



STATE OF INDIANA
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STATE BOARD OF ACCOUNTS
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March 16, 2023

To: The Officials of the Culver Community School Corporation
Culver Community School Corporation
700 School St.
Culver, IN 46511

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Culver Community School Corporation. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period July 1, 2019 to June 30, 2021. Per the *Independent Auditor's Report*, the financial statements included in the report 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, 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.

We call your attention to the findings included in the report on pages 38 through 44. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on pages 45 through 48.

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 Culver Community School Corporation was prepared in accordance with the guidelines established by the State Board of Accounts.

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

Handwritten signature of Tammy R. White in cursive.

Tammy R. White, CPA
Deputy State Examiner

CULVER COMMUNITY SCHOOLS CORPORATION
Marshall County, Indiana

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

CULVER COMMUNITY SCHOOLS CORPORATION
Marshall County, Indiana

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

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CULVER COMMUNITY SCHOOLS CORPORATION
SCHEDULE OF OFFICIALS (Unaudited)
For the period July 1, 2019 to June 30, 2021

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Casey Howard	07-01-19 to 06-30-21
Superintendent of Schools	Karen Shuman	07-01-19 to 06-30-21
President of the School Board	Jack L. Jones Theresa Thompson	01-01-18 to 12-31-20 01-01-20 to 12-31-21

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Culver Community Schools Corporation
Marshall 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 Culver Community Schools Corporation (the School Corporation) as of June 30, 2021 and for the period of July 1, 2019 to June 30, 2021, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

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

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

(Continued)

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Unmodified Opinion on Regulatory Basis of Accounting

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

Other Matters

Supplementary Information

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

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

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

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 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 7, 2023

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

Fund	Cash and Investments			Other Financing	Cash and Investments			Other Financing	Cash and Investments
	07-01-2019	Receipts	Disbursements	Sources (Uses)	06-30-2020	Receipts	Disbursements	Sources (Uses)	06-30-2021
Education	\$ 549,904	\$ 5,687,585	\$ 5,220,414	\$ (690,072)	\$ 327,003	\$ 5,583,363	\$ 4,688,948	\$ (600,000)	\$ 621,418
Operating Referendum Tax Levy	599,148	1,539,984	1,089,365	-	1,049,767	1,706,733	895,263	-	1,861,237
Debt Service	1,178,332	1,643,251	1,701,540	-	1,120,043	1,594,549	1,760,171	-	954,421
Retirement/Severance Bond Debt Service	172,494	256,325	135,322	-	293,497	283,437	412,475	-	164,459
Operations	2,078,843	2,329,898	2,708,719	690,072	2,390,094	2,480,732	3,006,420	600,000	2,464,406
Rainy Day	1,218,866	-	-	-	1,218,866	-	-	-	1,218,866
Retirement/Severance Bond	289,583	-	12,874	-	276,709	-	237,133	-	39,576
Construction Funds	-	-	733,435	3,333,199	2,599,764	-	1,757,928	-	841,836
School Lunch	171,579	479,326	456,818	-	194,087	458,473	431,349	-	221,211
Curricular Materials Rental	27,644	79,941	16,133	-	91,452	107,086	57,224	-	141,314
Self-Insurance Funds	9,063	60,024	67,237	-	1,850	90,003	88,915	-	2,938
Educational Licence Plates	378	113	-	-	491	94	-	-	585
Alternative Education Grant	6,893	8,454	-	-	15,347	6,526	21,873	-	-
Donations Gifts And Trust Funds	(16,227)	16,492	(10,378)	15,837	26,480	54,572	42,361	-	38,691
Donations Gifts And Trust Funds 1	10,415	5,000	958	-	14,457	-	-	-	14,457
Donations Gifts And Trust Funds 2	-	-	-	-	-	2,000	1,965	-	35
Donations Gifts & Trust	21,890	9,350	15,403	(15,837)	-	-	-	-	-
State Instructional Support	(6,262)	40,325	58,149	-	(24,086)	17,926	(6,160)	-	-
18-19 (EIG) Early Intervention	(500)	-	(500)	-	-	-	-	-	-
State Instructional Support 1	-	4,200	2,100	-	2,100	-	-	-	2,100
State Instructional Support 2	-	-	-	-	-	3,568	3,568	-	-
High Ability Grant 2016-2017	250	-	250	-	-	-	-	-	-
High Ability Sy 18-19	3,087	-	3,087	-	-	-	-	-	-
State Instructional Support 3	(950)	27,478	19,681	-	6,847	-	6,847	-	-
State Instructional Support 4	-	-	-	-	-	22,262	15,688	-	6,574
Formative Assessment	922	9,553	9,089	-	1,386	7,772	8,940	-	218
Indiana Preschool Grants	-	-	-	-	-	38,030	19,994	-	18,036
Student Learning	-	-	-	-	-	1,500	1,500	-	-
Adult And Continuing Education	3,930	-	-	-	3,930	-	-	-	3,930
Medicaid Reimbursement	64,013	5,332	-	-	69,345	7,175	-	-	76,520
Secured School Safety Grant	(4,120)	-	(4,120)	-	-	100,000	100,000	-	-
Early Intervention Grants	-	-	-	-	-	2,316	677	-	1,639
School Technology Grant	4,575	-	4,575	-	-	6,480	-	-	6,480
Career And Technical Performance Grant	4,169	-	-	-	4,169	-	-	-	4,169
Teacher Appreciation Grant	8,726	28,142	26,482	-	10,386	26,829	26,996	-	10,219
State Connectivity Grant	-	6,480	-	-	6,480	-	-	-	6,480
Stem Acceleration Grant	-	-	-	-	-	64,929	64,929	-	-
Title I	495	-	-	-	495	-	495	-	-
Title I 2018-2019	(13,575)	19,096	5,521	-	-	-	-	-	-
Title I 2	-	171,878	171,878	-	-	-	-	-	-

(Continued)

