



**PRAIRIE HEIGHTS COMMUNITY SCHOOL CORPORATION**  
LaGrange County, Indiana

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

PRAIRIE HEIGHTS COMMUNITY SCHOOL CORPORATION  
LaGrange County, Indiana

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

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

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<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Christine Orr	07-01-20 to 06-30-22
Superintendent of Schools	Jeff Reed	07-01-20 to 06-30-22
President of the School Board	Robert Ledgerwood Brook German	01-01-19 to 12-31-20 01-01-21 to 12-31-22

## INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance  
Prairie Heights Community School Corporation  
LaGrange County, Indiana

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

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

*Unmodified Opinion on Regulatory Basis of Accounting*

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

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

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the School Corporation as of June 30, 2022, or changes in net position for the period of July 1, 2020 to June 30, 2022.

***Basis for Opinions***

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

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

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

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(Continued)

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

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

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

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School Corporation's ability to continue as a going concern for a reasonable period of time.

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statement that collectively comprise the School Corporation's financial statement. The accompanying Schedule of Expenditures of Federal Awards as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and are not a required part of the financial statement.

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(Continued)

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

### ***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2023 on our consideration of the School Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

  
Crowe LLP

Indianapolis, Indiana  
March 23, 2023

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

Fund	Cash and Investments			Other Financing	Cash and Investments			Other Financing	Cash and Investments
	07-01-2020	Receipts	Disbursements	Sources (Uses)	06-30-2021	Receipts	Disbursements	Sources (Uses)	06-30-2022
Education	\$ 2,124,342	\$ 9,555,037	\$ 9,148,839	\$ (1,150,000)	\$ 1,380,540	\$ 10,146,468	\$ 9,582,576	\$ (475,000)	\$ 1,469,432
Operating Referendum Tax Levy	1,639,229	1,973,980	82,880	-	3,530,329	2,056,899	483,680	-	5,103,548
Debt Service	130,735	930,016	865,377	-	195,374	890,920	819,800	-	266,494
Operations	1,147,884	4,520,955	3,697,966	50,969	2,021,842	4,621,105	4,288,757	(414,377)	1,939,813
Local Rainy Day	3,910,000	-	346,513	1,100,000	4,663,487	-	853,487	890,000	4,700,000
Construction	18,270	-	18,270	-	-	-	-	-	-
School Lunch	93,177	797,983	631,664	-	259,496	993,682	763,863	-	489,315
Curricular Materials Rental	287,351	255,153	270,870	-	271,634	207,608	223,478	-	255,764
Milford Programming Agreement	-	57,500	57,500	-	-	57,500	57,500	-	-
Damage Reimbursement	-	7,614	7,614	-	-	17,179	17,179	-	-
Wellness	12,328	-	12,129	-	199	20,200	13,032	-	7,367
Ust Financial Requirement	30,000	-	-	-	30,000	-	-	-	30,000
Educational License Plates	150	94	-	-	244	131	300	-	75
School Library Printed Material	883	482	81	-	1,284	-	1,284	-	-
Donations Gifts And Trusts	49,922	23,910	3,920	-	69,912	933	2,616	-	68,229
Local Grants	-	5,402	3,402	-	2,000	3,418	5,418	-	-
Extra-Curricular Activities	-	10,426	10,426	-	-	19,254	19,232	-	22
Scholarships And Awards	13,575	7,000	5,029	-	15,546	-	1,446	-	14,100
Formative Assessment	-	11,163	11,163	-	-	13,302	13,302	-	-
Secured Schools Safety Grant 20	-	29,051	48,284	-	(19,233)	71,533	52,300	-	-
Science Technology Engineering And Mat	(45,678)	50,001	4,323	-	-	-	-	-	-
Early Intervention Grant 19/20	1,897	-	1,897	-	-	-	-	-	-
Early Intervention Grant 20/21	-	3,814	3,662	-	152	-	152	-	-
Early Intervention Grant 21-22	-	-	-	-	-	1,025	-	-	1,025
Non-English Speaking Program	-	7,777	7,777	-	-	-	-	-	-
Non-English Speaking Program	-	-	-	-	-	9,877	9,877	-	-
Teacher Appreciation Grant	-	50,463	50,463	-	-	50,453	50,453	-	-
High Ability Grant	16,480	24,959	22,958	-	18,481	27,904	32,366	-	14,019
State Connectivity Grant	7,380	7,920	7,380	-	7,920	9,332	9,332	-	7,920
Title I	-	176,601	180,967	-	(4,366)	4,366	-	-	-
Title I 2021-2022	-	-	-	-	-	139,096	173,516	-	(34,420)
Title I 19/20	(126,206)	129,563	3,357	-	-	-	-	-	-
Student Support Title Iv 20/21	-	-	4,260	-	(4,260)	7,724	6,320	-	(2,856)
Student Support Title Iv 19/20	(4,529)	10,496	5,967	-	-	3,274	3,274	-	-
Student Support Title Iv	-	-	-	-	-	7,900	7,900	-	-
Title Ii Part A Supporting Effective I	-	47,949	47,949	-	-	22,374	22,374	-	-
Title Iii English Language Acquisition	2,114	2,761	4,707	-	168	2,784	2,928	-	24
Emergency Connectivity Funding	-	-	-	-	-	29,973	29,973	-	-
ESSER III	-	-	-	-	-	199,930	330,599	-	(130,669)
ESSER II	-	-	216,750	-	(216,750)	525,583	384,500	-	(75,667)
Governor's Emergency Education Relief (GEER)	-	100,400	100,400	-	-	-	-	-	-

