



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

March 7, 2023

To: The Officials of School Town of Speedway
School Town of Speedway
5300 Crawfordsville Road, Suite 200
Speedway, Indiana 46224

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of School Town of Speedway. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period July 1, 2019 to June 30, 2021. Per the *Independent Auditor's Report*, the financial statements included in the report present fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2020 and 2021, and its cash receipts, disbursements, and other financing sources (uses) for the years then ended 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 32 and 33. Please see the Schedule of Findings and Questioned Costs for complete details related to the finding. Management's Corrective Action Plan appears on page 34.

In our opinion, Crowe LLP prepared the audit report in accordance with the guidelines established by the Indiana State Board of Accounts.

In addition to the report presented herein, a Supplemental Report for School Town of Speedway was prepared in accordance with the guidelines established by the Indiana 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

SCHOOL TOWN OF SPEEDWAY
Marion County, Indiana

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

SCHOOL TOWN OF SPEEDWAY
Marion County, Indiana

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

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SCHOOL TOWN OF SPEEDWAY
SCHEDULE OF OFFICIALS (Unaudited)
For the period July 1, 2019 to June 30, 2021

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Nancy M. Johnson	07-01-19 to 06-30-21
Superintendent of Schools	Dr. Kyle Trebley	07-01-19 to 06-30-21
President of the School Board	Luke Bickel	01-01-18 to 12-31-19
	Laura Daghe	01-01-20 to 01-31-21
	William Harting	02-01-21 to 06-30-21

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
School Town of Speedway
Marion County, Indiana

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

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

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

(Continued)

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Unmodified Opinion on Regulatory Basis of Accounting

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

Other Matters

Supplementary Information

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

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

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

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 2, 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
March 2, 2023

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

Fund	Cash and Investments 07-01-2019		Other Financing Sources (Uses)		Cash and Investments 06-30-2020		Other Financing Sources (Uses)		Cash and Investments 06-30-2021	
	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements
Education	\$ 4,114,371	\$ 13,386,329	\$ 11,817,394	\$ (1,081,125)	\$ 4,602,181	\$ 12,898,347	\$ 12,756,974	\$ (270,404)	\$ 4,473,150	
Operating Referendum Tax Levy	531,600	3,834,419	3,111,059	(1,240,276)	14,684	5,812,795	3,549,014	(1,485,726)	792,739	
Debt Service	16,274	7,289	18,983	35,397	39,977	200,263	12,565	(346)	227,329	
Operations	1,466,408	1,845,197	3,561,934	1,359,040	1,108,711	2,797,811	3,012,543	822,392	1,716,371	
Local Rainy Day	772,953	-	18,364	933,122	1,687,711	-	784,637	863,000	1,766,074	
Construction	-	-	655,012	1,490,000	834,988	-	834,988	-	-	
School Lunch	194,599	864,840	923,841	-	135,598	965,560	817,225	-	283,933	
Curricular Materials Rental	413,359	219,722	335,335	18,983	316,729	200,082	181,451	12,565	347,925	
Self-Insurance	2,293,769	-	400,001	-	1,893,768	400,042	-	-	2,293,810	
Levy Excess	76,928	-	-	29,239	106,167	-	-	71,084	177,251	
Indianapolis E-Learning Grant	-	16,931	-	-	16,931	-	16,931	-	-	
Educational License Plates	3,491	130	-	-	3,621	300	-	-	3,921	
Formative Assessment	-	22,130	22,130	-	-	19,584	19,584	-	-	
Special Education Excess Costs	9,871	82,808	92,679	-	-	84,728	84,728	-	-	
Secured Schools Safety Grant	-	-	-	-	-	39,014	39,014	-	-	
Early Intervention Grant	-	-	-	-	-	5,493	5,493	-	-	
Non-English Speaking Program	-	128,901	128,901	-	-	137,617	132,824	-	4,793	
Teacher Appreciation Grant	-	68,554	68,554	-	-	67,371	67,371	-	-	
High Ability Students	-	32,514	32,514	-	-	27,125	27,125	-	-	
Health & Hospital Corp Grant	20,611	-	20,427	-	184	-	184	-	-	
Title I	(18,594)	438,970	443,435	-	(23,059)	406,525	394,460	-	(10,994)	
Special Educ Part B 611	-	284,809	299,688	-	(14,879)	418,811	420,181	-	(16,249)	
Special Educ Preschool 619	-	7,030	7,030	-	-	7,296	7,296	-	-	
P.L. 105-17 Wcjs/Special Educ	(14,152)	106,288	92,136	-	-	-	-	-	-	
Student Support Title Iv	(277)	33,948	34,215	-	(544)	31,761	31,217	-	-	
Title Ii Part A Supporting Effective I	-	67,096	67,103	-	(7)	70,247	70,240	-	-	
Title Iii English Language Acquisition	(3,936)	47,339	45,548	-	(2,145)	48,041	47,179	-	(1,283)	
Title Iii Immigrant Influx	-	12,687	13,105	-	(418)	16,607	17,306	-	(1,117)	
Governor's Emergency Education Relief (GEER)	-	-	-	-	-	165,358	165,358	-	-	
ESSER I	-	-	9,133	-	(9,133)	261,549	255,392	-	(2,976)	
Prepaid School Lunch Accounts	14,875	9,998	2,901	-	21,972	5,310	4,268	-	23,014	
Federal Tax	-	1,209,569	1,209,569	-	-	1,190,803	1,190,803	-	-	
Social Security	-	948,649	948,649	-	-	953,095	953,095	-	-	
State Tax	-	377,605	377,605	-	-	381,433	381,433	-	-	
County Tax	-	214,740	214,740	-	-	219,101	219,101	-	-	
Teacher Retirement	-	29,980	29,980	-	-	29,865	29,865	-	-	
P.E.R.F.	-	50,701	50,701	-	-	54,939	54,939	-	-	
Group Insurance	-	658,277	658,277	-	-	704,604	704,604	-	-	
Voluntary Supplmntl Term Life	-	16,183	16,249	-	(66)	16,679	16,613	-	-	
Annuities	-	399,128	399,128	-	-	414,279	414,279	-	-	
Garnishments	-	5,214	5,150	-	64	4,241	4,305	-	-	

