



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

April 11, 2023

To: The Officials of the Portage Township Schools
Portage Township Schools
6240 US Highway 6
Portage, IN 46368

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Portage Township Schools. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period July 1, 2019 to June 30, 2021. Per the *Independent Auditor's Report*, the financial statement referred to above presents fairly, in all material respects, the cash and investment balances of 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.

We call your attention to the finding included in the report on page 35. Please see the Schedule of Findings and Questioned Costs for complete details related to the finding. Management's Corrective Action Plan appears on page 36.

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 Portage Township Schools was prepared in accordance with the guidelines established by the State Board of Accounts.

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

A handwritten signature in cursive script that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

PORTAGE TOWNSHIP SCHOOLS
Porter County, Indiana

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

PORTAGE TOWNSHIP SCHOOLS
Porter County, Indiana

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

CONTENTS

SCHEDULE OF OFFICIALS (Unaudited)	1
INDEPENDENT AUDITOR'S REPORT	2
FINANCIAL STATEMENT	
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS	4
NOTES TO FINANCIAL STATEMENT.....	6
SUPPLEMENTARY INFORMATION	
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS (Unaudited).....	12
SCHEDULE OF PAYABLES AND RECEIVABLES (Unaudited)	23
SCHEDULE OF LEASES AND DEBT (Unaudited).....	24
SCHEDULE OF CAPITAL ASSETS (Unaudited).....	25
STATE REPORTING INFORMATION (Unaudited)	26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	27
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	29
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	30
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE	32
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	34

PORTAGE TOWNSHIP SCHOOLS
SCHEDULE OF OFFICIALS (Unaudited)
For the period July 1, 2019 to June 30, 2021

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Nicolas Gron	07-01-19 to 06-30-21
Superintendent of Schools	Dr. Amanda Alaniz	07-01-19 to 06-30-21
President of the School Board	Cheryl Oprisko Andrew Maletta	01-01-19 to 12-31-19 01-01-20 to 12-31-22

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Portage Township Schools
Porter 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 Portage Township Schools (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 20, 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
Crowe LLP

Indianapolis, Indiana
March 20, 2023

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

Fund	Cash and Investments			Other Financing Sources (Uses)	Cash and Investments			Other Financing Sources (Uses)	Cash and Investments
	07-01-2019	Receipts	Disbursements		06-30-2020	Receipts	Disbursements		
Education	\$ 12,458,911	\$ 53,220,401	\$ 45,272,628	\$ (10,574,619)	\$ 9,832,065	\$ 52,171,515	\$ 44,970,050	\$ (7,400,000)	\$ 9,633,530
Debt Service	2,873,568	6,745,641	6,710,429	(128,925)	2,779,855	7,368,339	7,001,241	716,060	3,863,013
Retirement Severance Bond Debt Service	363,035	658,482	662,319	-	359,198	694,013	663,147	-	390,064
Operations	10,192,012	11,380,102	20,131,318	10,646,831	12,087,627	11,981,381	18,761,238	7,419,752	12,727,522
Local Rainy Day	11,458,472	-	635,181	-	10,823,291	802,835	714,282	-	10,911,844
Retirement Severance Bond	2,297,734	29,056	-	-	2,326,790	177	-	-	2,326,967
Post Retirement Severance Future Benefit	2,076,656	26,261	29,167	-	2,073,750	156	88,485	-	1,985,421
Construction	11,932	-	-	-	11,932	-	-	-	11,932
Construction 2018-2019	1,663,544	-	1,663,544	-	-	-	-	-	-
Construction 0702	-	-	234,524	2,500,000	2,265,476	-	2,082,740	-	182,736
Construction 0703	-	-	-	-	-	-	3,980,648	5,350,000	1,369,352
Construction 0704	-	-	-	-	-	-	184,554	6,000,000	5,815,446
School Lunch	1,681,331	3,683,663	3,617,628	157	1,747,523	3,101,116	3,282,289	-	1,566,350
Curricular Materials Rental	3,561,910	897,987	1,423,941	128,925	3,164,881	955,571	2,012,827	141,472	2,249,097
Self Insurance	6,199,392	8,519,768	7,793,465	-	6,925,695	7,931,675	7,480,985	-	7,376,385
Excess Tax Levy	1,444	-	-	-	1,444	-	-	-	1,444
School Library Printed Material	6,590	(1)	-	-	6,589	-	-	(6,589)	-
Early Intervention 2019 Grant	9,869	-	9,869	-	-	-	-	-	-
Donations Gifts And Trusts 2000	-	-	-	969	969	-	969	-	-
Donations Gifts And Trusts 2001	-	128,602	2,549	59,618	185,671	6,042	165,965	-	25,748
Donations Gifts And Trusts 2019	-	-	-	228	228	-	228	-	-
Kostel Donation	1,423	-	-	-	1,423	-	-	-	1,423
Arcelor Mittal 2018 Phs	-	-	387	1,906	1,519	-	-	-	1,519
Arcelor Mittal Grant	-	-	-	2,828	2,828	-	-	-	2,828
Pltw Biomed	486	1	-	-	487	-	-	-	487
Donations Gifts And Trusts 2131	5,007	2,401	3,702	-	3,706	4,800	4,800	-	3,706
Home Economics	1,031	-	-	-	1,031	-	-	-	1,031
Culinary Scholarsh	593	-	-	-	593	-	-	-	593
Scholarship And Awards	30,500	1,500	1,500	-	30,500	-	1,500	-	29,000
2016 PTEF Grant	104	2	-	(106)	-	-	-	-	-
2018 PTEF Grant	2,199	-	1,336	(863)	-	-	-	-	-
2019 PTEF Grant	12,000	-	11,772	(228)	-	-	-	-	-
Donations and Trust	60,557	3,043	3,982	(59,618)	-	-	-	-	-
Arcelormittal 2018 PHS	2,097	-	191	(1,906)	-	-	-	-	-
Arcelormittal Grant	12,543	-	9,715	(2,828)	-	-	-	-	-
Formative Assessment	-	90,075	90,075	-	-	75,154	75,154	-	-
Special Education Excess Costs	2,088	-	-	-	2,088	50,729	-	-	52,817
High Ability Grant 2018-2019	7,662	-	7,662	-	-	-	-	-	-
Computer Consortium Ed Tech Advance	(67,356)	128,587	441,790	-	(380,559)	1,277,276	896,717	-	-
Medicaid Reimbursement	-	-	-	-	-	10,638	-	-	10,638