(Continued)

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

Fund	Cash and Investments 07-01-2020	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2021	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2022
ESSER I	\$ -	\$ 94,754	\$ 210,812	\$ -	\$ (116,058)	\$ 127,038	\$ 10,980	\$ -	\$ -
Prepaid School Lunch Accounts	18,404	35,641	23,419	-	30,626	47,863	58,837	-	19,652
Payroll W/H Federal Income Tax	-	403,232	403,232	-	-	491,853	491,853	-	-
Payroll W/H Fica Tax	-	548,260	548,260	-	-	607,120	607,120	-	-
Payroll W/H State Income Tax	-	222,959	222,959	-	-	249,842	249,842	-	-
Payroll W/H County Income Tax	-	119,025	119,025	-	-	132,327	132,327	-	-
Payroll W/H Retirement	-	215,160	215,160	-	-	254,273	254,273	-	-
Payroll W/H Section 125	-	794,384	794,384	-	-	795,975	795,975	-	-
Payroll W/H Non Section 125	-	51,217	51,217	-	-	50,521	50,521	-	-
Payroll W/H Garnishment	-	8,202	8,202	-	-	10,544	10,544	-	-
Totals	<u>\$ 9,327,708</u>	<u>\$ 21,291,304</u>	<u>\$ 18,481,414</u>	<u>\$ 969</u>	<u>\$ 12,138,567</u>	<u>\$ 22,929,083</u>	<u>\$ 20,925,086</u>	<u>\$ 623</u>	<u>\$ 14,143,187</u>

See notes to financial statement.

PRAIRIE HEIGHTS COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2022, and for the period July 1, 2020 through June 30, 2022

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

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

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

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

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

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

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

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

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

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

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

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(Continued)

PRAIRIE HEIGHTS COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
As of June 30, 2022, and for the period July 1, 2020 through June 30, 2022

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

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(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**NOTE 2 - BUDGETS**

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

**NOTE 3 - PROPERTY TAXES**

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

**NOTE 4 - DEPOSITS AND INVESTMENTS**

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

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

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

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(Continued)

#### **NOTE 5 - RISK MANAGEMENT**

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

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

#### **NOTE 6 - CASH BALANCE DEFICITS**

The financial statement 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, 2021, and 2022.