(Continued)

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

Fund	Cash and Investments 07-01-2019		Disbursements	Other Financing Sources (Uses)		Cash and Investments 06-30-2020		Other Financing Sources (Uses)		Cash and Investments 06-30-2021	
	Receipts					Receipts	Disbursements			Receipts	Disbursements
Child Support	\$ -	\$ 20,800	\$ 20,800	\$ -	\$ -	\$ 26,443	\$ 26,443	\$ -	\$ -	\$ -	\$ -
Scta/Union Dues	-	52,356	52,356	-	-	59,090	59,090	-	-	-	-
Allstate Universal Life Ins	-	7,188	7,188	-	-	6,838	6,838	-	-	-	-
Section 125	5,637	142,373	124,179	-	23,831	145,538	141,697	-	-	27,672	-
Administrative Fees/Sec 125	-	4,126	4,120	-	6	4,178	4,171	-	-	-	13
Fringe Benefit Clearing	-	10,881	10,881	-	-	11,268	11,268	-	-	-	-
Totals	\$ 9,897,787	\$ 25,665,699	\$ 26,350,994	\$ 1,544,380	\$ 10,756,872	\$ 29,310,031	\$ 27,974,092	\$ 12,565	\$ 12,105,376		

See notes to financial statement.

SCHOOL TOWN OF SPEEDWAY
NOTES TO FINANCIAL STATEMENTS
As of June 30, 2021, and for the period July 1, 2019 to June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP), in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred. The regulatory basis also allows for all investments to be stated at cost, while GAAP requires fair value for qualifying investments.

Cash and Investments: Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

Receipts: Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

Local sources. Amounts received from taxes, revenue from local governmental units other than school corporations, transfer tuition, transportation fees, investment income, food services, School Corporation activities, revenue from community service activities, and other revenue from local sources.

Intermediate sources. Amounts received as distributions from the County for fees collected for or on behalf of the School Corporation including, but not limited to, the following: educational license plate fees, congressional interest, riverboat distributions, and other similar fees.

State sources. Amounts received as distributions from the State of Indiana that are to be used by the School Corporation for various purposes, including, but not limited to, the following: unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

Federal sources. Amounts received as distributions from the federal government that are to be used by the School Corporation for various purposes, including, but not limited to, the following: unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

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

(Continued)

SCHOOL TOWN OF SPEEDWAY
NOTES TO FINANCIAL STATEMENTS
As of June 30, 2021, and for the period July 1, 2019 to June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

SCHOOL TOWN OF SPEEDWAY
NOTES TO FINANCIAL STATEMENTS
As of June 30, 2021, and for the period July 1, 2019 to June 30, 2021

NOTE 2 - BUDGETS

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

NOTE 3 - PROPERTY TAXES

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

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.

(Continued)

NOTE 6 - CASH BALANCE DEFICITS

The financial statements contains some funds with deficits in cash. This is a result of certain funds being set up for reimbursable grants, but for which reimbursement was not yet received by June 30, 2020, and 2021. The deficit in the Voluntary Supplemental Term Life fund at June 30, 2020, was the result of disbursements exceeding receipts due to under-estimating current requirements for the fund. This deficit was prepaid from future receipts in 2021.

NOTE 7 - PENSION PLANS

Public Employees' Retirement Fund

Plan Description

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

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

Financial Report

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

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

Contributions

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

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.

SCHOOL TOWN OF SPEEDWAY
NOTES TO FINANCIAL STATEMENTS
As of June 30, 2021, and for the period July 1, 2019 to June 30, 2021

NOTE 7 - PENSION PLANS (Continued)

Generally, members hired before 1996 participate in the Teachers' Pre-1996 DB and members hired after 1995 participate in the Teachers' 1996 DB.