(Continued)

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

Fund	Cash and Investments 07-01-2019	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2020	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2021
Secured Schools Safety Grant	\$ (50,000)	\$ 50,000	\$ -	\$ -	\$ -	\$ 100,000	\$ 150,000	\$ -	\$ (50,000)
Alternative Education Grant	(32,948)	32,948	-	-	-	-	-	-	-
Alternative Education Grant	-	-	-	-	-	13,516	-	6,589	20,105
Early Intervention Grant 3400	-	27,521	18,815	-	8,706	-	8,639	-	67
Early Intervention Grant 3401	-	-	-	-	-	19,529	-	-	19,529
NESP Grant 2018-2019	6,422	-	6,422	-	-	-	-	-	-
Non English Speaking Program 3720	7,902	176,651	87,633	-	96,920	-	48,039	(48,881)	-
Non English Speaking Program 3721	-	63,976	28,830	-	35,146	-	35,146	-	-
Non English Speaking Program 3722	-	-	-	-	-	68,108	20,233	-	47,875
Career And Tech Performance	20,821	(1)	-	-	20,820	-	-	-	20,820
2019 Teach App Grant	-	271,162	271,162	-	-	-	-	-	-
Teacher Appreciation Grant	-	-	-	-	-	265,967	265,967	-	-
High Ability Students	-	62,127	30,660	-	31,467	52,749	49,677	-	34,539
State Connectivity Grant	-	7,388	-	-	7,388	7,909	15,297	-	-
Project Lead The Way	-	-	-	-	-	2,200	-	-	2,200
Title 1 2018-2019	(85,372)	529,363	443,991	-	-	-	-	-	-
Title I 4160	-	889,754	976,102	-	(86,348)	437,789	351,441	-	-
Title I 4161	-	-	-	-	-	898,347	1,066,098	-	(167,751)
Title IV Part A 17-19	(4,213)	52,541	48,328	-	-	-	-	-	-
Title IV 5871	-	38,648	38,728	-	(80)	27,890	27,810	-	-
Title Iv 5872	-	-	110	-	(110)	26,178	38,697	-	(12,629)
School Technology	-	-	-	-	-	39,041	7,000	48,881	80,922
Title II 6840	(2,209)	129,663	133,981	-	(6,527)	40,075	33,548	-	-
Title II 6841	-	-	-	-	-	103,238	191,195	-	(87,957)
Title II Pt A Ffy 2017	(8,126)	17,969	9,843	-	-	-	-	-	-
Title III 6880	(4,029)	6,083	6,064	-	(4,010)	4,260	250	-	-
Title III 6881	-	7,943	8,154	-	(211)	14,173	12,568	-	1,394
Title III 6682	-	-	-	-	-	1,527	7,330	-	(5,803)
Title III Leap 2017-2019	(7,501)	7,501	-	-	-	-	-	-	-
ESSER II	-	-	-	-	-	-	63,478	-	(63,478)
Governor's Emergency Education Relief (GEER)	-	-	-	-	-	-	38,200	-	(38,200)
ESSER I	-	-	-	-	-	352,805	620,740	-	(267,935)
Payroll Clearing	884,938	25,193,262	25,274,592	-	803,608	25,348,353	25,109,290	-	1,042,671
Prepaid School Lunch Accounts	84,154	653,546	609,350	-	128,350	74,267	91,726	-	110,891
Totals	\$ 55,737,173	\$ 113,733,616	\$ 116,751,439	\$ 2,572,369	\$ 55,291,719	\$ 114,329,338	\$ 120,620,188	\$ 12,227,284	\$ 61,228,153

See notes to financial statement.

PORTAGE TOWNSHIP SCHOOLS
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.

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

(Continued)

PORTAGE TOWNSHIP SCHOOLS
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)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

NOTE 2 - BUDGETS

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

NOTE 3 - PROPERTY TAXES

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

NOTE 5 - RISK MANAGEMENT

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

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

NOTE 6 - CASH BALANCE DEFICITS

The financial 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 7 - HOLDING CORPORATION

The School Corporation has entered into a series of capital leases with the Portage Township Multi-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 \$4,864,075. Lease payments for the period July 1, 2020 to June 30, 2021 totaled \$4,339,000.

NOTE 8 - PENSION PLANS

Public Employees' Retirement Fund

Plan Description

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

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

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.

NOTE 8 - PENSION PLANS (Continued)

Teachers' Retirement Fund

Plan Descriptions

The Indiana Teachers' Hybrid Plan (TRF Hybrid) consists of two components: Indiana Teachers' Pre-1996 Defined Benefit Account (Teachers' Pre-1996 DB) or Indiana Teachers' 1996 Defined Benefit Account (Teachers' 1996 DB) the monthly employer-funded defined benefit components, along with the Indiana Teachers' Defined Contribution Account (TRF DC), the defined contribution component. Generally, members hired before 1996 participate in the Teachers' Pre-1996 DB and members hired after 1995 participate in the Teachers' 1996 DB.

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

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

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

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

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

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

(Continued)

NOTE 8 - PENSION PLANS (Continued)

Contributions

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

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

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

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS

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

NOTE 10 - SUBSEQUENT EVENTS

In October 2022, the School Corporation issued General Obligation Bonds in the amount of \$5,805,000 to purchase technology and finance the renovation and improvements to school facilities throughout the School Corporation.