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

Fund	Cash and Investments		Other Financing		Cash and Investments		Other Financing		Cash and Investments	
	07-01-2019	Receipts	Disbursements	Sources (Uses)	06-30-2020	Receipts	Disbursements	Sources (Uses)	06-30-2021	
Title I 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 177,371	\$ 190,423	\$ -	\$ (13,052)	
Title I 4	-	6,812	12,160	-	(5,348)	5,348	-	-	-	
Spec Ed Part B 611 19-20	-	274,540	332,588	-	(58,048)	68,579	10,531	-	-	
Idea Special Education Grant	-	-	-	-	-	254,685	275,480	-	(20,795)	
Idea Special Education Grant 2	-	-	-	-	-	9,797	9,797	-	-	
Spec Educ Part B 619 Sy 18-19	-	-	-	-	-	18,870	18,870	-	-	
Special Ed Part B 611 18-19	(61,264)	52,411	(8,853)	-	-	-	-	-	-	
Spec Ed Part B 619 Fy 201	-	-	-	-	-	-	-	-	-	
Student Support Title Iv	-	2,889	2,983	-	(94)	9,700	9,606	-	-	
Student Support Title Iv 2	-	-	-	-	-	3,231	3,262	-	(31)	
Tobacco Education	1,738	-	-	-	1,738	-	-	-	1,738	
Vocational And Technology Board Grants	-	-	-	-	-	1,000	1,000	-	-	
Medicaid Reimbursement-Federal	229,634	18,505	704	-	247,435	42,140	1,138	-	288,437	
Title Ii Ffy 18	-	-	-	-	-	2,488	2,635	-	(147)	
Title Ii Ffy 19	-	-	-	-	-	4,342	20,428	-	(16,086)	
Title Ii Ffy 2020	-	29,087	28,323	-	764	3,732	11,965	-	(7,469)	
Ffy 2021 Title Ii	-	-	-	-	-	-	3,992	-	(3,992)	
Title Ii Ffy 17	(960)	815	(145)	-	-	-	-	-	-	
Elementary And Secondary School Emergency	-	-	-	-	-	-	32,530	-	(32,530)	
Elementary And Secondary School 2 Emergency	-	-	-	-	-	625,010	625,010	-	-	
Federal Stimulus-18002 Governor'S Emerg.	-	-	-	-	-	47,849	50,239	-	(2,390)	
Federal Stimulus-18003 Educ. Stab Relief	-	-	-	-	-	115,717	144,975	-	(29,258)	
Federal Withholding	-	431,124	430,938	-	186	409,156	409,342	-	-	
Fica	-	289,002	289,002	-	-	291,876	291,876	-	-	
State Tax	-	165,354	165,354	-	-	167,161	167,161	-	-	
Local Option Tax	-	83,828	83,828	-	-	84,982	84,982	-	-	
Insurance	12,641	44,120	56,761	-	-	37,968	37,968	-	-	
American Fidelity Post-Tax	(234)	24,340	22,022	-	2,084	33,413	34,353	-	1,144	
Annuities	-	84,856	80,284	-	4,572	93,472	98,044	-	-	
Fica Non-Teaching	-	108,656	108,656	-	-	112,694	112,694	-	-	
Teacher Retire Voluntary Contributions	-	1,802	1,802	-	-	854	854	-	-	
Trf Pre-Tax Annuity Deduction	-	5,072	5,072	-	-	5,209	5,209	-	-	
United Way	-	48	48	-	-	4	4	-	-	
Legal	-	4,630	4,630	-	-	1,841	1,841	-	-	
Section #125	7,485	216,136	223,621	-	-	230,585	230,585	-	-	
125 American Fidelity Pre-Tax	772	39,962	37,431	-	3,303	39,984	43,494	-	(207)	
Clearing Acct-Prepaid Meals	7,738	136,728	110,953	-	33,513	59,356	54,620	-	38,249	
Totals	\$ 6,581,115	\$ 14,448,944	\$ 14,432,194	\$ 3,333,199	\$ 9,931,064	\$ 15,624,769	\$ 16,630,407	\$ -	\$ 8,925,426	

See notes to financial statement.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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.

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)

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

NOTE 2 - RECLASSIFICATION

Certain prior year balances have been reclassified to conform to the current fiscal year presentation. The reclassifications had no effect on total opening cash balances. The clearing fund which was previously reported in the aggregate amount of \$20,664 at June 30, 2019, has been reclassified to the following individual fund balances at July 1, 2019 to reflect the nature of the clearing fund activity as follows:

	<u>Amount</u>
Insurance	\$ 12,641
American Fidelity Post-Tax Section #125	(234) 7,485
125 American Fidelity Pre-Tax	<u>772</u>
	<u>\$ 20,664</u>

NOTE 3 - 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 4 - 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.

(Continued)

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

NOTE 5 - 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.

NOTE 6 - 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 7 - 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.

NOTE 8 - HOLDING CORPORATION

The School Corporation has entered into a capital lease with the Culver School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments for the period July 1, 2019 to June 30, 2020 totaled \$1,393,500. Lease payments for the period July 1, 2020 to June 30, 2021 totaled \$1,393,000.

(Continued)

NOTE 9 - 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. 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.

(Continued)

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

NOTE 9 - PENSION PLANS (Continued)

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.

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.

(Continued)

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

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS

The School Corporation provides health and vision insurance to eligible retirees and their spouses. The eligible retiree must pay the cost of the benefits until age 65. 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

CULVER COMMUNITY SCHOOLS CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2019 to June 30, 2020

	Education	Operating Referendum Tax Levy	Debt Service	Retirement/Sever ance Bond Debt Service	Operations	Rainy Day	Retirement/Sever ance Bond	Construction Funds	School Lunch	Curricular Materials Rental	Self-Insurance Funds
Cash and investments - beginning	\$ 549,904	\$ 599,148	\$ 1,178,332	\$ 172,494	\$ 2,078,843	\$ 1,218,866	\$ 289,583	\$ -	\$ 171,579	\$ 27,644	\$ 9,063
Receipts:											
Local sources	169,561	1,539,984	1,643,251	256,325	2,329,898	-	-	-	100,520	42,097	60,024
Intermediate sources	133	-	-	-	-	-	-	-	-	-	-
State sources	5,494,353	-	-	-	-	-	-	-	3,622	37,844	-
Federal sources	23,538	-	-	-	-	-	-	-	375,184	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	5,687,585	1,539,984	1,643,251	256,325	2,329,898	-	-	-	479,326	79,941	60,024
Disbursements:											
Instruction	3,977,531	841,688	-	-	-	-	-	-	-	-	-
Support services	1,082,581	127,077	-	-	2,313,769	-	12,874	-	-	16,133	-
Noninstructional services	160,302	-	-	-	-	-	-	-	456,818	-	-
Facilities acquisition and construction	-	120,600	-	-	394,950	-	-	694,893	-	-	-
Debt services	-	-	1,701,540	135,322	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	38,542	-	-	67,237
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	5,220,414	1,089,365	1,701,540	135,322	2,708,719	-	12,874	733,435	456,818	16,133	67,237
Excess (deficiency) of receipts over disbursements	467,171	450,619	(58,289)	121,003	(378,821)	-	(12,874)	(733,435)	22,508	63,808	(7,213)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	3,333,199	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	690,072	-	-	-	-	-	-
Transfers out	(690,072)	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(690,072)	-	-	-	690,072	-	-	3,333,199	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(222,901)	450,619	(58,289)	121,003	311,251	-	(12,874)	2,599,764	22,508	63,808	(7,213)
Cash and investments - ending	\$ 327,003	\$ 1,049,767	\$ 1,120,043	\$ 293,497	\$ 2,390,094	\$ 1,218,866	\$ 276,709	\$ 2,599,764	\$ 194,087	\$ 91,452	\$ 1,850