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

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

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

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

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

Financial Report

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

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

Contributions

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

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

(Continued)

SCHOOL TOWN OF SPEEDWAY
NOTES TO FINANCIAL STATEMENTS
As of June 30, 2021, and for the period July 1, 2019 to June 30, 2021

NOTE 7 - PENSION PLANS (Continued)

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

NOTE 8 - OTHER POSTEMPLOYMENT BENEFITS

The School Corporation provides health insurance to eligible retirees and their spouses. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation.

SUPPLEMENTARY INFORMATION

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

	Education	Operating Referendum Tax Levy	Debt Service	Operations	Local Rainy Day	Construction	School Lunch	Curricular Materials Rental	Self-Insurance	Levy Excess	Indianapolis E- Learning Grant
Cash and investments - beginning	\$ 4,114,371	\$ 531,600	\$ 16,274	\$ 1,466,408	\$ 772,953	\$ -	\$ 194,599	\$ 413,359	\$ 2,293,769	\$ 76,928	\$ -
Receipts:											
Local sources	241,203	3,434,419	7,289	1,796,627	-	-	206,826	129,690	-	-	16,931
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	13,145,002	-	-	6,053	-	-	4,641	90,032	-	-	-
Federal sources	-	-	-	-	-	-	653,373	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	400,000	-	-	-	-	-	-	-	-	-
Other receipts	124	-	-	42,517	-	-	-	-	-	-	-
Total receipts	13,386,329	3,834,419	7,289	1,845,197	-	-	864,840	219,722	-	-	16,931
Disbursements:											
Instruction	8,863,055	1,154,540	-	-	-	-	-	-	-	-	-
Support services	2,494,728	1,956,519	-	3,089,897	18,364	-	-	335,335	-	-	-
Noninstructional services	459,611	-	-	18,348	-	-	923,841	-	-	-	-
Facilities acquisition and construction	-	-	-	453,689	-	655,012	-	-	-	-	-
Debt services	-	-	18,983	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	400,001	-	-
Total disbursements	11,817,394	3,111,059	18,983	3,561,934	18,364	655,012	923,841	335,335	400,001	-	-
Excess (deficiency) of receipts over disbursements	1,568,935	723,360	(11,694)	(1,716,737)	(18,364)	(655,012)	(59,001)	(115,613)	(400,001)	-	16,931
Other financing sources (uses):											
Proceeds of long-term debt	-	-	35,397	-	-	1,490,000	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	18,983	-	-	-
Transfers in	319,875	-	-	1,477,928	933,122	-	-	-	-	106,167	-
Transfers out	(1,401,000)	(1,240,276)	-	(118,888)	-	-	-	-	-	(76,928)	-
Total other financing sources (uses)	(1,081,125)	(1,240,276)	35,397	1,359,040	933,122	1,490,000	-	18,983	-	29,239	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	487,810	(516,916)	23,703	(357,697)	914,758	834,988	(59,001)	(96,630)	(400,001)	29,239	16,931
Cash and investments - ending	\$ 4,602,181	\$ 14,684	\$ 39,977	\$ 1,108,711	\$ 1,687,711	\$ 834,988	\$ 135,598	\$ 316,729	\$ 1,893,768	\$ 106,167	\$ 16,931

(Continued)

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

	Educational License Plates	Formative Assessment	Special Education Excess Costs	Non-English Speaking Program	Teacher Appreciation Grant	High Ability Students	Health & Hospital Corp Grant	Title I	Special Educ Part B 611	Special Educ Preschool 619	P.L. 105-17 Wcjs/Special Educ
Cash and investments - beginning	\$ 3,491	\$ -	\$ 9,871	\$ -	\$ -	\$ -	\$ 20,611	\$ (18,594)	\$ -	\$ -	\$ (14,152)
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	130	-	-	-	-	-	-	-	-	-	-
State sources	-	22,130	82,808	128,901	68,554	32,514	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	438,970	284,809	7,030	106,288
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	130	22,130	82,808	128,901	68,554	32,514	-	438,970	284,809	7,030	106,288
Disbursements:											
Instruction	-	-	92,679	-	68,554	32,514	-	202,190	299,688	7,030	92,136
Support services	-	22,130	-	128,901	-	-	20,427	240,943	-	-	-
Noninstructional services	-	-	-	-	-	-	-	302	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	22,130	92,679	128,901	68,554	32,514	20,427	443,435	299,688	7,030	92,136
Excess (deficiency) of receipts over disbursements	130	-	(9,871)	-	-	-	(20,427)	(4,465)	(14,879)	-	14,152
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	130	-	(9,871)	-	-	-	(20,427)	(4,465)	(14,879)	-	14,152
Cash and investments - ending	\$ 3,621	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 184	\$ (23,059)	\$ (14,879)	\$ -	\$ -

(Continued)