SUPPLEMENTARY INFORMATION

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

	Education	Debt Service	Retirement Severance Bond Debt Service	Operations	Local Rainy Day	Retirement Severance Bond	Post Retirement Severance Future Benefit	Construction	Construction 2018-2019	Construction 0702	School Lunch
Cash and investments - beginning	\$ 12,458,911	\$ 2,873,568	\$ 363,035	\$ 10,192,012	\$ 11,458,472	\$ 2,297,734	\$ 2,076,656	\$ 11,932	\$ 1,663,544	\$ -	\$ 1,681,331
Receipts:											
Local sources	649,410	6,745,105	658,428	11,308,168	-	29,056	26,261	-	-	-	873,916
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	52,506,341	536	54	911	-	-	-	-	-	-	29,929
Federal sources	46,581	-	-	-	-	-	-	-	-	-	2,778,898
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	18,069	-	-	71,023	-	-	-	-	-	-	920
Total receipts	53,220,401	6,745,641	658,482	11,380,102	-	29,056	26,261	-	-	-	3,683,663
Disbursements:											
Instruction	37,406,665	-	-	-	-	-	-	-	-	-	-
Support services	7,389,088	-	-	18,778,752	-	-	29,167	-	-	-	59,335
Noninstructional services	476,875	-	-	15,949	-	-	-	-	-	-	3,558,293
Facilities acquisition and construction	-	-	-	1,336,617	635,181	-	-	-	1,663,544	234,524	-
Debt services	-	6,710,429	662,319	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	45,272,628	6,710,429	662,319	20,131,318	635,181	-	29,167	-	1,663,544	234,524	3,617,628
Excess (deficiency) of receipts over disbursements	7,947,773	35,212	(3,837)	(8,751,216)	(635,181)	29,056	(2,906)	-	(1,663,544)	(234,524)	66,035
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	50,397	-	-	-	-	-	2,500,000	-
Sale of capital assets	-	-	-	21,815	-	-	-	-	-	-	157
Transfers in	-	-	-	10,574,619	-	-	-	-	-	-	-
Transfers out	(10,574,619)	(128,925)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(10,574,619)	(128,925)	-	10,646,831	-	-	-	-	-	2,500,000	157
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,626,846)	(93,713)	(3,837)	1,895,615	(635,181)	29,056	(2,906)	-	(1,663,544)	2,265,476	66,192
Cash and investments - ending	\$ 9,832,065	\$ 2,779,855	\$ 359,198	\$ 12,087,627	\$ 10,823,291	\$ 2,326,790	\$ 2,073,750	\$ 11,932	\$ -	\$ 2,265,476	\$ 1,747,523

(Continued)

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

	Curricular Materials Rental	Self Insurance	Excess Tax Levy	School Library Printed Material	Early Intervention 2019 Grant	Donations Gifts And Trusts 2000	Donations Gifts And Trusts 2001	Donations Gifts And Trusts 2019	Kostel Donation	Arcelor Mittal 2018 Phs	Arcelor Mittal Grant	Pltw Biomed
Cash and investments - beginning	\$ 3,561,910	\$ 6,199,392	\$ 1,444	\$ 6,590	\$ 9,869	\$ -	\$ -	\$ -	\$ 1,423	\$ -	\$ -	\$ 486
Receipts:												
Local sources	575,460	7,730,569	-	(1)	-	-	128,602	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	1
State sources	322,527	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	789,199	-	-	-	-	-	-	-	-	-	-
Total receipts	897,987	8,519,768	-	(1)	-	-	128,602	-	-	-	-	1
Disbursements:												
Instruction	-	74,140	-	-	9,869	-	812	-	-	387	-	-
Support services	1,423,941	-	-	-	-	-	1,105	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	632	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	7,719,325	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,423,941	7,793,465	-	-	9,869	-	2,549	-	-	387	-	-
Excess (deficiency) of receipts over disbursements	(525,954)	726,303	-	(1)	(9,869)	-	126,053	-	-	(387)	-	1
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	128,925	-	-	-	-	969	59,618	228	-	1,906	2,828	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	128,925	-	-	-	-	969	59,618	228	-	1,906	2,828	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(397,029)	726,303	-	(1)	(9,869)	969	185,671	228	-	1,519	2,828	1
Cash and investments - ending	\$ 3,164,881	\$ 6,925,695	\$ 1,444	\$ 6,589	\$ -	\$ 969	\$ 185,671	\$ 228	\$ 1,423	\$ 1,519	\$ 2,828	\$ 487

(Continued)

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

	Donations Gifts And Trusts 2131	Home Economics	Culinary Scholarsh	Scholarship And Awards	2016 PTEF Grant	2018 PTEF Grant	2019 PTEF Grant	Donations and Trust	Arcelormittal 2018 PHS	Arcelormittal Grant	Formative Assessment	Special Education Excess Costs
Cash and investments - beginning	\$ 5,007	\$ 1,031	\$ 593	\$ 30,500	\$ 104	\$ 2,199	\$ 12,000	\$ 60,557	\$ 2,097	\$ 12,543	\$ -	\$ 2,088
Receipts:												
Local sources	2,401	-	-	1,500	-	-	-	3,043	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	2	-	-	-	-	-	90,075	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	2,401	-	-	1,500	2	-	-	3,043	-	-	90,075	-
Disbursements:												
Instruction	3,702	-	-	-	-	1,336	11,772	1,503	191	9,715	-	-
Support services	-	-	-	-	-	-	-	2,196	-	-	90,075	-
Noninstructional services	-	-	-	-	-	-	-	283	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	1,500	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	3,702	-	-	1,500	-	1,336	11,772	3,982	191	9,715	90,075	-
Excess (deficiency) of receipts over disbursements	(1,301)	-	-	-	2	(1,336)	(11,772)	(939)	(191)	(9,715)	-	-
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(106)	(863)	(228)	(59,618)	(1,906)	(2,828)	-	-
Total other financing sources (uses)	-	-	-	-	(106)	(863)	(228)	(59,618)	(1,906)	(2,828)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,301)	-	-	-	(104)	(2,199)	(12,000)	(60,557)	(2,097)	(12,543)	-	-
Cash and investments - ending	\$ 3,706	\$ 1,031	\$ 593	\$ 30,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,088

(Continued)

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

	High Ability Grant 2018- 2019	Computer Consortium Ed Tech Advance	Secured Schools Safety Grant	Alternative Education Grant	Early Intervention Grant 3400	NESP Grant 2018-2019	Non English Speaking Program 3720	Non English Speaking Program 3721	Career And Tech Performance	2019 Teach App Grant	High Ability Students	State Connectivity Grant	Title 1 2018- 2019
Cash and investments - beginning	\$ 7,662	\$ (67,356)	\$ (50,000)	\$ (32,948)	\$ -	\$ 6,422	\$ 7,902	\$ -	\$ 20,821	\$ -	\$ -	\$ -	\$ (85,372)
Receipts:													
Local sources	-	-	-	-	-	-	176,651	-	-	-	-	-	-
Intermediate sources	-	-	-	32,948	-	-	-	-	(1)	-	-	-	-
State sources	-	128,587	50,000	-	27,521	-	-	63,976	-	271,162	62,127	7,388	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	529,363
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	128,587	50,000	32,948	27,521	-	176,651	63,976	(1)	271,162	62,127	7,388	529,363
Disbursements:													
Instruction	7,662	-	-	-	18,815	5,990	-	25,554	-	271,162	30,660	-	326,426
Support services	-	441,790	-	-	-	432	87,633	3,276	-	-	-	-	97,095
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	20,470
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	7,662	441,790	-	-	18,815	6,422	87,633	28,830	-	271,162	30,660	-	443,991
Excess (deficiency) of receipts over disbursements	(7,662)	(313,203)	50,000	32,948	8,706	(6,422)	89,018	35,146	(1)	-	31,467	7,388	85,372
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(7,662)	(313,203)	50,000	32,948	8,706	(6,422)	89,018	35,146	(1)	-	31,467	7,388	85,372
Cash and investments - ending	\$ -	\$ (380,559)	\$ -	\$ -	\$ 8,706	\$ -	\$ 96,920	\$ 35,146	\$ 20,820	\$ -	\$ 31,467	\$ 7,388	\$ -