#### **NOTE 7 - PENSION PLANS**

##### **Public Employees' Retirement Fund**

###### *Plan Description*

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

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

###### *Financial Report*

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

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

**NOTE 7 - PENSION PLANS** (Continued)

*Contributions*

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

**Teachers' Retirement Fund**

*Plan Descriptions*

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

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

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

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

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

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

*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

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(Continued)

**NOTE 7 - 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 an obligation of, and is paid by, the State of Indiana.

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

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

**SUPPLEMENTARY INFORMATION**

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

	Education	Operating Referendum Tax Levy	Debt Service	Operations	Local Rainy Day	Construction	School Lunch	Curricular Materials Rental	Milford Programming Agreement	Damage Reimbursement	Wellness
Cash and investments - beginning	\$ 2,124,342	\$ 1,639,229	\$ 130,735	\$ 1,147,884	\$ 3,910,000	\$ 18,270	\$ 93,177	\$ 287,351	\$ -	\$ -	\$ 12,328
Receipts:											
Local sources	15,070	1,973,980	930,016	4,520,955	-	-	39,145	178,935	57,500	-	-
Intermediate sources	167	-	-	-	-	-	-	-	-	-	-
State sources	9,539,800	-	-	-	-	-	744,593	76,218	-	-	-
Federal sources	-	-	-	-	-	-	14,245	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	7,614	-
Total receipts	9,555,037	1,973,980	930,016	4,520,955	-	-	797,983	255,153	57,500	7,614	-
Disbursements:											
Instruction	7,430,597	82,880	-	-	-	-	-	-	-	-	-
Support services	1,594,503	-	-	3,552,888	-	-	-	270,870	57,500	7,614	12,129
Noninstructional services	123,739	-	-	-	-	-	631,664	-	-	-	-
Facilities acquisition and construction	-	-	-	101,106	346,513	18,270	-	-	-	-	-
Debt services	-	-	865,377	43,972	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	9,148,839	82,880	865,377	3,697,966	346,513	18,270	631,664	270,870	57,500	7,614	12,129
Excess (deficiency) of receipts over disbursements	406,198	1,891,100	64,639	822,989	(346,513)	(18,270)	166,319	(15,717)	-	-	(12,129)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	969	-	-	-	-	-	-	-
Transfers in	-	-	-	1,150,000	1,100,000	-	-	-	-	-	-
Transfers out	(1,150,000)	-	-	(1,100,000)	-	-	-	-	-	-	-
Total other financing sources (uses)	(1,150,000)	-	-	50,969	1,100,000	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(743,802)	1,891,100	64,639	873,958	753,487	(18,270)	166,319	(15,717)	-	-	(12,129)
Cash and investments - ending	\$ 1,380,540	\$ 3,530,329	\$ 195,374	\$ 2,021,842	\$ 4,663,487	\$ -	\$ 259,496	\$ 271,634	\$ -	\$ -	\$ 199

(Continued)

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

	Ust Financial Requirement	Educational License Plates	School Library Printed Material	Donations Gifts And Trusts	Local Grants	Extra-Curricular Activities	Scholarships And Awards	Formative Assessment	Secured Schools Safety Grant 20	Science Technology Engineering And Mat	Early Intervention Grant 19/20	Early Intervention Grant 20/21
Cash and investments - beginning	\$ 30,000	\$ 150	\$ 883	\$ 49,922	\$ -	\$ -	\$ 13,575	\$ -	\$ -	\$ (45,678)	\$ 1,897	\$ -
Receipts:												
Local sources	-	-	482	23,910	5,402	10,426	7,000	-	-	-	-	-
Intermediate sources	-	94	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	11,163	29,051	50,001	-	3,814
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	94	482	23,910	5,402	10,426	7,000	11,163	29,051	50,001	-	3,814
Disbursements:												
Instruction	-	-	-	3,920	3,402	10,426	-	-	-	-	1,897	3,662
Support services	-	-	81	-	-	-	-	11,163	48,284	4,323	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	5,029	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	81	3,920	3,402	10,426	5,029	11,163	48,284	4,323	1,897	3,662
Excess (deficiency) of receipts over disbursements	-	94	401	19,990	2,000	-	1,971	-	(19,233)	45,678	(1,897)	152
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	94	401	19,990	2,000	-	1,971	-	(19,233)	45,678	(1,897)	152
Cash and investments - ending	\$ 30,000	\$ 244	\$ 1,284	\$ 69,912	\$ 2,000	\$ -	\$ 15,546	\$ -	\$ (19,233)	\$ -	\$ -	\$ 152