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

	Student Support Title Iv	Title li Part A Supporting Effective I	Title lii English Language Acquisition	Title lii Immigrant Influx	ESSER I	Prepaid School Lunch Accounts	Federal Tax	Social Security	State Tax	County Tax	Teacher Retirement	P.E.R.F.
Cash and investments - beginning	\$ (277)	\$ -	\$ (3,936)	\$ -	\$ -	\$ 14,875	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	33,948	67,096	47,339	12,687	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	9,998	1,209,569	948,649	377,605	214,740	29,980	50,701
Total receipts	33,948	67,096	47,339	12,687	-	9,998	1,209,569	948,649	377,605	214,740	29,980	50,701
Disbursements:												
Instruction	28,067	60,282	-	-	-	-	-	-	-	-	-	-
Support services	6,148	6,821	45,548	13,105	9,133	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	2,901	1,209,569	948,649	377,605	214,740	29,980	50,701
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	34,215	67,103	45,548	13,105	9,133	2,901	1,209,569	948,649	377,605	214,740	29,980	50,701
Excess (deficiency) of receipts over disbursements	(267)	(7)	1,791	(418)	(9,133)	7,097	-	-	-	-	-	-
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	(267)	(7)	1,791	(418)	(9,133)	7,097	-	-	-	-	-	-
Cash and investments - ending	\$ (544)	\$ (7)	\$ (2,145)	\$ (418)	\$ (9,133)	\$ 21,972	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

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

	Group Insurance	Voluntary Supplmntl Term Life	Annuities	Garnishments	Child Support	Scta/Union Dues	Allstate Universal Life Ins	Section 125	Administrative Fees/Sec 125	Fringe Benefit Clearing	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,637	\$ -	\$ -	\$ 9,897,787
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	5,832,985
Intermediate sources	-	-	-	-	-	-	-	-	-	-	130
State sources	-	-	-	-	-	-	-	-	-	-	13,580,635
Federal sources	-	-	-	-	-	-	-	-	-	-	1,651,540
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	400,000
Other receipts	658,277	16,183	399,128	5,214	20,800	52,356	7,188	142,373	4,126	10,881	4,200,409
Total receipts	658,277	16,183	399,128	5,214	20,800	52,356	7,188	142,373	4,126	10,881	25,665,699
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	10,900,735
Support services	-	-	-	-	-	-	-	-	-	-	8,387,999
Noninstructional services	-	-	-	-	-	-	-	-	-	-	1,402,102
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	1,108,701
Debt services	-	-	-	-	-	-	-	-	-	-	18,983
Nonprogrammed charges	658,277	16,249	399,128	5,150	20,800	52,356	7,188	124,179	4,120	10,881	4,132,473
Interfund loans	-	-	-	-	-	-	-	-	-	-	400,001
Total disbursements	658,277	16,249	399,128	5,150	20,800	52,356	7,188	124,179	4,120	10,881	26,350,994
Excess (deficiency) of receipts over disbursements	-	(66)	-	64	-	-	-	18,194	6	-	(685,295)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	1,525,397
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	18,983
Transfers in	-	-	-	-	-	-	-	-	-	-	2,837,092
Transfers out	-	-	-	-	-	-	-	-	-	-	(2,837,092)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	1,544,380
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(66)	-	64	-	-	-	18,194	6	-	859,085
Cash and investments - ending	\$ -	\$ (66)	\$ -	\$ 64	\$ -	\$ -	\$ -	\$ 23,831	\$ 6	\$ -	\$ 10,756,872

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

	Education	Operating Referendum Tax Levy	Debt Service	Operations	Local Rainy Day	Construction	School Lunch	Curricular Materials Rental	Self-Insurance	Levy Excess	Indianapolis E-Learning Grant	Educational License Plates
Cash and investments - beginning	\$ 4,602,181	\$ 14,684	\$ 39,977	\$ 1,108,711	\$ 1,687,711	\$ 834,988	\$ 135,598	\$ 316,729	\$ 1,893,768	\$ 106,167	\$ 16,931	\$ 3,621
Receipts:												
Local sources	155,433	5,812,795	200,263	2,725,357	-	-	71,919	121,634	42	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	300
State sources	12,742,792	-	-	4,320	-	-	5,165	78,448	-	-	-	-
Federal sources	-	-	-	-	-	-	888,476	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	400,000	-	-	-
Other receipts	122	-	-	68,134	-	-	-	-	-	-	-	-
Total receipts	12,898,347	5,812,795	200,263	2,797,811	-	-	965,560	200,082	400,042	-	-	300
Disbursements:												
Instruction	9,682,749	665,624	-	-	-	-	-	-	-	-	-	-
Support services	2,577,821	2,483,390	-	2,711,042	22,508	-	-	181,451	-	-	16,931	-
Noninstructional services	496,404	-	-	-	-	-	817,225	-	-	-	-	-
Facilities acquisition and construction	-	-	-	301,501	762,129	834,988	-	-	-	-	-	-
Debt services	-	-	12,565	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	400,000	-	-	-	-	-	-	-	-	-	-
Total disbursements	12,756,974	3,549,014	12,565	3,012,543	784,637	834,988	817,225	181,451	-	-	16,931	-
Excess (deficiency) of receipts over disbursements	141,373	2,263,781	187,698	(214,732)	(784,637)	(834,988)	148,335	18,631	400,042	-	(16,931)	300
Other financing sources (uses)												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	12,565	-	-	-	-
Transfers in	658,100	62,279	-	972,392	863,000	-	-	-	-	177,251	-	-
Transfers out	(928,504)	(1,548,005)	(346)	(150,000)	-	-	-	-	-	(106,167)	-	-
Total other financing sources (uses)	(270,404)	(1,485,726)	(346)	822,392	863,000	-	-	12,565	-	71,084	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(129,031)	778,055	187,352	607,660	78,363	(834,988)	148,335	31,196	400,042	71,084	(16,931)	300
Cash and investments - ending	\$ 4,473,150	\$ 792,739	\$ 227,329	\$ 1,716,371	\$ 1,766,074	\$ -	\$ 283,933	\$ 347,925	\$ 2,293,810	\$ 177,251	\$ -	\$ 3,921