(Continued)

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

	Title I 4160	Title IV Part A 17-19	Title IV 5871	Title Iv 5872	Title II 6840	Title II Pt A Ffy 2017	Title III 6880	Title III 6881	Title III Leap 2017-2019	Payroll Clearing	Prepaid Food Fund	Totals
Cash and investments - beginning	\$ -	\$ (4,213)	\$ -	\$ -	\$ (2,209)	\$ (8,126)	\$ (4,029)	\$ -	\$ (7,501)	\$ 884,938	\$ 84,154	\$ 55,737,173
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	28,908,569
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	32,948
State sources	-	-	-	-	-	-	-	-	-	-	-	53,561,136
Federal sources	889,754	52,541	38,648	-	129,663	17,969	6,083	7,943	7,501	-	-	4,504,944
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	25,193,262	653,546	26,726,019
Total receipts	889,754	52,541	38,648	-	129,663	17,969	6,083	7,943	7,501	25,193,262	653,546	113,733,616
Disbursements:												
Instruction	826,568	6,415	23,955	110	-	-	4,307	7,410	-	-	-	39,075,126
Support services	124,364	41,913	14,773	-	133,981	9,843	1,757	744	-	-	-	28,731,260
Noninstructional services	25,170	-	-	-	-	-	-	-	-	-	-	4,097,672
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	3,869,866
Debt services	-	-	-	-	-	-	-	-	-	-	-	7,372,748
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	25,274,592	609,350	33,604,767
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	976,102	48,328	38,728	110	133,981	9,843	6,064	8,154	-	25,274,592	609,350	116,751,439
Excess (deficiency) of receipts over disbursements	(86,348)	4,213	(80)	(110)	(4,318)	8,126	19	(211)	7,501	(81,330)	44,196	(3,017,823)
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	2,550,397
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	21,972
Transfers in	-	-	-	-	-	-	-	-	-	-	-	10,769,093
Transfers out	-	-	-	-	-	-	-	-	-	-	-	(10,769,093)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	2,572,369
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(86,348)	4,213	(80)	(110)	(4,318)	8,126	19	(211)	7,501	(81,330)	44,196	(445,454)
Cash and investments - ending	\$ (86,348)	\$ -	\$ (80)	\$ (110)	\$ (6,527)	\$ -	\$ (4,010)	\$ (211)	\$ -	\$ 803,608	\$ 128,350	\$ 55,291,719

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

	Education	Debt Service	Retirement Severance Bond Debt Service	Operations	Local Rainy Day	Retirement Severance Bond	Post Retirement Severance Future Benefit	Construction	Construction 2018-2019	Construction 0702	Construction 0703
Cash and investments - beginning	\$ 9,832,065	\$ 2,779,855	\$ 359,198	\$ 12,087,627	\$ 10,823,291	\$ 2,326,790	\$ 2,073,750	\$ 11,932	\$ -	\$ 2,265,476	\$ -
Receipts:											
Local sources	815,423	7,367,801	693,961	11,959,589	802,835	177	156	-	-	-	-
Intermediate sources	-	538	52	945	-	-	-	-	-	-	-
State sources	51,335,753	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	20,339	-	-	20,847	-	-	-	-	-	-	-
Total receipts	52,171,515	7,368,339	694,013	11,981,381	802,835	177	156	-	-	-	-
Disbursements:											
Instruction	36,289,867	-	-	-	-	-	-	-	-	-	-
Support services	8,065,979	-	-	17,999,887	-	-	88,485	-	-	-	-
Noninstructional services	614,204	-	-	16,756	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	744,595	714,282	-	-	-	-	2,082,740	3,980,648
Debt services	-	7,001,241	663,147	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	44,970,050	7,001,241	663,147	18,761,238	714,282	-	88,485	-	-	2,082,740	3,980,648
Excess (deficiency) of receipts over disbursements	7,201,465	367,098	30,866	(6,779,857)	88,553	177	(88,329)	-	-	(2,082,740)	(3,980,648)
Other financing sources (uses)											
Proceeds of long-term debt	-	857,532	-	-	-	-	-	-	-	-	5,350,000
Sale of capital assets	-	-	-	19,752	-	-	-	-	-	-	-
Transfers in	-	-	-	7,400,000	-	-	-	-	-	-	-
Transfers out	(7,400,000)	(141,472)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(7,400,000)	716,060	-	7,419,752	-	-	-	-	-	-	5,350,000
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(198,535)	1,083,158	30,866	639,895	88,553	177	(88,329)	-	-	(2,082,740)	1,369,352
Cash and investments - ending	\$ 9,633,530	\$ 3,863,013	\$ 390,064	\$ 12,727,522	\$ 10,911,844	\$ 2,326,967	\$ 1,985,421	\$ 11,932	\$ -	\$ 182,736	\$ 1,369,352

(Continued)