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2019 to June 30, 2020

	Educational Licence Plates	Alternative Education Grant	Donations Gifts And Trust Funds	Donations Gifts And Trust Funds 1	Donations Gifts & Trust	State Instructional Support	18-19 (EIG) Early Intervention	State Instructional Support 1	High Ability Grant 2016-2017	High Ability Sy 18-19	State Instructional Support 3
Cash and investments - beginning	\$ 378	\$ 6,893	\$ (16,227)	\$ 10,415	\$ 21,890	\$ (6,262)	\$ (500)	\$ -	\$ 250	\$ 3,087	\$ (950)
Receipts:											
Local sources	-	-	16,492	5,000	9,350	-	-	-	-	-	-
Intermediate sources	113	-	-	-	-	-	-	-	-	-	-
State sources	-	8,454	-	-	-	40,325	-	4,200	-	-	27,478
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	113	8,454	16,492	5,000	9,350	40,325	-	4,200	-	-	27,478
Disbursements:											
Instruction	-	-	-	-	15,403	58,149	(500)	2,100	250	3,087	19,681
Support services	-	-	(10,378)	958	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	(10,378)	958	15,403	58,149	(500)	2,100	250	3,087	19,681
Excess (deficiency) of receipts over disbursements	113	8,454	26,870	4,042	(6,053)	(17,824)	500	2,100	(250)	(3,087)	7,797
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	15,837	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(15,837)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	15,837	-	(15,837)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	113	8,454	42,707	4,042	(21,890)	(17,824)	500	2,100	(250)	(3,087)	7,797
Cash and investments - ending	\$ 491	\$ 15,347	\$ 26,480	\$ 14,457	\$ -	\$ (24,086)	\$ -	\$ 2,100	\$ -	\$ -	\$ 6,847

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2019 to June 30, 2020

	State Instructional Support 4	Formative Assessment	Adult And Continuiing Education	Medicaid Reimbursement	Secured School Safety Grant	School Technology Grant	Career And Technical Performance Grant	Teacher Appreciation Grant	State Connectivity Grant	Title I	Title I 2018-2019
Cash and investments - beginning	\$ -	\$ 922	\$ 3,930	\$ 64,013	\$ (4,120)	\$ 4,575	\$ 4,169	\$ 8,726	\$ -	\$ 495	\$ (13,575)
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	9,553	-	5,332	-	-	-	28,142	6,480	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	19,096
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	9,553	-	5,332	-	-	-	28,142	6,480	-	19,096
Disbursements:											
Instruction	-	-	-	-	-	-	-	24,600	-	-	5,521
Support services	-	9,089	-	-	-	-	-	1,882	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	(4,120)	4,575	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	9,089	-	-	(4,120)	4,575	-	26,482	-	-	5,521
Excess (deficiency) of receipts over disbursements	-	464	-	5,332	4,120	(4,575)	-	1,660	6,480	-	13,575
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	-	464	-	5,332	4,120	(4,575)	-	1,660	6,480	-	13,575
Cash and investments - ending	\$ -	\$ 1,386	\$ 3,930	\$ 69,345	\$ -	\$ -	\$ 4,169	\$ 10,386	\$ 6,480	\$ 495	\$ -

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2019 to June 30, 2020

	Title I 2	Title I 4	Spec Ed Part B 611 19-20	Idea Special Education Grant	Idea Special Education Grant 2	Spec Educ Part B 619 Sy 18-19	Special Ed Part B 611 18-19	Spec Ed Part B 619 Fy 201	Student Support Title Iv	Student Support Title Iv 2	Tobacco Education
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (61,264)	\$ -	\$ -	\$ -	\$ 1,738
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	171,878	6,812	274,540	-	-	-	52,411	-	2,889	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	171,878	6,812	274,540	-	-	-	52,411	-	2,889	-	-
Disbursements:											
Instruction	171,878	10,860	284,345	-	-	-	(8,853)	-	40	-	-
Support services	-	1,300	48,243	-	-	-	-	-	2,943	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	171,878	12,160	332,588	-	-	-	(8,853)	-	2,983	-	-
Excess (deficiency) of receipts over disbursements	-	(5,348)	(58,048)	-	-	-	61,264	-	(94)	-	-
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	-	(5,348)	(58,048)	-	-	-	61,264	-	(94)	-	-
Cash and investments - ending	\$ -	\$ (5,348)	\$ (58,048)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (94)	\$ -	\$ 1,738

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2019 to June 30, 2020

	Vocational And Technology Board Grants	Medicaid Reimbursement- Federal	Title Ii Ffy 18	Title Ii Ffy 19	Title Ii Ffy 2020	Ffy 2021 Title Ii	Title Ii Ffy 17	Federal Withholding	Fica	State Tax	Local Option Tax	Insurance
Cash and investments - beginning	\$ -	\$ 229,634	\$ -	\$ -	\$ -	\$ -	\$ (960)	\$ -	\$ -	\$ -	\$ -	\$ 12,641
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	18,505	-	-	29,087	-	815	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	431,124	289,002	165,354	83,828	44,120
Total receipts	-	18,505	-	-	29,087	-	815	431,124	289,002	165,354	83,828	44,120
Disbursements:												
Instruction	-	704	-	-	28,086	-	(145)	-	-	-	-	-
Support services	-	-	-	-	237	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	430,938	289,002	165,354	83,828	56,761
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	704	-	-	28,323	-	(145)	430,938	289,002	165,354	83,828	56,761
Excess (deficiency) of receipts over disbursements	-	17,801	-	-	764	-	960	186	-	-	-	(12,641)
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	-	17,801	-	-	764	-	960	186	-	-	-	(12,641)
Cash and investments - ending	\$ -	\$ 247,435	\$ -	\$ -	\$ 764	\$ -	\$ -	\$ 186	\$ -	\$ -	\$ -	\$ -

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2019 to June 30, 2020

	American Fidelity Post-Tax	Annunities	Fica Non- Teaching	Teacher Retire Voluntary Contributions	Trf Pre-Tax Annuity Deduction	United Way	Legal	Section #125	125 American Fidelity Pre-Tax	Clearing Acct- Prepaid Meals	Totals
Cash and investments - beginning	\$ (234)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,485	\$ 772	\$ 7,738	\$ 6,581,115
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	6,172,502
Intermediate sources	-	-	-	-	-	-	-	-	-	-	246
State sources	-	-	-	-	-	-	-	-	-	-	5,665,783
Federal sources	-	-	-	-	-	-	-	-	-	-	974,755
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	24,340	84,856	108,656	1,802	5,072	48	4,630	216,136	39,962	136,728	1,635,658
Total receipts	24,340	84,856	108,656	1,802	5,072	48	4,630	216,136	39,962	136,728	14,448,944
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	5,434,425
Support services	-	-	-	-	-	-	-	-	-	-	3,606,708
Noninstructional services	-	-	-	-	-	-	-	-	-	-	617,120
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	1,210,898
Debt services	-	-	-	-	-	-	-	-	-	-	1,836,862
Nonprogrammed charges	22,022	80,284	108,656	1,802	5,072	48	4,630	223,621	37,431	110,953	1,726,181
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	22,022	80,284	108,656	1,802	5,072	48	4,630	223,621	37,431	110,953	14,432,194
Excess (deficiency) of receipts over disbursements	2,318	4,572	-	-	-	-	-	(7,485)	2,531	25,775	16,750
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	3,333,199
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	705,909
Transfers out	-	-	-	-	-	-	-	-	-	-	(705,909)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	3,333,199
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,318	4,572	-	-	-	-	-	(7,485)	2,531	25,775	3,349,949
Cash and investments - ending	\$ 2,084	\$ 4,572	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,303	\$ 33,513	\$ 9,931,064

CULVER COMMUNITY SCHOOLS CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2020 to June 30, 2021