(Continued)

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

	Formative Assessment	Special Education Excess Costs	Secured Schools Safety Grant	Early Intervention Grant	Non-English Speaking Program	Teacher Appreciation Grant	High Ability Students	Health & Hospital Corp Grant	Title I	Special Educ Part B 611	Special Educ Preschool 619	Student Support Title Iv
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 184	\$ (23,059)	\$ (14,879)	\$ -	\$ (544)
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	19,584	84,728	39,014	5,493	137,617	67,371	27,125	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	406,525	418,811	7,296	31,761
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	19,584	84,728	39,014	5,493	137,617	67,371	27,125	-	406,525	418,811	7,296	31,761
Disbursements:												
Instruction	-	84,728	-	5,493	111,572	67,371	27,125	-	160,780	420,181	7,296	30,418
Support services	19,584	-	-	-	13,280	-	-	184	233,680	-	-	799
Noninstructional services	-	-	-	-	7,972	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	39,014	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	19,584	84,728	39,014	5,493	132,824	67,371	27,125	184	394,460	420,181	7,296	31,217
Excess (deficiency) of receipts over disbursements	-	-	-	-	4,793	-	-	(184)	12,065	(1,370)	-	544
Other financing sources (uses)												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	4,793	-	-	(184)	12,065	(1,370)	-	544
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 4,793	\$ -	\$ -	\$ -	\$ (10,994)	\$ (16,249)	\$ -	\$ -

(Continued)

SCHOOL TOWN OF SPEEDWAY
 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 Supporting Effective I	Title lii English Language Acquisition	Title lii Immigrant Influx	Governor's Emergency Education Relief (GEER)	ESSER I	Prepaid School Lunch Accounts	Federal Tax	Social Security	State Tax	County Tax	Teacher Retirement
Cash and investments - beginning	\$ (7)	\$ (2,145)	\$ (418)	\$ -	\$ (9,133)	\$ 21,972	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	70,247	48,041	16,607	165,358	261,549	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	5,310	1,190,803	953,095	381,433	219,101	29,865
Total receipts	70,247	48,041	16,607	165,358	261,549	5,310	1,190,803	953,095	381,433	219,101	29,865
Disbursements:											
Instruction	63,804	-	-	165,358	220,252	-	-	-	-	-	-
Support services	6,436	47,179	17,306	-	35,140	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	4,268	1,190,803	953,095	381,433	219,101	29,865
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	70,240	47,179	17,306	165,358	255,392	4,268	1,190,803	953,095	381,433	219,101	29,865
Excess (deficiency) of receipts over disbursements	7	862	(699)	-	6,157	1,042	-	-	-	-	-
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	7	862	(699)	-	6,157	1,042	-	-	-	-	-
Cash and investments - ending	\$ -	\$ (1,283)	\$ (1,117)	\$ -	\$ (2,976)	\$ 23,014	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

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

	P.E.R.F.	Group Insurance	Voluntary Supplmntl Term Life	Annuities	Garnishments	Child Support	Scta/Union Dues	Allstate Universal Life Ins	Section 125	Administrative Fees/Sec 125	Fringe Benefit Clearing	Totals
Cash and investments - beginning	\$ -	\$ -	\$ (66)	\$ -	\$ 64	\$ -	\$ -	\$ -	\$ 23,831	\$ 6	\$ -	\$ 10,756,872
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	9,087,443
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	300
State sources	-	-	-	-	-	-	-	-	-	-	-	13,211,657
Federal sources	-	-	-	-	-	-	-	-	-	-	-	2,314,671
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	400,000
Other receipts	54,939	704,604	16,679	414,279	4,241	26,443	59,090	6,838	145,538	4,178	11,268	4,295,960
Total receipts	54,939	704,604	16,679	414,279	4,241	26,443	59,090	6,838	145,538	4,178	11,268	29,310,031
Disbursements:												
Instruction	-	-	-	-	-	-	-	-	-	-	-	11,712,751
Support services	-	-	-	-	-	-	-	-	-	-	-	8,366,731
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	1,321,601
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	1,937,632
Debt services	-	-	-	-	-	-	-	-	-	-	-	12,565
Nonprogrammed charges	54,939	704,604	16,613	414,279	4,305	26,443	59,090	6,838	141,697	4,171	11,268	4,222,812
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	400,000
Total disbursements	54,939	704,604	16,613	414,279	4,305	26,443	59,090	6,838	141,697	4,171	11,268	27,974,092
Excess (deficiency) of receipts over disbursements	-	-	66	-	(64)	-	-	-	3,841	7	-	1,335,939
Other financing sources (uses)												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	12,565
Transfers in	-	-	-	-	-	-	-	-	-	-	-	2,733,022
Transfers out	-	-	-	-	-	-	-	-	-	-	-	(2,733,022)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	12,565
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	66	-	(64)	-	-	-	3,841	7	-	1,348,504
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,672	\$ 13	\$ -	\$ 12,105,376