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

	Construction 0704	School Lunch	Curricular Materials Rental	Self Insurance	Excess Tax Levy	School Library Printed Material	Donations Gifts And Trusts 2000	Donations Gifts And Trusts 2001	Donations Gifts And Trusts 2019	Kostel Donation	Arcelor Mittal 2018 Phs
Cash and investments - beginning	\$ -	\$ 1,747,523	\$ 3,164,881	\$ 6,925,695	\$ 1,444	\$ 6,589	\$ 969	\$ 185,671	\$ 228	\$ 1,423	\$ 1,519
Receipts:											
Local sources	-	106,133	610,976	7,619,301	-	-	-	6,042	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	31,144	344,595	-	-	-	-	-	-	-	-
Federal sources	-	2,963,839	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	312,374	-	-	-	-	-	-	-
Total receipts	-	3,101,116	955,571	7,931,675	-	-	-	6,042	-	-	-
Disbursements:											
Instruction	-	-	-	66,471	-	-	-	103,309	-	-	-
Support services	-	30,473	2,012,827	-	-	-	969	5,000	228	-	-
Noninstructional services	-	3,251,816	-	-	-	-	-	57,656	-	-	-
Facilities acquisition and construction	184,554	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	7,414,514	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	184,554	3,282,289	2,012,827	7,480,985	-	-	969	165,965	228	-	-
Excess (deficiency) of receipts over disbursements	(184,554)	(181,173)	(1,057,256)	450,690	-	-	(969)	(159,923)	(228)	-	-
Other financing sources (uses)											
Proceeds of long-term debt	6,000,000	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	141,472	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(6,589)	-	-	-	-	-
Total other financing sources (uses)	6,000,000	-	141,472	-	-	(6,589)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,815,446	(181,173)	(915,784)	450,690	-	(6,589)	(969)	(159,923)	(228)	-	-
Cash and investments - ending	\$ 5,815,446	\$ 1,566,350	\$ 2,249,097	\$ 7,376,385	\$ 1,444	\$ -	\$ -	\$ 25,748	\$ -	\$ 1,423	\$ 1,519

(Continued)

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

	Arcelor Mittal Grant	Pltw Biomed	Donations Gifts And Trusts 2131	Home Economics	Culinary Scholarsh	Scholarship And Awards	2018 PTEF Grant	Formative Assessment	Special Education Excess Costs	Computer Consortium Ed Tech Advance	Medicaid Reimbursement
Cash and investments - beginning	\$ 2,828	\$ 487	\$ 3,706	\$ 1,031	\$ 593	\$ 30,500	\$ -	\$ -	\$ 2,088	\$ (380,559)	\$ -
Receipts:											
Local sources	-	-	4,800	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	75,154	50,729	1,277,276	-
Federal sources	-	-	-	-	-	-	-	-	-	-	10,638
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	4,800	-	-	-	-	75,154	50,729	1,277,276	10,638
Disbursements:											
Instruction	-	-	4,800	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	75,154	-	896,717	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	1,500	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	4,800	-	-	1,500	-	75,154	-	896,717	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	(1,500)	-	-	50,729	380,559	10,638
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	-	-	-	-	-	(1,500)	-	-	50,729	380,559	10,638
Cash and investments - ending	\$ 2,828	\$ 487	\$ 3,706	\$ 1,031	\$ 593	\$ 29,000	\$ -	\$ -	\$ 52,817	\$ -	\$ 10,638

(Continued)

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

	Secured Schools Safety Grant	Alternative Education Grant	Early Intervention Grant 3400	Early Intervention Grant 3401	NESP Grant 2018-2019	Non English Speaking Program 3720	Non English Speaking Program 3721	Non English Speaking Program 3722	Career And Tech Performance	Teacher Appreciation Grant	High Ability Students
Cash and investments - beginning	\$ -	\$ -	\$ 8,706	\$ -	\$ -	\$ 96,920	\$ 35,146	\$ -	\$ 20,820	\$ -	\$ 31,467
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	100,000	13,516	-	19,529	-	-	-	68,108	-	265,967	52,749
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	100,000	13,516	-	19,529	-	-	-	68,108	-	265,967	52,749
Disbursements:											
Instruction	-	-	8,639	-	-	-	35,144	20,233	-	265,967	49,677
Support services	150,000	-	-	-	-	48,039	2	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	150,000	-	8,639	-	-	48,039	35,146	20,233	-	265,967	49,677
Excess (deficiency) of receipts over disbursements	(50,000)	13,516	(8,639)	19,529	-	(48,039)	(35,146)	47,875	-	-	3,072
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	6,589	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(48,881)	-	-	-	-	-
Total other financing sources (uses)	-	6,589	-	-	-	(48,881)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(50,000)	20,105	(8,639)	19,529	-	(96,920)	(35,146)	47,875	-	-	3,072
Cash and investments - ending	\$ (50,000)	\$ 20,105	\$ 67	\$ 19,529	\$ -	\$ -	\$ -	\$ 47,875	\$ 20,820	\$ -	\$ 34,539

(Continued)

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

	State Connectivity Grant	Project Lead The Way	Title 1 2018- 2019	Title I 4160	Title I 4161	Title IV Part A 17-19	Title IV 5871	Title Iv 5872	School Technology	Title II 6840	Title II 6841
Cash and investments - beginning	\$ 7,388	\$ -	\$ -	\$ (86,348)	\$ -	\$ -	\$ (80)	\$ (110)	\$ -	\$ (6,527)	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	39,041	-	-
Intermediate sources	-	2,200	-	-	-	-	-	-	-	-	-
State sources	7,909	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	437,789	898,347	-	27,890	26,178	-	40,075	103,238
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	7,909	2,200	-	437,789	898,347	-	27,890	26,178	39,041	40,075	103,238
Disbursements:											
Instruction	-	-	-	233,723	832,692	-	18,960	36,216	-	-	-
Support services	15,297	-	-	113,493	114,460	-	8,850	2,481	7,000	33,548	191,195
Noninstructional services	-	-	-	4,225	118,946	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	15,297	-	-	351,441	1,066,098	-	27,810	38,697	7,000	33,548	191,195
Excess (deficiency) of receipts over disbursements	(7,388)	2,200	-	86,348	(167,751)	-	80	(12,519)	32,041	6,527	(87,957)
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	48,881	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	48,881	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(7,388)	2,200	-	86,348	(167,751)	-	80	(12,519)	80,922	6,527	(87,957)
Cash and investments - ending	\$ -	\$ 2,200	\$ -	\$ -	\$ (167,751)	\$ -	\$ -	\$ (12,629)	\$ 80,922	\$ -	\$ (87,957)

(Continued)