	Education	Operating Referendum Tax Levy	Debt Service	Retirement/Sever ance Bond Debt Service	Operations	Rainy Day	Retirement/Sever ance Bond	Construction Funds	School Lunch	Curricular Materials Rental	Self-Insurance Funds
Cash and investments - beginning	\$ 327,003	\$ 1,049,767	\$ 1,120,043	\$ 293,497	\$ 2,390,094	\$ 1,218,866	\$ 276,709	\$ 2,599,764	\$ 194,087	\$ 91,452	\$ 1,850
Receipts:											
Local sources	375,840	1,706,733	1,594,549	283,437	2,480,732	-	-	-	27,659	74,251	90,003
Intermediate sources	99	-	-	-	-	-	-	-	-	-	-
State sources	5,207,424	-	-	-	-	-	-	-	9,817	32,835	-
Federal sources	-	-	-	-	-	-	-	-	420,997	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	5,583,363	1,706,733	1,594,549	283,437	2,480,732	-	-	-	458,473	107,086	90,003
Disbursements:											
Instruction	3,500,652	494,436	-	-	-	-	-	-	-	-	-
Support services	1,035,684	400,827	-	-	2,567,086	-	237,133	-	-	57,224	-
Noninstructional services	152,612	-	-	-	-	-	-	-	431,349	-	-
Facilities acquisition and construction	-	-	-	-	439,334	-	-	1,705,128	-	-	-
Debt services	-	-	1,760,171	412,475	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	52,800	-	-	88,915
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	4,688,948	895,263	1,760,171	412,475	3,006,420	-	237,133	1,757,928	431,349	57,224	88,915
Excess (deficiency) of receipts over disbursements	894,415	811,470	(165,622)	(129,038)	(525,688)	-	(237,133)	(1,757,928)	27,124	49,862	1,088
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	600,000	-	-	-	-	-	-
Transfers out	(600,000)	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(600,000)	-	-	-	600,000	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	294,415	811,470	(165,622)	(129,038)	74,312	-	(237,133)	(1,757,928)	27,124	49,862	1,088
Cash and investments - ending	\$ 621,418	\$ 1,861,237	\$ 954,421	\$ 164,459	\$ 2,464,406	\$ 1,218,866	\$ 39,576	\$ 841,836	\$ 221,211	\$ 141,314	\$ 2,938

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2020 to June 30, 2021

	Educational Licence Plates	Alternative Education Grant	Donations Gifts And Trust Funds	Donations Gifts And Trust Funds 1	Donations Gifts And Trust Funds 2	Donations Gifts & Trust	State Instructional Support	State Instructional Support 1	State Instructional Support 2	State Instructional Support 3	State Instructional Support 4
Cash and investments - beginning	\$ 491	\$ 15,347	\$ 26,480	\$ 14,457	\$ -	\$ -	\$ (24,086)	\$ 2,100	\$ -	\$ 6,847	\$ -
Receipts:											
Local sources	-	-	54,572	-	2,000	-	-	-	-	-	-
Intermediate sources	94	-	-	-	-	-	-	-	-	-	-
State sources	-	6,526	-	-	-	-	17,926	-	3,568	-	22,262
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	94	6,526	54,572	-	2,000	-	17,926	-	3,568	-	22,262
Disbursements:											
Instruction	-	21,873	-	-	-	-	(6,160)	-	-	6,847	15,688
Support services	-	-	42,361	-	1,965	-	-	-	3,568	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	21,873	42,361	-	1,965	-	(6,160)	-	3,568	6,847	15,688
Excess (deficiency) of receipts over disbursements	94	(15,347)	12,211	-	35	-	24,086	-	-	(6,847)	6,574
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	94	(15,347)	12,211	-	35	-	24,086	-	-	(6,847)	6,574
Cash and investments - ending	\$ 585	\$ -	\$ 38,691	\$ 14,457	\$ 35	\$ -	\$ -	\$ 2,100	\$ -	\$ -	\$ 6,574

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2020 to June 30, 2021

	Formative Assessment	Indiana Preschool Grants	Student Learning &&& Am;Am;Am	Adult And Continuiing Education	Medicaid Reimbursement	Secured School Safety Grant	Early Intervention Grants	School Technology Grant	Career And Technical Performance Grant	Teacher Appreciation Grant	State Connectivity Grant	Stem Acceleration Grant	Title I
Cash and investments - beginning	\$ 1,386	\$ -	\$ -	\$ 3,930	\$ 69,345	\$ -	\$ -	\$ -	\$ 4,169	\$ 10,386	\$ 6,480	\$ -	\$ 495
Receipts:													
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	7,772	38,030	1,500	-	7,175	100,000	2,316	6,480	-	26,829	-	64,929	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	7,772	38,030	1,500	-	7,175	100,000	2,316	6,480	-	26,829	-	64,929	-
Disbursements:													
Instruction	-	19,994	-	-	-	-	677	-	-	23,552	-	64,929	-
Support services	8,940	-	-	-	-	-	-	-	-	3,444	-	-	495
Noninstructional services	-	-	1,500	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	100,000	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	8,940	19,994	1,500	-	-	100,000	677	-	-	26,996	-	64,929	495
Excess (deficiency) of receipts over disbursements	(1,168)	18,036	-	-	7,175	-	1,639	6,480	-	(167)	-	-	(495)
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	(1,168)	18,036	-	-	7,175	-	1,639	6,480	-	(167)	-	-	(495)
Cash and investments - ending	\$ 218	\$ 18,036	\$ -	\$ 3,930	\$ 76,520	\$ -	\$ 1,639	\$ 6,480	\$ 4,169	\$ 10,219	\$ 6,480	\$ -	\$ -

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2020 to June 30, 2021

	Title I 3	Title I 4	Spec Ed Part B 611 19-20	Idea Special Education Grant	Idea Special Education Grant 2	Spec Educ Part B 619 Sy 18-19	Student Support Title Iv	Student Support Title Iv 2	Tobacco Education	Vocational And Technology Board Grants	Medicaid Reimbursement- Federal	Title Ii Ffy 18
Cash and investments - beginning	\$ -	\$ (5,348)	\$ (58,048)	\$ -	\$ -	\$ -	\$ (94)	\$ -	\$ 1,738	\$ -	\$ 247,435	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	1,000	-	-
Federal sources	177,371	5,348	68,579	254,685	9,797	18,870	9,700	3,231	-	-	42,140	2,488
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	177,371	5,348	68,579	254,685	9,797	18,870	9,700	3,231	-	1,000	42,140	2,488
Disbursements:												
Instruction	190,423	-	10,531	268,990	9,797	18,870	-	3,212	-	1,000	1,138	2,435
Support services	-	-	-	6,490	-	-	9,606	50	-	-	-	200
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	190,423	-	10,531	275,480	9,797	18,870	9,606	3,262	-	1,000	1,138	2,635
Excess (deficiency) of receipts over disbursements	(13,052)	5,348	58,048	(20,795)	-	-	94	(31)	-	-	41,002	(147)
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	(13,052)	5,348	58,048	(20,795)	-	-	94	(31)	-	-	41,002	(147)
Cash and investments - ending	\$ (13,052)	\$ -	\$ -	\$ (20,795)	\$ -	\$ -	\$ -	\$ (31)	\$ 1,738	\$ -	\$ 288,437	\$ (147)