SCHOOL TOWN OF SPEEDWAY
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2021

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 352,585	\$ 47,905

SCHOOL TOWN OF SPEEDWAY
SCHEDULE OF LEASES AND DEBT
June 30, 2021

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities: Town Of Speedway	Office Rental	\$ 17,787	6/1/2021	5/31/2024
Total of annual lease payments		<u>\$ 17,787</u>		

<u>Description of Debt</u>		<u>Ending Principal Balance</u>	<u>Principal and Interest Due Within One Year</u>
<u>Type</u>	<u>Purpose</u>		
Governmental activities: General Obligation Bonds	Newby Elementary Additional Classrooms	\$ 1,490,000	\$ 344,244
Totals		<u>\$ 1,490,000</u>	<u>\$ 344,244</u>

SCHOOL TOWN OF SPEEDWAY
SCHEDULE OF CAPITAL ASSETS
June 30, 2021

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	<u>Ending Balance</u>
Governmental activities:	
Buildings	\$ 60,860,449
Improvements other than buildings	1,408,135
Machinery, equipment, and vehicles	<u>942,613</u>
Total governmental activities	<u>63,211,197</u>
Total capital assets	<u>\$ 63,211,197</u>

SCHOOL TOWN OF SPEEDWAY
STATE REPORTING INFORMATION
July 1, 2019 - June 30, 2021

Financial Statement and Accompanying Notes:

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

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

Indiana Department of Education Reporting:

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

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

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

SCHOOL TOWN OF SPEEDWAY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period July 1, 2019 through June 30, 2021

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-20	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 07-01-2019 to 06-30-21
<u>Department of Agriculture</u>						
Child Nutrition Cluster	Indiana Department of Education					
School Breakfast Program		10.553	FY2020, FY2021	\$ 137,786	\$ 173,979	\$ 311,765
National School Lunch Program		10.555	FY2020, FY2021	512,546	714,499	1,227,045
Commodities		10.555	FY2020, FY2021	61,851	75,114	136,965
Summer Food Service Program For Children		10.559	FY2020, FY2021	3,041	-	3,041
Total - Child Nutrition Cluster				<u>715,224</u>	<u>963,592</u>	<u>1,678,816</u>
Total - Department of Agriculture				<u>715,224</u>	<u>963,592</u>	<u>1,678,816</u>
<u>Department of Education</u>						
Special Education Cluster(IDEA)	Indiana Department of Education					
Special Education Grants to States						
IDEA-Part B		84.027	19611-120-PN01	106,288	-	106,288
IDEA-Part B		84.027	20611-120-PN01	284,809	-	284,809
IDEA-Part B		84.027	21611-120-PN01	-	418,811	418,811
Total - Special Education Grants to States				<u>391,097</u>	<u>418,811</u>	<u>809,908</u>
Special Education - Preschool Grants	Indiana Department of Education					
IDEA-Preschool		84.173	20619-120-PN01	7,030	-	7,030
IDEA-Preschool		84.173	21619-120-PN01	-	7,296	7,296
Total - Special Education - Preschool Grants				<u>7,030</u>	<u>7,296</u>	<u>14,326</u>
Total - Special Education Cluster(IDEA)				<u>398,127</u>	<u>426,107</u>	<u>824,234</u>
Title I Grants to Local Educational Agencies	Indiana Department of Education					
Title I, Part A		84.010	S010A190014	438,970	-	438,970
Title I, Part A		84.010	S010A200014	-	406,525	406,525
Total - Title I Grants to Local Educational Agencies				<u>438,970</u>	<u>406,525</u>	<u>845,495</u>
English Language Acquisition State Grants	Indiana Department of Education					
Title III, Part A		84.365	S365A190014	60,026	64,648	124,674
Total - English Language Acquisition State Grants				<u>60,026</u>	<u>64,648</u>	<u>124,674</u>

(Continued)

SCHOOL TOWN OF SPEEDWAY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period July 1, 2019 through June 30, 2021