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

	Non-English Speaking Program	Teacher Appreciation Grant	High Ability Grant	State Connectivity Grant	Title I	Title I 19/20	Student Support Title Iv 20/21	Student Support Title Iv 19/20	Student Support Title Iv	Title Ii Part A Supporting Effective I	Title Iii English Language Acquisition	ESSER II
Cash and investments - beginning	\$ -	\$ -	\$ 16,480	\$ 7,380	\$ -	\$ (126,206)	\$ -	\$ (4,529)	\$ -	\$ -	\$ 2,114	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	7,777	50,463	24,959	7,920	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	176,601	129,563	-	10,496	-	47,949	2,761	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	7,777	50,463	24,959	7,920	176,601	129,563	-	10,496	-	47,949	2,761	-
Disbursements:												
Instruction	7,777	50,463	22,958	-	180,967	3,357	4,260	5,795	-	-	4,707	123,836
Support services	-	-	-	7,380	-	-	-	172	-	47,949	-	84,485
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	8,429
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	7,777	50,463	22,958	7,380	180,967	3,357	4,260	5,967	-	47,949	4,707	216,750
Excess (deficiency) of receipts over disbursements	-	-	2,001	540	(4,366)	126,206	(4,260)	4,529	-	-	(1,946)	(216,750)
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	2,001	540	(4,366)	126,206	(4,260)	4,529	-	-	(1,946)	(216,750)
Cash and investments - ending	\$ -	\$ -	\$ 18,481	\$ 7,920	\$ (4,366)	\$ -	\$ (4,260)	\$ -	\$ -	\$ -	\$ 168	\$ (216,750)

(Continued)

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

	Governor's Emergency Education Relief (GEER)	ESSER I	Prepaid School Lunch Accounts	Payroll W/H Federal Income Tax	Payroll W/H Fica Tax	Payroll W/H State Income Tax	Payroll W/H County Income Tax	Payroll W/H Retirement	Payroll W/H Section 125	Payroll W/H Non Section 125	Payroll W/H Garnishment	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 18,404	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,327,708
Receipts:												
Local sources	-	-	35,641	-	-	-	-	-	-	-	-	7,798,462
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	261
State sources	-	-	-	-	-	-	-	-	-	-	-	10,545,759
Federal sources	100,400	94,754	-	-	-	-	-	-	-	-	-	576,769
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	403,232	548,260	222,959	119,025	215,160	794,384	51,217	8,202	2,370,053
Total receipts	100,400	94,754	35,641	403,232	548,260	222,959	119,025	215,160	794,384	51,217	8,202	21,291,304
Disbursements:												
Instruction	-	170,123	-	-	-	-	-	-	-	-	-	8,111,027
Support services	100,400	40,689	-	-	-	-	-	-	-	-	-	5,840,430
Noninstructional services	-	-	23,419	-	-	-	-	-	-	-	-	787,251
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	465,889
Debt services	-	-	-	-	-	-	-	-	-	-	-	909,349
Nonprogrammed charges	-	-	-	403,232	548,260	222,959	119,025	215,160	794,384	51,217	8,202	2,367,468
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	100,400	210,812	23,419	403,232	548,260	222,959	119,025	215,160	794,384	51,217	8,202	18,481,414
Excess (deficiency) of receipts over disbursements	-	(116,058)	12,222	-	-	-	-	-	-	-	-	2,809,890
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	969
Transfers in	-	-	-	-	-	-	-	-	-	-	-	2,250,000
Transfers out	-	-	-	-	-	-	-	-	-	-	-	(2,250,000)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	969
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(116,058)	12,222	-	-	-	-	-	-	-	-	2,810,859
Cash and investments - ending	\$ -	\$ (116,058)	\$ 30,626	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,138,567

PRAIRIE HEIGHTS COMMUNITY SCHOOL CORPORATION  
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 July 1, 2021 through June 30, 2022