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2020 to June 30, 2021

	Title li Ffy 19	Title li Ffy 2020	Ffy 2021 Title li	Elementary And Secondary School Emergency	Elementary And Secondary School 2 Emergency	Federal Stimulus- 18002 Governor'S Emerg.	Federal Stimulus- 18003 Educ. Stab Relief	Federal Withholding	Fica	State Tax	Local Option Tax	Insurance
Cash and investments - beginning	\$ -	\$ 764	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 186	\$ -	\$ -	\$ -	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	4,342	3,732	-	-	625,010	47,849	115,717	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	409,156	291,876	167,161	84,982	37,968
Total receipts	4,342	3,732	-	-	625,010	47,849	115,717	409,156	291,876	167,161	84,982	37,968
Disbursements:												
Instruction	20,428	11,965	3,992	30,720	-	-	41,395	-	-	-	-	-
Support services	-	-	-	1,810	-	-	103,580	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	625,010	50,239	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	409,342	291,876	167,161	84,982	37,968
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	20,428	11,965	3,992	32,530	625,010	50,239	144,975	409,342	291,876	167,161	84,982	37,968
Excess (deficiency) of receipts over disbursements	(16,086)	(8,233)	(3,992)	(32,530)	-	(2,390)	(29,258)	(186)	-	-	-	-
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	(16,086)	(8,233)	(3,992)	(32,530)	-	(2,390)	(29,258)	(186)	-	-	-	-
Cash and investments - ending	\$ (16,086)	\$ (7,469)	\$ (3,992)	\$ (32,530)	\$ -	\$ (2,390)	\$ (29,258)	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the period July 1, 2020 to June 30, 2021

	American Fidelity Post-Tax	Annunities	Fica Non- Teaching	Teacher Retire Voluntary Contributions	Trf Pre-Tax Annuity Deduction	United Way	Legal	Section #125	125 American Fidelity Pre-Tax	Clearing Acct- Prepaid Meals	Totals
Cash and investments - beginning	\$ 2,084	\$ 4,572	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,303	\$ 33,513	\$ 9,931,064
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	6,689,776
Intermediate sources	-	-	-	-	-	-	-	-	-	-	193
State sources	-	-	-	-	-	-	-	-	-	-	5,556,389
Federal sources	-	-	-	-	-	-	-	-	-	-	1,809,856
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	33,413	93,472	112,694	854	5,209	4	1,841	230,585	39,984	59,356	1,568,555
Total receipts	33,413	93,472	112,694	854	5,209	4	1,841	230,585	39,984	59,356	15,624,769
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	4,757,384
Support services	-	-	-	-	-	-	-	-	-	-	4,480,463
Noninstructional services	-	-	-	-	-	-	-	-	-	-	585,461
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	2,919,711
Debt services	-	-	-	-	-	-	-	-	-	-	2,172,646
Nonprogrammed charges	34,353	98,044	112,694	854	5,209	4	1,841	230,585	43,494	54,620	1,714,742
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	34,353	98,044	112,694	854	5,209	4	1,841	230,585	43,494	54,620	16,630,407
Excess (deficiency) of receipts over disbursements	(940)	(4,572)	-	-	-	-	-	-	(3,510)	4,736	(1,005,638)
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	600,000
Transfers out	-	-	-	-	-	-	-	-	-	-	(600,000)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(940)	(4,572)	-	-	-	-	-	-	(3,510)	4,736	(1,005,638)
Cash and investments - ending	\$ 1,144	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (207)	\$ 38,249	\$ 8,925,426

CULVER COMMUNITY SCHOOLS CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2021

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 17,230,404	\$ 16,224,770

CULVER COMMUNITY SCHOOLS CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2021

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities:				
Culver School Building Corporation	2015 2009A & 2009B Bonds	\$ 1,393,000	1/15/2010	7/15/2027
Total of annual lease payments		<u>\$ 1,393,000</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	Bonds of 2013 Ind Bond Bank	\$ 830,000	\$ 141,570
General Obligation Bonds	Bonds of 2020 Ind Bond Bank	3,200,000	70,400
General Obligation Bonds	IBB Sch Sev 2013A Qualified School Construction	403,881	268,722
General Obligation Bonds	Bond Debt	<u>655,000</u>	<u>178,901</u>
Total governmental activities		<u>5,088,881</u>	<u>659,593</u>
Totals		<u>\$ 5,088,881</u>	<u>\$ 659,593</u>

CULVER COMMUNITY SCHOOLS CORPORATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2021

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 423,146
Buildings	43,163,099
Improvements other than buildings	9,954,087
Machinery, equipment, and vehicles	<u>9,422,488</u>
Total governmental activities	<u>62,962,820</u>
Total capital assets	<u>\$ 62,962,820</u>

CULVER COMMUNITY SCHOOLS CORPORATION
STATE REPORTING INFORMATION
July 1, 2019 - June 30, 2021

Financial Statement and Accompanying Notes:

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

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

Indiana Department of Education Reporting:

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

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

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

CULVER COMMUNITY SCHOOLS CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period July 1, 2019 through June 30, 2021

Federal Grantor Agency <u>Cluster Title/Program Title/Project Title</u>	<u>Pass-Through Entity or Direct Grant</u>	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended <u>06-30-20</u>	Total Federal Awards Expended <u>06-30-21</u>	Total Federal Awards Expended 07-01-19 to <u>06-30-21</u>
<u>Department of Agriculture</u>						
Child Nutrition Cluster	Indiana Department of Education					
School Breakfast Program		10.553	FY2020, FY2021	\$ 56,089	\$ 130,318	\$ 186,407
National School Lunch Program		10.555	FY2020, FY2021	182,065	297,007	479,072
Commodities		10.555	FY2020, FY2021	37,456	50,573	88,029
Summer Food Service Program for Children		10.559	FY2020, FY2021	<u>136,797</u>	<u>-</u>	<u>136,797</u>
Total - Child Nutrition Cluster				<u>412,407</u>	<u>477,898</u>	<u>890,305</u>
Total - Department of Agriculture				<u>412,407</u>	<u>477,898</u>	<u>890,305</u>
<u>Department of Education</u>						
Special Education Cluster						
Special Education Grants to States	Indiana Department of Education					
IDEA-Part B		84.027	19611-103-PN01	52,411	-	52,411
IDEA-Part B		84.027	20611-103-PN01	274,540	68,579	343,119
IDEA-Part B		84.027	21611-103-PN01	<u>-</u>	<u>254,685</u>	<u>254,685</u>
Total - Special Education Grants to States				<u>326,951</u>	<u>323,264</u>	<u>650,215</u>
Special Education - Preschool Grants	Indiana Department of Education					
IDEA-Preschool		84.173	19619-103-PN01	-	9,204	9,204
IDEA-Preschool		84.173	20619-103-PN01	-	9,666	9,666
IDEA-Preschool		84.173	21619-103-PN01	<u>-</u>	<u>9,797</u>	<u>9,797</u>
Total - Special Education - Preschool Grants				<u>-</u>	<u>28,667</u>	<u>28,667</u>
Total - Special Education Cluster (IDEA)				<u>326,951</u>	<u>351,931</u>	<u>678,882</u>

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period July 1, 2019 through June 30, 2021