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-20	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 07-01-2019 to 06-30-21
Supporting Effective Instruction State Grants Title II, Part A Title II, Part A	Indiana Department of Education	84.367 84.367	S367A190013 S367A200013	67,096 -	- 70,247	67,096 70,247
Total - Supporting Effective Instruction State Grants				<u>67,096</u>	<u>70,247</u>	<u>137,343</u>
Student Support and Academic Enrichment Program Title IV, Part A Title IV, Part A	Indiana Department of Education	84.424 84.424	S424A190015 S424A200015	33,948 -	- 31,761	33,948 31,761
Total - Student Support and Academic Enrichment Program				<u>33,948</u>	<u>31,761</u>	<u>65,709</u>
COVID-19 - Education Stabilization Fund Governor's Emergency Education Relief (GEER) Fund Elementary and Secondary School Emergency Relief (ESSER) Fund	Direct Grant Indiana Department of Education	84.425C 84.425D	S425C200018 S425D200013	- -	165,358 261,549	165,358 261,549
Total - COVID-19 - Education Stabilization Fund				<u>-</u>	<u>426,907</u>	<u>426,907</u>
Total - Department of Education				<u>998,167</u>	<u>1,426,195</u>	<u>2,424,362</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster Medicaid	Indiana Department of Education	93.778	FY2020, FY2021	20,210	29,740	49,950
Total - Medicaid Cluster				<u>20,210</u>	<u>29,740</u>	<u>49,950</u>
Total - Department of Health and Human Services				<u>20,210</u>	<u>29,740</u>	<u>49,950</u>
Total federal awards expended				<u>\$ 1,733,601</u>	<u>\$ 2,419,527</u>	<u>\$ 4,153,128</u>

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

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

NOTE 1 - BASIS OF PRESENTATION

A. Basis of Presentation

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

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

B. Other Significant Accounting Policies

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

NOTE 2 - INDIRECT COST RATE

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

NOTE 3 - OTHER INFORMATION

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

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

Those Charged with Governance
School Town of Speedway
Marion 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 School Town of Speedway ("School Corporation"), which comprise the statement of receipts, disbursements, other financing sources (uses), and cash and investment balances of the School Corporation as of June 30, 2021 and for the period July 1, 2019 to June 30, 2021 and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement, and have issued our report thereon dated March 2, 2023.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

(Continued)

Compliance and Other Matters

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

Purpose of this Report

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 2, 2023

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

Those Charged with Governance
School Town of Speedway
Marion County, Indiana

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

(Continued)

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2021-001, that we consider to be a material weakness.

The School Corporation's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The School Corporation's response was not subjected to the auditing procedures applied in the audit of 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
March 2, 2023

SCHOOL TOWN OF SPEEDWAY
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 July 1, 2019 to June 30, 2021

SECTION 1 – SUMMARY OF AUDITORS’ RESULTS:

Financial Statements

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	Unmodified		
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> 10.553, 10.555, 10.559 84.027, 84.173 84.010	<u>Name of Federal Program or Cluster</u> Child Nutrition Cluster Special Education Cluster Title I Grants to Local Educational Agencies
--	---

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

Auditee qualified as low-risk auditee?	_____	Yes	_____ <u>X</u> _____	No
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Section II – Financial Statement Findings

None noted.

(Continued)

SCHOOL TOWN OF SPEEDWAY SCHEDULE
OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

Section III – Federal Award Findings and Questioned Costs

Finding 2021-001

Subject: Child Nutrition Cluster – Program Income
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program,
Summer Food Service Program for Children
Assistance Listing Numbers: 10.553, 10.555, 10.559
Federal Award Numbers and Years (or Other Identifying Numbers): FY2020, FY2021
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Program Income
Audit Findings: Material Weakness

Criteria: 2 CFR 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award 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). . . ."

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 program income compliance requirement.

Cause: The School Corporation's management had not developed a system of internal controls to ensure compliance with the program income requirements.

Effect: The failure to establish an effective internal control system placed the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of a formal review process could have also allowed noncompliance with the compliance requirements and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

Questioned Costs: There were no questioned costs identified.

Context: We noted that for the four months of program income that were sampled for the years under audit, there was no formal sign off of review on the program income being recorded for the month. Management was able to provide supporting detail and records of the program income, but there was no evidence of a review process taking place for each month to ensure that the appropriate amount of program income was being recorded.

Identification as a repeat finding, if applicable: This is a repeat finding from the immediately prior audit report. The prior audit finding number was 2019-001.

Recommendation: We recommend that the School Corporation establish a review control to verify the program income recorded each month is correct. This review should be performed by someone other than the individual preparing the initial calculation of program income. We recommend this review be formally documented.

(Continued)

SCHOOL TOWN OF SPEEDWAY
SCHEDULE OF FINDINGS AND QUESTIONED
COSTS July 1, 2019 to June 30, 2021

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

Finding 2021-001 (Continued)

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

SPEEDWAY PUBLIC SCHOOLS

5300 Crawfordsville Road, Suite 200
SPEEDWAY, IN 46224

BOARD OF TRUSTEES

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Elementary School

DANA M. DIETZ
Principal
Frank H. Wheeler
Elementary School

ANDREA L. McINTOSH
Director of Exceptional
Learners
Carl G. Fisher
Elementary School

TRENTON S. BOROM
Director of Student
Services
Howard J. Lacy II
Speedway High School

CORRECTIVE ACTION PLAN OF CURRENT AUDIT

FINDINGS

June 30, 2021

FINDING 2021-001

Subject: Child Nutrition Cluster – Program Income
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch
Program,

Summer Food Service Program for Children

Assistance Listing Numbers: 10.553, 10.555, 10.559

Federal Award Numbers and Years (or Other Identifying Numbers): FY2020,
FY2021

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Program Income

Audit Findings: Material Weakness

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 program income compliance requirement.