	Education	Operating Referendum Tax Levy	Debt Service	Operations	Local Rainy Day	School Lunch	Curricular Materials Rental	Milford Programming Agreement	Damage Reimbursement	Wellness	Ust Financial Requirement
Cash and investments - beginning	\$ 1,380,540	\$ 3,530,329	\$ 195,374	\$ 2,021,842	\$ 4,663,487	\$ 259,496	\$ 271,634	\$ -	\$ -	\$ 199	\$ 30,000
Receipts:											
Local sources	30,861	2,056,899	890,920	4,621,017	-	57,686	179,771	57,500	-	20,200	-
Intermediate sources	157	-	-	88	-	-	-	-	-	-	-
State sources	10,115,450	-	-	-	-	908,290	27,837	-	-	-	-
Federal sources	-	-	-	-	-	27,706	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	17,179	-	-
Total receipts	10,146,468	2,056,899	890,920	4,621,105	-	993,682	207,608	57,500	17,179	20,200	-
Disbursements:											
Instruction	7,607,601	296,330	-	-	-	-	-	-	71	-	-
Support services	1,831,240	149,550	-	3,635,847	-	-	223,478	57,500	17,108	13,032	-
Noninstructional services	143,735	37,800	-	-	-	763,863	-	-	-	-	-
Facilities acquisition and construction	-	-	-	652,910	853,487	-	-	-	-	-	-
Debt services	-	-	819,800	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	9,582,576	483,680	819,800	4,288,757	853,487	763,863	223,478	57,500	17,179	13,032	-
Excess (deficiency) of receipts over disbursements	563,892	1,573,219	71,120	332,348	(853,487)	229,819	(15,870)	-	-	7,168	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	623	-	-	-	-	-	-	-
Transfers in	-	-	-	475,000	890,000	-	-	-	-	-	-
Transfers out	(475,000)	-	-	(890,000)	-	-	-	-	-	-	-
Total other financing sources (uses)	(475,000)	-	-	(414,377)	890,000	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	88,892	1,573,219	71,120	(82,029)	36,513	229,819	(15,870)	-	-	7,168	-
Cash and investments - ending	\$ 1,469,432	\$ 5,103,548	\$ 266,494	\$ 1,939,813	\$ 4,700,000	\$ 489,315	\$ 255,764	\$ -	\$ -	\$ 7,367	\$ 30,000

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PRAIRIE HEIGHTS COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
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	Educational License Plates	School Library Printed Material	Donations Gifts And Trusts	Local Grants	Extra-Curricular Activities	Scholarships And Awards	Formative Assessment	Secured Schools Safety Grant 20	Early Intervention Grant 20/21	Early Intervention Grant 21-22	Non-English Speaking Program
Cash and investments - beginning	\$ 244	\$ 1,284	\$ 69,912	\$ 2,000	\$ -	\$ 15,546	\$ -	\$ (19,233)	\$ 152	\$ -	\$ -
Receipts:											
Local sources	-	-	933	3,418	19,254	-	-	-	-	-	-
Intermediate sources	131	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	13,302	71,533	-	1,025	9,877
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	131	-	933	3,418	19,254	-	13,302	71,533	-	1,025	9,877
Disbursements:											
Instruction	-	-	1,900	5,418	19,217	-	-	-	152	-	9,877
Support services	300	1,284	716	-	15	-	13,302	52,300	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	1,446	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	300	1,284	2,616	5,418	19,232	1,446	13,302	52,300	152	-	9,877
Excess (deficiency) of receipts over disbursements	(169)	(1,284)	(1,683)	(2,000)	22	(1,446)	-	19,233	(152)	1,025	-
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	(169)	(1,284)	(1,683)	(2,000)	22	(1,446)	-	19,233	(152)	1,025	-
Cash and investments - ending	\$ 75	\$ -	\$ 68,229	\$ -	\$ 22	\$ 14,100	\$ -	\$ -	\$ -	\$ 1,025	\$ -

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PRAIRIE HEIGHTS COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES  
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 July 1, 2021 through June 30, 2022