Federal Grantor Agency <u>Cluster Title/Program Title/Project Title</u>	<u>Pass-Through Entity or Direct Grant</u>	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended <u>06-30-20</u>	Total Federal Awards Expended <u>06-30-21</u>	Total Federal Awards Expended 07-01-19 to <u>06-30-21</u>
Title I Grants to Local Educational Agencies	Indiana Department of Education					
Title I, Part A		84.010	S010A180014	\$ 19,096	\$ -	\$ 19,096
Title I, Part A		84.010	S010A190014	171,878	-	171,878
Title I, Part A		84.010	S010A200014	-	177,371	177,371
				<u>190,974</u>	<u>177,371</u>	<u>368,345</u>
Total - Title I Grants to Local Educational Agencies						
Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367	S367A180013	29,087	2,488	31,575
Title II, Part A		84.367	S367A190013	-	4,342	4,342
Title II, Part A		84.367	S367A200013	-	3,732	3,732
Title II, Part A		84.367	S367A210013	-	1,000	1,000
				<u>29,087</u>	<u>11,562</u>	<u>40,649</u>
Total - Supporting Effective Instruction State Grants						
Student Support and Academic Enrichment Program	Indiana Department of Education					
Title IV, Part A		84.424	S424A200015	-	3,231	3,231
Title IV, Part A		84.424	S424A180015	6,812	5,349	12,161
Title IV, Part A		84.424	S424A190015	2,889	9,700	12,589
				<u>9,701</u>	<u>18,280</u>	<u>27,981</u>
Total - Student Support and Academic Enrichment Program						
COVID-19 - Education Stabilization Fund	Indiana Department of Education					
Governor's Emergency Education Relief (GEER) Fund		84.425C	S425C200018	-	47,849	47,849
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	-	115,717	115,717
Elementary and Secondary School Emergency Relief (ESSER II) Fund		84.425D	S425D210013	-	625,010	625,010
				<u>-</u>	<u>788,576</u>	<u>788,576</u>
Total - COVID-19 - Education Stabilization Fund						
Total - Department of Education				<u>556,713</u>	<u>1,347,720</u>	<u>1,904,433</u>

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period July 1, 2019 through June 30, 2021

Federal Grantor Agency <u>Cluster Title/Program Title/Project Title</u>	<u>Pass-Through Entity or Direct Grant</u>	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended <u>06-30-20</u>	Total Federal Awards Expended <u>06-30-21</u>	Total Federal Awards Expended 07-01-19 to <u>06-30-21</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster						
Medical Assistance Program	Indiana Department of Education					
Medicaid Reimbursement-Federal		93.778	FY2020, FY2021	\$ 18,505	\$ 42,140	\$ 60,645
Total - Medicaid Cluster				<u>18,505</u>	<u>42,140</u>	<u>60,645</u>
Total - Department of Health and Human Services				<u>18,505</u>	<u>42,140</u>	<u>60,645</u>
Total federal awards expended				<u>\$ 987,625</u>	<u>\$ 1,867,758</u>	<u>\$ 2,855,383</u>

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

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

NOTE 1 - BASIS OF PRESENTATION

A. Basis of Presentation

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

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

B. Other Significant Accounting Policies

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

NOTE 2 - INDIRECT COST RATE

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

NOTE 3 - 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
Culver Community Schools Corporation
Marshall 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 Culver Community Schools Corporation ("School Corporation"), which comprise the statement of receipts, disbursements, other financing sources (uses), and cash and investment balances of the School Corporation as of June 30, 2021 and for the period July 1, 2019 to June 30, 2021 and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement, and have issued our report thereon dated March 7, 2023.

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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying *schedule of findings and questioned costs* to be a material weakness. (Finding 2021-001)

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. We consider the deficiency described in the accompanying *schedule of findings and questioned cost* to be a significant deficiency. (Finding 2021-002)

(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*.

Management's Responses to Findings

The School Corporation's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The School Corporation's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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

Indianapolis, Indiana
March 7, 2023

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

Those Charged with Governance
Culver Community Schools Corporation
Marshall County, Indiana

Report on Compliance for Each Major Federal Program

We have audited Culver Community Schools Corporation'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 the School Corporation's major federal programs for the period July 1, 2019 to June 30, 2021. The School Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

(Continued)

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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 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 2021-003 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2021-004 to be a significant deficiency.

The School Corporation's responses to the internal control over compliance findings identified in our audit are described in the accompanying *schedule of findings and questioned costs*. The School Corporation's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 7, 2023

CULVER COMMUNITY SCHOOLS CORPORATION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 July 1, 2019 to June 30, 2021

Section I – Summary of Auditor’s Results

Financial Statement

Type of auditor’s report issued: Adverse as to GAAP, Unmodified
as to regulatory basis

Internal control over financial reporting:

Material weakness(es) identified?	<u> X </u>	Yes	_____	No
Significant deficiencies identified not considered to be material weaknesses?	<u> X </u>	Yes	_____	None Reported

Noncompliance material to financial statement noted?	_____	Yes	<u> X </u>	No
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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?	<u> X </u>	Yes	_____	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
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Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555, 10.559	Child Nutrition Cluster
84.425C, 84.425D	COVID-19 – Education Stabilization Fund

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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(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

Section II – Financial Statement Findings

FINDING 2021-001

Subject: Preparation of the Annual Financial Report
Audit Findings: Material Weakness

Criteria: The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . . There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . .

The Green Book identifies a list of control activity categories that are meant only to illustrate the range and variety of control activities; the list is by no means all inclusive, but is reproduce here for reference purposes:

- ...
- Accurate and timely recording of transactions. . . ."

2 CFR 200.508 states in part:

"The auditee must: . . .

(b) Prepare appropriate financial statements, ..."

Condition: The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Annual Financial Report (AFR).

Cause: Management had not established a system of internal control that would have ensured proper reporting of the AFR. For fiscal year 2021, it was the first year the AFR was required to be prepared directly by the School Corporation instead of from semi-annual filings with Indiana Department of Education. There was not an appropriate review of the activity posted on the AFR.

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

Section II – Financial Statement Findings (Continued)

FINDING 2021-001 (Continued)

Context: The AFR entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and investment Balances – Regulatory Basis (the financial statement). The AFR was reviewed prior to submission. However, it was not reviewed in enough detail to prevent the following error in the financial statement:

- 1) The beginning balance of cash and investments as of June 30, 2020, reported in Gateway was understated by \$903,813. For the period of July 1, 2020 to June 30, 2021, receipts and disbursements were understated by \$14,044,061 and \$15,025,002, respectively. The net impact on cash and investment balances reported in Gateway as of June 30, 2021, was an overstatement of \$77,129.

Audit adjustments were proposed, accepted by the School Corporation, and made to the financial statement to correct the issues noted above.

Effect: Without a proper system of internal control in place that operated effectively, material misstatements of the financial statement remained undetected. The financial statement contained the errors identified in the Context section.

Identification as a repeat finding, if applicable: Yes, see Finding 2019-001.

Recommendation: We recommended that the School Corporation's management establish a formal review over the AFR financial statement submission to ensure amounts reported are accurate and agree to underlying fund ledgers. The School Corporation should establish a documented, secondary review to ensure the amounts reported on the financial statement agree to the supporting fund ledger detail.

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

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

Section II – Financial Statement Findings (Continued)

FINDING 2021-002

Subject: Preparation of the Schedule of Expenditures of Federal Awards
Audit Findings: Significant Deficiency

Criteria: The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . . There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . .

