning	\$ 2,501	\$ 2,963	\$ 327	\$ 47	\$ 43	\$ (244)	\$ (200)	\$ (7,280)	\$ 1,798	\$ -	\$ 7,662,988
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	3,100,994
Intermediate sources	-	-	-	-	-	-	-	-	-	-	141
State sources	-	-	-	-	-	-	-	-	-	-	5,721,781
Federal sources	-	-	-	-	-	-	-	-	-	-	836,042
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	114,726	52,649	39,510	3,014	2,525	6,232	51,584	2,180	29,437	-	1,326,277
Total receipts	114,726	52,649	39,510	3,014	2,525	6,232	51,584	2,180	29,437	-	10,985,235
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	3,691,202
Support services	-	-	-	-	-	-	-	-	-	-	3,696,187
Noninstructional services	-	-	-	-	-	-	-	-	-	-	682,937
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	579,553
Debt services	-	-	-	-	-	-	-	-	-	-	351,500
Nonprogrammed charges	114,723	51,920	39,510	3,014	2,525	5,557	49,524	(5,110)	29,337	-	1,317,124
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	114,723	51,920	39,510	3,014	2,525	5,557	49,524	(5,110)	29,337	-	10,318,503
Excess (deficiency) of receipts over disbursements	3	729	-	-	-	675	2,060	7,290	100	-	666,732
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	400
Transfers in	-	-	-	-	-	-	-	-	-	-	480,160
Transfers out	-	-	-	-	-	-	-	-	-	-	(480,160)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	400
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3	729	-	-	-	675	2,060	7,290	100	-	667,132
Cash and investments - ending	\$ 2,504	\$ 3,692	\$ 327	\$ 47	\$ 43	\$ 431	\$ 1,860	\$ 10	\$ 1,898	\$ -	\$ 8,330,120

CASTON SCHOOL CORPORATION  
SCHEDULE OF PAYABLES AND RECEIVABLES  
June 30, 2022

---

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 3,595	\$ 428,630

CASTON SCHOOL CORPORATION  
SCHEDULE OF LEASES AND DEBT  
June 30, 2022

---

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities:				
Cardinal Leasing	Elementary Copier	\$ 2,882	4/1/2018	4/1/2023
Cardinal Leasing	High School Copier	2,437	4/1/2020	4/1/2025
Caston Educational Building Corp.	Lease Rental - Ad Valorem Property Tax First Mortgage Bonds	<u>351,500</u>	8/23/2016	12/31/2038
Total governmental activities		<u>356,819</u>		
Total of annual lease payments		<u>\$ 356,819</u>		

CASTON SCHOOL CORPORATION  
SCHEDULE OF CAPITAL ASSETS  
June 30, 2022

---

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	\$ 39,120
Buildings	8,505,953
Improvements other than buildings	5,078,433
Machinery, equipment, and vehicles	3,601,306
Construction in progress	<u>472,632</u>
Total governmental activities	<u>17,697,444</u>
Total capital assets	<u>\$ 17,697,444</u>

CASTON SCHOOL CORPORATION  
STATE REPORTING INFORMATION  
July 1, 2020 - June 30, 2022

---

*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.

CASTON SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Years Ended June 30, 2021 and 2022

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 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-2020 to 06-30-22
<u>Department of Agriculture</u>						
Child Nutrition Cluster	Indiana Department of Education					
School Breakfast Program		10.553	FY2021, FY2022	\$ 88,604	\$ 108,175	\$ 196,779
National School Lunch Program		10.555	FY2021, FY2022	303,297	399,375	702,672
Commodities		10.555		<u>19,282</u>	<u>22,493</u>	<u>41,775</u>
Total - Child Nutrition Cluster				<u>411,183</u>	<u>530,043</u>	<u>941,226</u>
Total - Department of Agriculture				<u>411,183</u>	<u>530,043</u>	<u>941,226</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	20611-150-PN01	145,421	-	145,421
Special Ed-Part B		84.027	H027A180084	-	1,864	1,864
Special Ed-Part B		84.027	H027A190084	-	109,514	109,514
Special Ed-Part B		84.027	H027X210084	<u>-</u>	<u>5,809</u>	<u>5,809</u>
Total - Special Education Grants to States				<u>145,421</u>	<u>117,187</u>	<u>262,608</u>
Special Education Preschool Grants	Indiana Department of Education					
Special Ed Preschool		84.173	20619-150-PN01	6,113	-	6,113
Special Ed Preschool		84.173	21619-150-PN01	6,135	-	6,135
Special Ed Preschool		84.173	H173X210104	<u>-</u>	<u>2,897</u>	<u>2,897</u>
Total - Special Education Preschool Grants				<u>12,248</u>	<u>2,897</u>	<u>15,145</u>
Total - Special Education Cluster(IDEA)				<u>157,669</u>	<u>120,084</u>	<u>277,753</u>
Title I Grants to Local Education Agencies	Indiana Department of Education					
Title I, Part A		84.010	S010A190014	41,109	-	41,109
Title I, Part A		84.010	S010A200014	-	41,478	41,478
Title I, Part A		84.010	S010A2000141	76,213	-	76,213
Title I, Part A		84.010	S010A210014	<u>-</u>	<u>68,741</u>	<u>68,741</u>
Total - Title I Grants to LEA				<u>117,322</u>	<u>110,219</u>	<u>227,541</u>