	Teacher Appreciation Grant	High Ability Grant	State Connectivity Grant	Title I	Title I 2021- 2022	Student Support Title Iv 20/21	Student Support Title Iv 19/20	Student Support Title Iv	Title Ii Part A Supporting Effective I	Title Iii English Language Acquisition	Emergency Connectivity Funding	ESSER III
Cash and investments - beginning	\$ -	\$ 18,481	\$ 7,920	\$ (4,366)	\$ -	\$ (4,260)	\$ -	\$ -	\$ -	\$ 168	\$ -	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	50,453	27,904	9,332	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	4,366	139,096	7,724	3,274	7,900	22,374	2,784	29,973	199,930
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	50,453	27,904	9,332	4,366	139,096	7,724	3,274	7,900	22,374	2,784	29,973	199,930
Disbursements:												
Instruction	50,453	32,366	-	-	173,516	5,563	1,587	7,900	22,374	2,228	-	44,080
Support services	-	-	9,332	-	-	757	1,687	-	-	200	29,973	-
Noninstructional services	-	-	-	-	-	-	-	-	-	500	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	286,519
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	50,453	32,366	9,332	-	173,516	6,320	3,274	7,900	22,374	2,928	29,973	330,599
Excess (deficiency) of receipts over disbursements	-	(4,462)	-	4,366	(34,420)	1,404	-	-	-	(144)	-	(130,669)
Other financing sources (uses)												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(4,462)	-	4,366	(34,420)	1,404	-	-	-	(144)	-	(130,669)
Cash and investments - ending	\$ -	\$ 14,019	\$ 7,920	\$ -	\$ (34,420)	\$ (2,856)	\$ -	\$ -	\$ -	\$ 24	\$ -	\$ (130,669)

(Continued)

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

	ESSER II	ESSER I	Prepaid School Lunch Accounts	Payroll W/H Federal Income Tax	Payroll W/H Fica Tax	Payroll W/H State Income Tax	Payroll W/H County Income Tax	Payroll W/H Retirement	Payroll W/H Section 125	Payroll W/H Non Section 125	Payroll W/H Garnishment	Totals
Cash and investments - beginning	\$ (216,750)	\$ (116,058)	\$ 30,626	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,138,567
Receipts:												
Local sources	-	-	47,863	-	-	-	-	-	-	-	-	7,986,322
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	376
State sources	-	-	-	-	-	-	-	-	-	-	-	11,235,003
Federal sources	525,583	127,038	-	-	-	-	-	-	-	-	-	1,097,748
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	491,853	607,120	249,842	132,327	254,273	795,975	50,521	10,544	2,609,634
<b>Total receipts</b>	<b>525,583</b>	<b>127,038</b>	<b>47,863</b>	<b>491,853</b>	<b>607,120</b>	<b>249,842</b>	<b>132,327</b>	<b>254,273</b>	<b>795,975</b>	<b>50,521</b>	<b>10,544</b>	<b>22,929,083</b>
Disbursements:												
Instruction	378,374	10,980	-	-	-	-	-	-	-	-	-	8,669,987
Support services	6,126	-	-	-	-	-	-	-	-	-	-	6,043,747
Noninstructional services	-	-	58,837	-	-	-	-	-	-	-	-	1,004,735
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	1,792,916
Debt services	-	-	-	-	-	-	-	-	-	-	-	819,800
Nonprogrammed charges	-	-	-	491,853	607,120	249,842	132,327	254,273	795,975	50,521	10,544	2,593,901
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>384,500</b>	<b>10,980</b>	<b>58,837</b>	<b>491,853</b>	<b>607,120</b>	<b>249,842</b>	<b>132,327</b>	<b>254,273</b>	<b>795,975</b>	<b>50,521</b>	<b>10,544</b>	<b>20,925,086</b>
Excess (deficiency) of receipts over disbursements	141,083	116,058	(10,974)	-	-	-	-	-	-	-	-	2,003,997
Other financing sources (uses)												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	623
Transfers in	-	-	-	-	-	-	-	-	-	-	-	1,365,000
Transfers out	-	-	-	-	-	-	-	-	-	-	-	(1,365,000)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>623</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	141,083	116,058	(10,974)	-	-	-	-	-	-	-	-	2,004,620
Cash and investments - ending	\$ (75,667)	\$ -	\$ 19,652	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,143,187

PRAIRIE HEIGHTS COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF PAYABLES AND RECEIVABLES  
June 30, 2022