Context: We noted that for the four months of program income that were sampled for the years under audit, there was no formal sign off of review on the program income being recorded for the month. Management was able to provide supporting detail and records of the program income, but there was no evidence of a review process taking place for each month to ensure that the appropriate amount of program income was being recorded.

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: The School Nutrition Programs Director will monitor the daily sales activity reports and deposit breakdown reports to verify the correct amount of program income is turned in by the Aramark Food Service Director. The Food Service Director will also sign off on the reports.

Responsible Party and Timeline for Completion: The School Nutrition Programs Director will immediately start monitoring these reports.

SPEEDWAY PUBLIC SCHOOLS

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SPEEDWAY, IN 46224

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MR. WILLIAM B. HARTING
Member

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2019-001

Subject: Child Nutrition Cluster – Program Income
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program,

Summer Food Service Program for Children
Assistance Listing Numbers: 10.553, 10.555, 10.559
Federal Award Numbers and Years (or Other Identifying Numbers):
FY2018, FY2019
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Program Income
Audit Findings: Material Weakness, Modified Opinion

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

The School Corporation had not designed or implemented adequate controls to ensure program income was correctly recorded. The School Corporation utilized a single fund, the School Lunch fund, to record all receipts from sales including prepayments for a significant portion of the audit period. The School Corporation established the Prepaid School Lunch fund in November 2018.

There were no comparisons or reviews of total daily, weekly, or monthly program income from meals served reports to ensure only income for meals served was recorded as program income. There also were no point-of-sale reports, or other documentation, presented to support the program income recorded. The lack of supporting documentation prevented the determination of the School Corporation's compliance with the Program Income compliance requirement.

Status: The School Corporation has established a Prepaid School Lunch fund and was able to provide supporting documentation of program income, however, there was not a formal documented review process in place to ensure the program income reported was accurate and complete. See current year finding 2021-001, which discusses the portion of this finding that is a repeat finding.

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FINDING 2019-002

Subject: Child Nutrition Cluster - Cash Management
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program, Summer Food Service Program for Children
Assistance Listing Numbers: 10.553, 10.555, 10.559
Federal Award Numbers and Years (or Other Identifying Numbers): FY2018, FY2019
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Cash Management
Audit Finding: Significant Deficiency

Condition and Context: An effective internal control system, which would include segregation of duties, was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Cash Management compliance requirement.

The School Corporation had not established controls to verify if cash resources exceeded three months average expenditures.

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

Status: The finding has been resolved.

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FINDING 2019-003

Subject: Special Education Cluster (IDEA) - Procurement and Suspension and Debarment

Federal Agency: Department of Education

Federal Programs: Special Education Grants to States, Special Education Preschool Grants

Assistance Listing Numbers: 84.027, 84.173

Federal Award Numbers and Years (or other Identifying Numbers): 14217-120-PN01, 18611-120-PN01, 19611-120-PN01, 18619-120-PN01, 19619-120-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

Audit Findings: Material Weakness, Other Matters

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

During fiscal year 2017-2018, the School Corporation did not require that an adequate number of quotes or bids be obtained for small purchases with estimated costs above \$3,500. Two procurements of like-kind items

examined, which exceeded \$3,500 annually, were made without obtaining an adequate number of price or rate quotations.

The School Corporation did not have a procedure in place to determine if a vendor, who exceeded \$25,000 in aggregate disbursements, was suspended or debarred. All four contracts tested did not include evidence that the contracted vendor was not suspended or debarred.

The lack of controls was a systemic issue which occurred through the audit period. The noncompliance related to procurement was isolated to 2017-2018. The noncompliance related to suspension and debarment was a systemic issue throughout the audit period.

Status: The finding has been resolved.

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FINDING 2019-004

Subject: Title I Grants to Local Educational Agencies - Special Tests and Provisions - Annual Report Card, High School Graduation Rate Federal Agency: Indiana Department of Education Federal Program: Title I Grants to Local Educational Agencies

Assistance Listing Number: 84.010

Federal Award Numbers and Years (or Other Identifying Numbers): S010A160014, S010A170014, S010A180014

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Special Tests and Provisions - Annual Report Card, High School Graduation Rate

Audit Findings: Material Weakness, Other Matters

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Condition and Context: The School Corporation had not designed or implemented adequate controls to ensure compliance with the requirements related to the grant agreement and the Special Tests and Provisions - Annual Report Card, High School Graduation Rate compliance requirement.

The School Corporation did retain written documentation to support the students' removal from the cohort when removed from the high school cohort graduation rate for mobility reasons. However, the documentation retained was not proper to support compliance with the requirement.

The lack of controls and noncompliance were systemic issues, which occurred throughout the audit period.

Status: The finding has been resolved.