(Continued)

CASTON SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Years Ended June 30, 2021 and 2022

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 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-2020 to 06-30-22
Title II Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367	S367A18001	\$ 11,041	\$ -	\$ 11,041
Title II, Part A		84.367	S367A190013	18,732	1,942	20,674
Title II, Part A		84.367	S367A200013	-	22,094	22,094
Title II, Part A		84.367	S367A210013	-	2,982	2,982
Total - Title II Supporting Effective Instruction State Grants				<u>29,773</u>	<u>27,018</u>	<u>56,791</u>
Title IV Student Support and Academic Enrichment Program	Indiana Department of Education					
Title IV Part A		84.424	S367A190013	-	12,996	12,996
Title IV Part A		84.424	S424A200015	-	10,000	10,000
Title IV Part A		84.424	SA424A180015	12,845	-	12,845
Total - Title IV Student Support and Academic Enrichment Program				<u>12,845</u>	<u>22,996</u>	<u>35,841</u>
COVID-19 Education Stabilization Fund	Indiana Department of Education					
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425	S425D200013	-	132,645	132,645
Total - COVID-19 Education Stabilization Fund				<u>-</u>	<u>132,645</u>	<u>132,645</u>
Total - Department of Education				<u>317,609</u>	<u>412,962</u>	<u>730,571</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster	Indiana Department of Education					
Medical Assistance Program		93.778	n/a	10,908	26,873	37,781
Total - Medicaid Cluster				<u>10,908</u>	<u>26,873</u>	<u>37,781</u>
Total - Department of Health and Human Services				<u>10,908</u>	<u>26,873</u>	<u>37,781</u>
Total federal awards expended				<u>\$ 739,700</u>	<u>\$ 969,878</u>	<u>\$ 1,709,578</u>

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

CASTON SCHOOL CORPORATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Period of July 1, 2020 to June 30, 2022

---

**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 - OTHER INFORMATION**

The School Corporation did not have any subrecipient activity for the period July 1, 2020 to June 30, 2022.

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  
Caston School Corporation  
Fulton 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 the Caston 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, 2022 and for the period July 1, 2020 to June 30, 2022 and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement, and have issued our report thereon dated February 17, 2023.

### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, 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 statements, 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 statements 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 or significant deficiencies may exist that have not been identified.

---

(Continued)

## Report on 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  
February 17, 2023

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

Those Charged with Governance  
Caston School Corporation  
Fulton County, Indiana

**Report on Compliance for Each Major Federal Program**

***Qualified Opinion on the Child Nutrition Cluster***

We have audited Caston School Corporation's (School Corporation) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on the School Corporation's major federal program for the period of July 1, 2020 to June 30, 2022. The School Corporation's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion section of our report, the School Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Child Nutrition Cluster (ALNs 10.553, 10.555 and 10.559) for the period of July 1, 2020 to June 30, 2022.

***Basis for Qualified Opinion on the Child Nutrition Cluster***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the School Corporation's compliance with the compliance requirements referred to above.

***Matter Giving Rise to Qualified Opinion on Child Nutrition Cluster***

As described in the accompanying schedule of findings and questioned costs, the School Corporation did not comply with requirements regarding Child Nutrition Cluster as described in finding number 2022-001 for Procurement and Suspension and Debarment. Compliance with such requirements is necessary, in our opinion, for the School Corporation to comply with the requirements applicable to that program.

---

(Continued)

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the School Corporation's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School Corporation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School Corporation's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the School Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the School Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Other Matters***

*Government Auditing Standards* requires the auditor to perform limited procedures on the School Corporation's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The School Corporation's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

---

(Continued)

## Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

*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 a 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a material weakness.