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

	Title III 6880	Title III 6881	Title III 6682	ESSER II	Governor's Emergency Education Relief (GEER)	ESSER I	Payroll Clearing	Prepaid School Lunch Accounts	Totals
Cash and investments - beginning	\$ (4,010)	\$ (211)	\$ -	\$ -	\$ -	\$ -	\$ 803,608	\$ 128,350	\$ 55,291,719
Receipts:									
Local sources	-	-	-	-	-	-	-	74,267	30,100,502
Intermediate sources	-	-	-	-	-	-	-	-	3,735
State sources	-	-	-	-	-	-	-	-	53,642,429
Federal sources	4,260	14,173	1,527	-	-	352,805	-	-	4,880,759
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	25,348,353	-	25,701,913
Total receipts	4,260	14,173	1,527	-	-	352,805	25,348,353	74,267	114,329,338
Disbursements:									
Instruction	132	11,780	1,673	-	-	227,975	-	-	38,207,258
Support services	118	788	5,215	2,618	38,200	392,765	-	-	30,299,788
Noninstructional services	-	-	442	-	-	-	-	91,726	4,155,771
Facilities acquisition and construction	-	-	-	60,860	-	-	-	-	7,767,679
Debt services	-	-	-	-	-	-	-	-	7,664,388
Nonprogrammed charges	-	-	-	-	-	-	25,109,290	-	32,525,304
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	250	12,568	7,330	63,478	38,200	620,740	25,109,290	91,726	120,620,188
Excess (deficiency) of receipts over disbursements	4,010	1,605	(5,803)	(63,478)	(38,200)	(267,935)	239,063	(17,459)	(6,290,850)
Other financing sources (uses)									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	12,207,532
Sale of capital assets	-	-	-	-	-	-	-	-	19,752
Transfers in	-	-	-	-	-	-	-	-	7,596,942
Transfers out	-	-	-	-	-	-	-	-	(7,596,942)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	12,227,284
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,010	1,605	(5,803)	(63,478)	(38,200)	(267,935)	239,063	(17,459)	5,936,434
Cash and investments - ending	\$ -	\$ 1,394	\$ (5,803)	\$ (63,478)	\$ (38,200)	\$ (267,935)	\$ 1,042,671	\$ 110,891	\$ 61,228,153

PORTAGE TOWNSHIP SCHOOLS
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2021

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 1,295,206	\$ 693,828

PORTAGE TOWNSHIP SCHOOLS
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:				
Portage Township Multi-School Building Corporation	Refund 2016 B	\$ 603,200	12/1/2016	12/31/2027
Portage Township Multi-School Building Corporation	2021 Lease Mortgage	570,750	6/16/2021	12/31/2033
Portage Township Multi-School Building Corporation	2017 Refund	2,530,650	5/17/2017	12/31/2028
Portage Township Multi-School Building Corporation	Refund 2016C	<u>1,257,300</u>	12/1/2016	6/30/2022
Total governmental activities		<u>4,961,900</u>		
Total of annual lease payments		<u>\$ 4,961,900</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	General Obligation Bonds 2018	\$ 165,000	\$ 167,475
General Obligation Bonds	General Obligation Bonds 2019	1,795,000	414,000
General Obligation Bonds	General Obligation Bonds 2020	4,975,000	835,000
General Obligation Bonds	Pension Bond Series 2006	<u>3,285,000</u>	<u>661,987</u>
Total governmental activities		<u>10,220,000</u>	<u>2,078,462</u>
Totals		<u>\$10,220,000</u>	<u>\$ 2,078,462</u>

PORTAGE TOWNSHIP SCHOOLS
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	\$ 38,636,500
Buildings	134,175,063
Improvements other than buildings	9,536,059
Machinery, equipment, and vehicles	34,945,794
Construction in progress	<u>5,664,381</u>
Total governmental activities	<u>222,957,797</u>
Total capital assets	<u>\$ 222,957,797</u>

PORTAGE TOWNSHIP SCHOOLS
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.

PORTAGE TOWNSHIP SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period of July 1, 2019 through June 30, 2021

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-20	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 07-01-2019 to 06-30-21
Department of Agriculture						
Child Nutrition Cluster	Indiana Department of Education					
School Breakfast Program		10.553	FY2020, FY2021	\$ 557,334	\$ 2,850	\$ 560,184
National School Lunch Program		10.555	FY2020, FY2021	1,958,166	45,229	2,003,395
Commodities		10.555	FY2020, FY2021	282,245	361,814	644,059
Summer Food Service Program for Children		10.559	FY2020, FY2021	263,390	2,915,759	3,179,149
				<u>3,061,135</u>	<u>3,325,652</u>	<u>6,386,787</u>
Total - Child Nutrition Cluster						
				<u>3,061,135</u>	<u>3,325,652</u>	<u>6,386,787</u>
Department of Education						
Special Education Cluster (IDEA)						
Special Education Grant to States	Indiana Department of Education					
IDEA, Part B		84.027	19611-0048-PN01	407,159	12,872	420,031
IDEA, Part B		84.027	20611-046-PN01	1,348,313	384,908	1,733,221
IDEA, Part B		84.027	21611-046-PN01	-	1,193,409	1,193,409
				<u>1,755,472</u>	<u>1,591,189</u>	<u>3,346,661</u>
Total - Special Education Grant to States						
				<u>1,755,472</u>	<u>1,591,189</u>	<u>3,346,661</u>
Special Education Preschool Grants						
IDEA, Preschool		84.173	19619-048-PN01	1,700	-	1,700
IDEA, Preschool		84.173	20619-046-PN01	46,454	1,538	47,992
IDEA, Preschool		84.173	21619-046-PN01	-	44,787	44,787
				<u>48,154</u>	<u>46,325</u>	<u>94,479</u>
Total - Special Education Preschool Grants						
				<u>48,154</u>	<u>46,325</u>	<u>94,479</u>
Total - Special Education Cluster (IDEA)				<u>1,803,626</u>	<u>1,637,514</u>	<u>3,441,140</u>
Title I Grants to Local Educational Agencies						
Title I , Part A	Indiana Department of Education					
Title I , Part A		84.010	S010A180014	529,366	-	529,366
Title I , Part A		84.010	S010A190014	889,754	437,789	1,327,543
Title I , Part A		84.010	S010A200014	-	898,347	898,347
				<u>1,419,120</u>	<u>1,336,136</u>	<u>2,755,256</u>
Total - Title I Grants to Local Educational Agencies						

(Continued)

PORTAGE TOWNSHIP SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period of July 1, 2019 through June 30, 2021