The Green Book identifies a list of control activity categories that are meant only to illustrate the range and variety of control activities; the list is by no means all inclusive, but is reproduce here for reference purposes:
. . .

- Accurate and timely recording of transactions. . . ."

2 CFR 200.508 states in part:

"The auditee must: . . .

(b) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with § 200.510 Financial statements. . . ."

2 CFR 200.510(b) states:

"*Schedule of expenditures of Federal awards.* The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502 Basis for determining Federal awards expended. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

(1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within a cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

Section II – Financial Statement Findings (Continued)

FINDING 2021-002 (Continued)

(2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.

(3) Provide total Federal awards expended for each individual Federal program and the assistance listing number (ALN) or other identifying number when the ALN information is not available. For a cluster of programs also provide the total for the cluster.

(4) Include the total amount provided to subrecipients from each Federal program.

(5) For loan or loan guarantee programs described in § 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.

(6) Include notes that describe that significant accounting policies used in preparing the schedule and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in §200.414 Indirect (F&A) costs."

Condition: The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

Cause: Management had not established a system of internal control that would have ensured proper reporting of the SEFA.

Context: The federal grant information entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the SEFA. The SEFA was reviewed prior to submission. However, it was not reviewed in enough detail to prevent the following errors that resulted in the understatement on the SEFA by \$142,352 for the period July 1, 2019, through June 30, 2021:

1. The Child Nutrition Cluster funds were understated by \$124,551.
2. Medicaid Cluster funds were understated by \$17,801.
3. Two grants listed on the SEFA for Student Support and Academic Enrichment Program (84.424) did not have an Assistance Listing Number reported on the original SEFA.
4. Three grants listed on the SEFA did not have a pass-through number listed on the original SEFA.

Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA to correct the issues noted above.

Effect: Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA could go undetected. The SEFA contained the errors identified in the Context section.

Identification as a repeat finding, if applicable: Yes, see Finding 2019-002.

Recommendation: We recommended that the School Corporation's management establish a formal review over the SEFA to ensure amounts reported are accurate. The School Corporation should establish a documented, secondary review to ensure the amounts reported on the SEFA agree to the supporting federal receipt fund ledger detail. The review should also verify all non-financial data is accurately reported.

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

Section II – Financial Statement Findings (Continued)

FINDING 2021-002 (Continued)

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

Section III – Federal Award Findings and Questioned Costs

FINDING 2021-003

Information on the federal program:

Subject: Child Nutrition Cluster
Federal Agency: Department of Agriculture
Federal Program: School Breakfast Program, National School Lunch Program, Summer Food Service Program for Children
Assistance Listing Number: 10.553, 10.555, 10.559
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Program Income; Special Tests and Provisions – Verifications of Free and Reduced-Free Applications
Audit Finding: Material Weakness

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). . . ."

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

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

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 segregation of duties within an internal control system 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.

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

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

FINDING 2021-003 (Continued)

Context:

Program Income: During testing of four months selected during the audit period to test program income recognized in Fund 0800, we noted for 2 months there was no documented review of the monthly report utilized to recognize program income. The lack of controls was isolated to fiscal year 2020.

Verification of Free and Reduced-Price Applications: During the testing of two students selected for verification of application data, the School Corporation was unable to locate income verification documentation obtained from the parent/guardian during the verification process to support the change in eligibility status.

Identification as a repeat finding, if applicable: Yes, see Finding 2019-003.

Recommendation: We recommend that the School Corporation's management establish a system of internal controls, including segregation of duties, related to the Program Income and ensure there is a documented review of program income recognize to Fund 0800 on a periodic basis. We also recommend all supporting documentation be maintained to support verification procedures performed.

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

Finding 2021-004

Information on the federal program:

Subject: Education Stabilization Fund – Timely Report of Annual Data Report
Federal Agency: Department of Education
Federal Program: COVID-19 – Education Stabilization Fund
Assistance Listing Number: 84.425C and 84.425D
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Finding: Significant Deficiency

Criteria: 2 CFR 200.302(b) states in part:

"The financial management system of each non-Federal entity must provide for the following:

(2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.328 Financial reporting"

34 CFR 76.722 states:

"A State may require a subgrantee to submit reports in a manner and format that assists the State in complying with the requirements under 34 CFR 76.720 and in carrying out other responsibilities under the program."

(Continued)

CULVER COMMUNITY SCHOOLS CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

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

FINDING 2021-004 (Continued)

Condition: The School Corporation did not have a review control in place to ensure the annual data report was reviewed by someone other than the preparer and that the report was submitted timely.

Cause: There were not sufficient internal controls in place to ensure the Annual Data Report was submitted by the Indiana Department of Education’s deadline.

Effect: The Annual Data Report required to be submitted during fiscal year 2021 was not submitted in a timely manner.

Questioned Costs: There were no questioned costs identified.

Context: The Annual Data Report for the period of March 13, 2020 to September 30, 2020 was due to the Indiana Department of Education (IDOE) by January 21, 2021. The School Corporation submitted the report on January 27, 2021. In addition, there was no documented review by someone other than the preparer of the report to ensure the information submitted was complete and accurate.

Identification as a repeat finding: No.

Recommendation: We recommend management review internal controls around the preparation, review and submission of the Annual Data Reports to verify reports are submitted timely. We recommend someone other than the preparer of the report perform a documented review prior to submission to validate the accuracy and completeness of the data submitted.

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

Culver Community Schools Corporation

Karen Shuman, Superintendent

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Tippecanoe Township – Pulaski County
Union Township – Marshall County

CORRECTIVE ACTION PLAN

FINDING 2021-001

Subject: Preparation of the Annual Financial Report

Audit Findings: Material Weakness

Fiscal Year In Which the Finding Occurred: 19-20 and 20-21

Contact Person Responsible for Corrective Action: Casey Howard

Contact Phone Number: 574-842-3364 x806

Views of the Responsible Official:

We concur with the findings.

Description of Corrective Action Plan:

Annual Financial Report - The Treasurer creates reports in Komputrol (accounting software) and uses the reports to file the Annual Financial Report for State Board of Accounts in Gateway. The AFR is reviewed by the Treasurer and Deputy Treasurer; however, more detail to prevent errors needs to be conducted. Prior to submitting financial statements and reports the Treasurer and Deputy Treasurer will review in full detail and approve.

Anticipated Completion Date: December 2021

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CORRECTIVE ACTION PLAN

FINDING 2021-002

Subject: Preparation of the Schedule of Expenditures of Federal Awards

Audit Findings: Significant Deficiency

Fiscal Year In Which the Finding Occurred: 19-20 and 20-21

Contact Person Responsible for Corrective Action: Casey Howard

Contact Phone Number: 574-842-3364 x806

Views of the Responsible Official:

We concur with the findings.

Description of Corrective Action Plan:

Treasurer will complete the Schedule of Expenditures of Federal Awards (SEFA). After completion but before submission the Deputy-Treasurer will review and approve.

Future submission of SEFA will include the Child Nutrition Cluster, Medicaid Cluster expenditures properly. Correct program titles, pass-through entity and federal CFDA numbers will be used.