*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 audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the School Corporation's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The School Corporation's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

  
Crowe LLP

Indianapolis, Indiana  
February 17, 2023

CASTON SCHOOL CORPORATION  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 July 1, 2020 to June 30, 2022

---

**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	_____ <u>X</u> _____ No
Significant deficiencies identified not considered to be material weaknesses?	_____	Yes	_____ <u>X</u> _____ None Reported
Noncompliance material to financial statement noted?	_____	Yes	_____ <u>X</u> _____ No

***Federal Awards***

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

Identification of major programs

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555	Child Nutrition Cluster

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

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

**Section II – Financial Statement Findings**

None noted

---

(Continued)

CASTON SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
July 1, 2020 to June 30, 2022

---

**Section III – Federal Award Findings and Questioned Costs**

**FINDING 2022-001**

**Information on the federal program:**

Subject: Child Nutrition Cluster - Procurement  
Federal Agency: Department of Agriculture  
Federal Programs: School Breakfast Program, National School Lunch Program, Summer Food Service Program for Children  
AL Numbers: 10.553, 10.555, 10.559  
Federal Award Numbers and Years: FY 20-21, FY 21-22  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Procurement and Suspension and Debarment  
Audit Findings: Material Weakness, Qualified Opinion

**Criteria:** 2 CFR section 200.303 states in part: "The non-Federal entity must:

- (a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal awards in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

2 CFR section 200.303 states in part: "The non-Federal entity must use one of the following methods of procurement...

- (b) Simplified acquisition thresholds. The non-Federal entity is responsible for determining an appropriate simplified acquisition threshold based on internal controls, an evaluation of risk and its documented procurement procedures which must not exceed the threshold established in the FAR. When applicable, a lower simplified acquisition threshold used by the non-Federal entity must be authorized or not prohibited under State, local, or tribal laws or regulations.

**Condition:** 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 simplified acquisitions procurement method of the Procurement and Suspension and Debarment compliance requirement.

**Cause:** The School Corporation's management noted that the vendor they chose to work with was one they could rely on to deliver high quality products on time. Management stated that during the years under audit, they found it hard to find other vendors that had quality items in stock that they could count on to be delivered on time when they were needed.

**Effect:** The failure to establish an effective internal control system enabled noncompliance with the grant agreement and the simplified acquisition procurement method of the Procurement and Suspension and Debarment compliance requirement.

**Questioned Costs:** There were no questioned costs identified.

---

(Continued)

CASTON SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
July 1, 2020 to June 30, 2022

---

**Section III – Federal Award Findings and Questioned Costs** (Continued)

**FINDING 2022-001** (Continued)

**Context:** For the audit period, there was one vendor that fell within the simplified acquisitions procurement threshold for \$164,000. Simplified acquisitions are those vendors that the School Corporation has purchased over \$150,000 of products and goods from during the fiscal year. The School Corporation did not obtain quotes for the one item with purchases under the simplified acquisitions procurement method. The School Corporation did not obtain price or rate quotations from other vendors or document the basis for purchasing from the vendor that was utilized.

The School Corporation was not able to provide verification that the vendor is not suspended or debarred.

The lack of controls and noncompliance occurred throughout the audit period. There were no other issues noted during the testing of Procurement and Suspension and Debarment.

**Identification as a repeat finding, if applicable:** No.

**Recommendation:** We recommended that the School Corporation's management establish controls related to the grant agreement and the simplified acquisition purchase procurement method of the Procurement and Suspension and Debarment compliance requirement.

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

**Caston School Corporation**

Office of the Superintendent  
9815 S. State Rd. 25  
Rochester, IN 46975-7509  
Phone 574-598-8000  
Fax 574-598-8001

**CORRECTIVE ACTION PLAN**

**FINDING 2022-001**

Contact Person Responsible for Corrective Action: Food Service Director  
Contact Phone Number: 574-598-8000 ext. 327

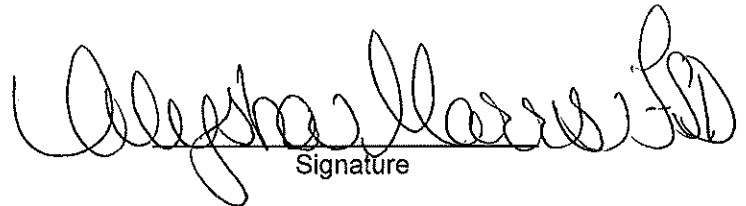
Views of Responsible Official: We concur with the finding

Description of Corrective Action Plan:

To meet the conditions of the grant agreement, Caston School Corporation will keep record of all vendors that are outside of our NIESC buying agreement. Vendors on this list will be identified as having an RFP on file or requiring an RFP to purchase. The director or the director's purchasing designee will consult the list before ordering from the vendor.

Anticipated Completion Date:

From this point forward, if Caston School Corporation must make a purchase outside of the vendors in our NIESC buying agreement, our food service director or the director's purchasing designee will check the record of outside vendors. This will ensure that we obtain an RFP before an order is placed with the vendor. List will be compiled by 2-21-23 and vendors will be added as needed.



Signature

Food Service Director

Title

2/16/2023

Date