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-20	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 07-01-2019 to 06-30-21
Supporting Effective Instruction Grants to States	Indiana Department of Education					
Title II, Part A		84.367	S367A170013	\$ 17,968	\$ -	\$ 17,968
Title II, Part A		84.367	S367A180013	129,663	40,075	169,738
Title II, Part A		84.367	S367A190013	<u>-</u>	<u>103,238</u>	<u>103,238</u>
Total - Supporting Effective Instruction Grants to States				<u>147,631</u>	<u>143,313</u>	<u>290,944</u>
English Language Acquisition State Grants	Indiana Department of Education					
Title III, Part A		84.365	S365A170014	7,503	-	7,503
Title III, Part A		84.365	S365A180014	6,083	4,260	10,343
Title III, Part A		84.365	S365A190014	7,943	14,173	22,116
Title III, Part A		84.365	S365A200014	<u>-</u>	<u>1,527</u>	<u>1,527</u>
Total - English Language Acquisition State Grants				<u>21,529</u>	<u>19,960</u>	<u>41,489</u>
Student Support and Academic Enrichment Grant	Indiana Department of Education					
Title IV, Part A		84.424	S424A170015	52,540	-	52,540
Title IV, Part A		84.424	S424A180015	38,648	27,810	66,458
Title IV, Part A		84.424	S424A190015	<u>-</u>	<u>26,178</u>	<u>26,178</u>
Total - Student Support and Academic Enrichment Program				<u>91,188</u>	<u>53,988</u>	<u>145,176</u>
COVID-19 - Education Stabilization Fund	Indiana Department of Education					
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	<u>-</u>	<u>352,805</u>	<u>352,805</u>
Total - Department of Education				<u>3,483,094</u>	<u>3,543,716</u>	<u>7,026,810</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster	Indiana Department of Education					
Medical Assistance Program		93.778	FY2020, FY2021	<u>12,039</u>	<u>35,729</u>	<u>47,768</u>
Total - Department of Health and Human Services				<u>12,039</u>	<u>35,729</u>	<u>47,768</u>
Total federal awards expended				<u>\$ 6,556,268</u>	<u>\$ 6,905,097</u>	<u>\$ 13,461,365</u>

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

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

NOTE 1 - BASIS OF PRESENTATION

A. Basis of Presentation

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

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

B. Other Significant Accounting Policies

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

NOTE 2 - INDIRECT COST RATE

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

NOTE 3 - SPECIAL EDUCATION COOPERATIVE (ALN: 84.027, 84.173)

The School Corporation is a member of the Porter County Education Interlocal Cooperative (Cooperative), which operates the special education program for the School Corporation. As a result, some activity for the Special Education Cluster (IDEA) that is presented on the SEFA is not presented as receipts and disbursements in the financial statement for the School Corporation. This activity is reported on the financial statement of the Cooperative.

NOTE 4 - OTHER INFORMATION

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

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

Those Charged with Governance
Portage Township Schools
Porter 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 Portage Township Schools ("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 20, 2023.

Internal Control Over Financial Reporting

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

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

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

(Continued)

Compliance and Other Matters

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

Purpose of this Report

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 20, 2023

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

Those Charged with Governance
Portage Township Schools
Porter County, Indiana

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

(Continued)

Report on Internal Control Over Compliance

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

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

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

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

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 20, 2023

PORTAGE TOWNSHIP SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 For the period July 1, 2019 through June 30, 2021

Section I – Summary of Auditor’s Results

Financial Statement

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

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes _____ X No

Significant deficiencies identified not considered to be material weaknesses? _____ Yes _____ X None Reported

Noncompliance material to financial statement noted? _____ Yes _____ X No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? _____ Yes _____ X No

Significant deficiencies identified not considered to be material weaknesses? _____ X 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)? _____ X Yes _____ No

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555, 10.559	Child Nutrition Cluster
84.010	Title I Grants to Local Educational Agencies
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 _____ X No

Section II – Financial Statement Findings

None noted.

(Continued)

PORTAGE TOWNSHIP SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the period July 1, 2019 through June 30, 2021

Section III – Federal Award Findings and Questioned Costs

FINDING 2021-001

Information on the federal program:

Subject: Title I Grants to Local Educational Agencies - Special Tests and Provisions - Assessment System Security
Federal Agency: Department of Education
Federal Program: Title I Grants to Local Educational Agencies
Assistance Listing Number: 84.010
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Special Tests and Provisions - Assessment System Security
Audit Finding: Significant Deficiency

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, which would include segregation of duties, was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - Assessment system Security compliance requirement.

Cause: The School Corporation's management had not developed a system of internal controls that segregated key functions related to the Special Tests and Provisions - Assessment System Security compliance requirement.

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 requirement. A lack of segregation of duties within an internal control system could also allow noncompliance with the compliance requirement and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

Questioned Costs: There were no questioned costs identified.

Context: The Corporation Test Coordinator did not have a control in place to ensure that all School Corporation staff that were required to take the training had done so. The lack of controls was isolated to the 2019-2020 school year.

Identification as a repeat finding, if applicable: No.

Recommendation: We recommended that the School Corporation's management establish a system of internal controls, including segregation of duties, related to the grant agreement and the Special Tests and Provisions - Assessment System Security compliance requirement.

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



PORTAGE TOWNSHIP SCHOOLS

DEPARTMENT OF GRANTS & ASSESSMENTS

6240 U.S. Highway 6, Portage, Indiana 46368 | Phone (219)762-6511 | Fax (219)763-8009

BOARD OF SCHOOL TRUSTEES

Shaunna Finley, Ph.D
Andy Maletta
Wilma Vazquez
Lori Wilkie
Troy Williams

Dr. Amanda Alaniz
Superintendent of
Schools

Dr. Michael Stephens
Associate
Superintendent

Mrs. Linda Williams
Director of Grants &
Assessments

Mrs. Sarah Pier
Title Coordinator

CORRECTIVE ACTION PLAN

FINDING 2021-001

Information on the federal program:

Subject: Title I Grants to Local Educational Agencies - Special

Tests and Provisions - Assessment System Security

Federal Agency: Department of Education

Federal Program: Title I Grants to Local Educational Agencies

Assistance Listing Number: 84.010

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Special Tests and Provisions - Assessment System Security

Audit Finding: Significant Deficiency

Condition: An effective internal control system, which would include segregation of duties, was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - Assessment system Security compliance requirement.

Context: The School Corporation could not provide evidence to support System Security Training had been provided to all required individuals. The lack of controls was isolated to the 2019-2020 school year.

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the finding and will take the following corrective action:

The Assessment Security System has been reviewed; aside from the 2019-2020 school year, documentation of assessment security is in place for all school employees. The Assessment Security System has since transitioned to an online format: training may be conducted virtually, and forms will be signed digitally starting with the 2023-2024 school year. Training will take place and documents will be signed by October 30th of each school year.