Anticipated Completion Date: December 2020

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CORRECTIVE ACTION PLAN

FINDING 2021-003

Subject: Child Nutrition Cluster

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 Year (or Other Identifying Numbers): SY 19-20, SY 20-21

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Program Income; Special Tests and Provisions-Verifications of Free- Reduced Applications

Findings: Material Weakness

Fiscal Year In Which the Finding Occurred: 19-20 and 20-21

Contact Person Responsible for Corrective Action: Casey Howard

Contact Phone Number: 574-842-3364 806

Views of the Responsible Official:

We concur with the findings and these verifications have been corrected as of August 2018.

Description of Corrective Action Plan:

Child Nutrition Cluster-Program Income – Along with using the food service software which automatically made the eligibility determinations dependent upon the information entered in the software the Food Service Director along with the ECA Treasurer will review the eligibility determinations with proper documentation. FSD and ECA Treasurer review the monthly reports utilized to recognize program income. This began in July of 2020.

Child Nutrition Cluster-Verification of Free- Reduced Price Applications – The Food Service Director will hold all income verification documentation obtained from the parent/guardian during the verification process to support the change in eligibility status.

Anticipated Completion Date: December 2020

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CORRECTIVE ACTION PLAN

FINDING 2021-004

Subject: Education Stabilization Fund – Timely Report of Annual Data Report

Federal Agency: Department of Agriculture

Federal Programs: COVID-19 – Education Stabilization Fund

Assistance Listing Numbers: 84.425C, 84.425D

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Reporting

Findings: Significant Deficiency

Fiscal Year In Which the Finding Occurred: 19-20 and 20-21

Contact Person Responsible for Corrective Action: Casey Howard

Contact Phone Number: 574-842-3364 x806

Views of the Responsible Official:

We concur with the findings.

Description of Corrective Action Plan:

Reporting – The Treasurer and Deputy Treasurer will review and approve all grant reporting with Komputrol reports and grant approval. All deadlines will be submitted prior to due dates.

Anticipated Completion Date: December 2020

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Mrs. Karen Shuman – Superintendent

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2019-001

Subject: Financial Transactions and Reporting
Audit Findings: Material Weakness, Noncompliance

Condition and Context:

There were several deficiencies in the internal control system of the School Corporation related to financial transactions and reporting. The School Corporation had not established an effective system of internal controls related to cash and investments, and financial reporting.

Cash and Investments

The School Corporation had implemented controls related to the bank reconciliations; however, the controls were not effective. Due to the lack of effective controls, a variance of \$24,906 existed between the reconciled bank balances and the record balances as of June 30, 2019.

Financial Reporting

The School Corporation had implemented controls for financial reporting; however, the controls were not effective. Due to the lack of effective controls, the following errors occurred on the financial statement and were not detected and corrected:

1. In 2015, bonds were issued through the Culver School Building Corporation, a related party of the School Corporation; but their financial transactions were erroneously included on the School Corporation's financial reports for fiscal year 2017-2018. This resulted in an overstatement of the School Corporation's financial statement for cash and investments beginning balance of \$580,284; receipts of \$4,327; and disbursements of \$584,611.
2. The School Corporation inadvertently reported disbursements from July 2019 for 12 funds. In total, disbursements for 2018-2019 were overstated \$860,156, and cash and investments, at June 30, 2019, was understated the same amount.

Audit adjustments were proposed, accepted by the School Corporation, and made to the financial statement.

Status: Not resolved. See Finding 2021-001.

FINDING 2019-002

Subject: Preparation of the Schedule of Expenditures of Federal Awards
Audit Findings: Material Weakness, Noncompliance

Condition and Context: The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The School Corporation failed to properly review the federal grant information prepared and submitted in the Indiana Gateway for Government Units financial reporting system, which was the source of the SEFA, to ensure that it was accurate prior to submission.

Due to the lack of controls the SEFA presented for audit contained the following errors:

1. The School Breakfast Program expenditures were understated by \$42,016 for the year ended June 30, 2019.
2. The National School Lunch Program expenditures were understated by \$99,840 for the year ended June 30, 2019.
3. The National School Lunch Program commodities were understated by \$40,526 for the year ended June 30, 2018, and by \$35,853 for the year ended June 30, 2019.
4. The Summer Food Service Program expenditures were understated by \$13,798 for the year ended June 30, 2018, and by \$15,923 for the year ended June 30, 2019.
5. The Medical Assistance Program expenditures were overstated by \$431 for the year ended June 30, 2018, and by \$52,510 for the year ended June 30, 2019.
6. Four of the eight federal programs did not have the correct program title.
7. Two of the eight federal programs did not have the correct pass-through entity.
8. One of the eight federal programs did not have the correct federal CFDA number.
9. One of the eight federal programs did not have the correct federal grantor agency.

Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA.

Status: Not resolved. See Finding 2021-002.

FINDING 2019-003

Information on the federal program:

Subject: Child Nutrition Cluster - Eligibility, Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP)
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
Assistance Listing Numbers: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): SY 17-18, SY 18-19
Pass-Through Entity: Indiana Department of Education
Compliance Requirements: Eligibility, Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP)
Audit Finding: Material Weakness

Condition and Context: An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the following compliance requirements: Eligibility and Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP).

Eligibility

The School Corporation had not designed or implemented adequate policies and procedures to ensure that eligibility determinations for free and reduced price meals were accurate. One employee processed the applications for free and reduced price meals without a system of oversight or review. Additionally one employee updated the eligibility guidelines without a system of oversight or review.

Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP)

The School Corporation had not designed or implemented adequate policies and procedures to ensure that proper verification of Free and Reduced Price Applications were completed. One employee was responsible for performing the verification of Free and Reduced Price Applications without a system of oversight or review.

The lack of controls over the Eligibility compliance requirement was a systemic issue throughout the audit period. The lack of controls over the Special Tests and Provisions - Verification of Free and Reduced-Price Applications (NSLP) compliance requirement was isolated to fiscal year 2017-2018.

Status: Partially resolved. The Eligibility finding was resolved. There is a verification finding in the current period audit. See Finding 2021-003.

FINDING 2019-004

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

Assistance Listing Numbers: 10.553, 10.555, 10.559

Federal Award Numbers and Years (or Other Identifying Numbers): SY 17-18, SY 18-19

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 requirement of the Procurement and Suspension and Debarment compliance requirement.

The School Corporation did not comply with the procurement requirements for micro-purchases and small purchases during the audit period. The School Corporation purchased goods without the appropriate procurement procedures in place.

Small Purchases

The School Corporation did not obtain price and rate quotes from an adequate number of sources for purchases of goods or services exceeding \$3,500 for fiscal year 2017-2018, or \$10,000 for 2018-2019, which fell under the small purchase procedures.

Micro-Purchases

The School Corporation did not have procedures in place to ensure purchases were distributed equitably among qualified suppliers for purchases less the \$3,500 for 2017-2018, and \$10,000 for 2018-2019.

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

Status: Resolved.

FINDING 2019-005

Information on the federal program:

Subject: Child Nutrition Cluster - Cash Management
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
Assistance Listing Numbers: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): SY 17-18, SY 18-19
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Cash Management
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 Cash Management compliance requirement.

The School Corporation failed to comply with the cash management requirements that they limit their net cash resources in the School Lunch fund to three months average expenditures of the food service program. The School Corporation maintained excessive net cash resources for 9 of the 24 months of the audit period and they did not have an approved Indiana Department of Education spend down plan in place.

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

Status: Resolved.