Responsible party and timeline for completion:

The Assessment Security System is overseen by Linda Williams, Director of Grants and Assessments. The review of the Assessment Security System has already been completed; a method for providing training virtually and digitally signing forms is also completed.



**BOARD OF
SCHOOL TRUSTEES**

Shaunna Finley, Ph.D
Andy Maletta
Wilma Vazquez
Lori Wilkie
Troy Williams

Dr. Amanda Alaniz
Superintendent of
Schools

Dr. Michael Stephens
Associate
Superintendent

Mr. Nicholas Gron
Director of Finance

Ms. Maria Bravo
Assistant Director of
Finance

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2019-001

Subject: Financial Transactions and Reporting
Audit Finding: Material Weakness

Condition and Context: There were deficiencies in the internal control system of the School Corporation related to financial transactions and reporting. The School Corporation had not separated incompatible activities related to Average Daily Membership (ADM) reporting and payroll disbursements.

ADM

Although the School Corporation accurately reported eligible students in its ADM, the School Corporation did not have proper controls in place to ensure accurate reporting of ADM. The School Corporation's supporting documentation for ADM for the fiscal years ending June 30, 2018 and 2019, did not agree to the School Corporation Summary. It was determined that School Corporation officials were not provided the supporting documentation from the special education cooperative for students attending other schools for special education needs. By certifying ADM without all the supporting documentation of student counts, officials were at risk of incorrectly reporting ADM.

Payroll Disbursements

Payroll and payroll withholdings were approved by the School Board and Director of Finance prior to payment from the Payroll Clearing fund in total. There was not a review of the gross payroll and benefits from a list of employees individually by fund. Therefore, it could not be determined that a control was in place that ensured that employees were paid the proper rates or from the proper funds.

Status: Resolved.



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 had not established effective internal controls over the federal award information entered in the Indiana Gateway for Government Units financial reporting system, which was the source of the School Corporation's SEFA.

Due to the lack of controls, the following errors resulted in the overstatement of the SEFA by \$49,317 and \$835,663 as of June 30, 2018 and 2019, respectively.

1. The English Language Acquisition State Grants expenditures were overstated by \$721,675 as of June 30, 2019.
2. The National School Lunch Program commodities were overstated by \$60,317 and \$28,613 as of June 30, 2018 and 2019, respectively.
3. The Title I Grants to Local Educational Agencies expenditures were overstated by \$85,375 as of June 30, 2019.
4. The Student Support and Academic Enrichment Program expenditures were omitted as of June 30, 2018, which understated the federal expenditures by \$11,000.

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

Status: Resolved.



FINDING 2019-003

Subject: Child Nutrition Cluster - Internal Controls

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): FY 17-18, FY 18-19

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Activities Allowed or Unallowed, Allowable Costs/Cost
Principles, Program Income, Special Tests and Provisions - School Food Accounts,
and Special Tests and Provisions - Paid Lunch Equity

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: Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Program Income, Special Tests and Provisions - School Food Accounts and Special Tests and Provisions - Paid Lunch Equity.

Activities Allowed or Unallowed and Allowable Costs/Cost Principles

The Food Service Director received a payroll report indicating the employees paid and amounts paid from the School Lunch fund. However, a review or oversight process was not documented to ensure that only those food service employees were recorded in the School Lunch fund and that those amounts were accurate.

Program Income

The School Corporation had no evidence of controls to ensure that the prices charged for meals were accurate and that receipts generated from the cafeteria sales were properly recorded.

Special Tests and Provisions - School Food Accounts

The School Corporation had not established controls to ensure that all activity related to the Child Nutrition Cluster was recorded in the School Corporation's records.

Status: Resolved.



FINDING 2019-004

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): FY 17-18, FY 18-19

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Cash Management

Audit Findings: Material Weakness, Modified Opinion

Condition and Context: The School Corporation had not properly designed or implemented an effective internal control system related to the grant agreement and the Cash Management compliance requirement.

The School Corporation did not document that the unit properly tracked its School Lunch fund cash balance (net cash resources) to ensure that the balance did not exceed three months average expenditures during the audit period. The lack of controls and noncompliance were systemic issues throughout the audit period. The net cash resources in the School Lunch fund exceeded the three months average expenditures for all 24 months of the audit period. The average excess balances were \$874,592 and \$1,079,906 for the fiscal years 2017-2018 and 2018-2019, respectively.

Additionally, the School Corporation did not have documentation that they had created a spending plan for the excess cash balance or that this plan was approved by the pass through agency.

Status: Resolved.



FINDING 2019-005

Subject: Child Nutrition Cluster - Procurement and Suspension and Debarment
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program,
Summer Food Service Program for Children
Assistance Listing Numbers: 10.553, 10.555, 10.559
Federal Award Number and Year (or Other Identifying Number): FY 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 and Suspension and Debarment compliance requirements during fiscal year 2018-2019.

Procurement

The School Corporation had a control designed to ensure compliance with the small purchase requirements. However, a review or oversight was not documented for six of the seven items tested.

The School Corporation did not obtain price or rate quotes from an adequate number of qualified sources for the purchase of goods or services that fell with the small purchase procedures for procurement for three of the seven vendors tested.

Suspension and Debarment

The School Corporation did not have effective internal controls in place to ensure compliance with the suspension and debarment requirements.

The School Corporation failed to verify that vendors were not suspended or debarred from participation in federal programs for three of the four vendors tested. The School Corporation did not search the Excluded Parties List Systems through the System of Award Manager Center, obtain a certification from the entity, or ensure that a clause or condition was added to the contract.

The lack of controls was limited to 2018-2019.

Status: Resolved.



FINDING 2019-006

Subject: Title I Grants to Local Educational Agencies - Internal Controls

Federal Agency: Department of Education

Federal Program: Title I Grant to Local Educational Agencies

Assistance Listing Number: 84.010

Federal Award Numbers and Years (or Other Identifying Numbers): S010A150014;
S010A170014; S010A180014

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Matching, Level of Effort, Earmarking; Reporting

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 Reporting, and level of effort - maintenance of effort requirements of the Matching, Level of Effort, Earmarking compliance requirements.

The Indiana Department of Education (State) used the Form 9 financial reports submitted by the School Corporation to determine if they met the required maintenance of effort and in the State's submission of the average State per pupil expenditure data submitted to the National Center for Education Statistics. These reports were comprised of the School Corporation's transactions recorded during the audit period.

Controls were not in place to ensure that payroll related expenditures were recorded properly by fund, account, and object code.

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

Status: Resolved.