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<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 396,712	\$ -

PRAIRIE HEIGHTS COMMUNITY SCHOOL CORPORATION  
 SCHEDULE OF LEASES AND DEBT  
 June 30, 2022

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Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
<u>Type</u>	<u>Purpose</u>		
Governmental activities:			
General Obligation Bonds	General Obligation Bond 2019	\$ 3,180,000	\$ 765,000
Totals		<u>\$ 3,180,000</u>	<u>\$ 765,000</u>

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PRAIRIE HEIGHTS COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF CAPITAL ASSETS  
June 30, 2022

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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	\$ 320,000
Infrastructure	242,565
Buildings	20,734,350
Improvements other than buildings	790,862
Machinery, equipment, and vehicles	3,405,178
Books and other	<u>693,719</u>
 Total governmental activities	 <u>26,186,674</u>
 Total capital assets	 <u>\$ 26,186,674</u>

PRAIRIE HEIGHTS COMMUNITY SCHOOL CORPORATION  
STATE REPORTING INFORMATION  
July 1, 2020 through June 30, 2022

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*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.

PRAIRIE HEIGHTS COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Period July 1, 2020 through June 30, 2022

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-2021 to 06-30-22
<u>Department of Agriculture</u>						
Child Nutrition Cluster	Indiana Department of Education					
School Breakfast Program		10.553	FY2021, FY2022	\$ 122,929	\$ 191,409	\$ 314,338
Commodities		10.555	FY2021, FY2022	62,400	71,159	133,559
National School Lunch Program		10.555	FY2021, FY2022	621,665	736,689	1,358,354
Total - Child Nutrition Cluster				806,994	999,257	1,806,251
Child Nutrition Discretionary Grants Limited Availability	Indiana Department of Education					
Child Nutrition Discretionary Grants Limited Availability		10.579	FY2021	6,415	-	6,415
Total - Child Nutrition Discretionary Grants Limited Availability				6,415	-	6,415
Pandemic EBT Administrative Costs	Indiana Department of Education					
Pandemic EBT Administrative Costs		10.649	FY2022	-	614	614
Total - Pandemic EBT Administrative Costs				-	614	614
Total - Department of Agriculture				813,409	999,871	1,813,280
<u>Federal Communications Commission</u>						
Emergency Connectivity Fund Program	Federal Communications Commission					
Emergency Connectivity Fund Program		32.009	18-130434	-	29,973	29,973
Total - Federal Communications Commission				-	29,973	29,973
<u>Department of Education</u>						
Special Education Cluster (IDEA)						
Special Education Grants to States	Indiana Department of Education					
Special Ed-Part B		84.027	20611-042-PN01	26,045	-	26,045
Special Ed-Part B		84.027	21611-042-PN01	321,473	-	321,473
Special Ed-Part B		84.027	21611-042-PN01	-	6,666	6,666
Special Ed-Part B		84.027	22611-042-PN01	-	317,569	317,569
Total - Special Education Grants to States				347,518	324,235	671,753
Special Education Preschool Grants	Indiana Department of Education					
Special Ed Preschool		84.173	20619-042-PN01	7,597	-	7,597
Special Ed Preschool		84.173	22619-042-PN01	-	7,627	7,627
Total - Special Education Preschool Grants				7,597	7,627	15,224
Total - Special Education Cluster (IDEA)				355,115	331,862	686,977

(Continued)

PRAIRIE HEIGHTS COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Period July 1, 2020 through June 30, 2022

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-2021 to 06-30-22
Title I Grants to Local Educational Agencies	Indiana Department of Education					
Title I, Part A		84.010	S010A150014	\$ 129,562	\$ -	\$ 129,562
Title I, Part A		84.010	S010A200014	176,601	4,366	180,967
Title I, Part A		84.010	S010A210014	-	139,096	139,096
				<u>306,163</u>	<u>143,462</u>	<u>449,625</u>
Total - Title I Grants to Local Educational Agencies						
Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367	S367A2000013	47,949	-	47,949
Title II, Part A		84.367	S367A2100013	-	22,374	22,374
				<u>47,949</u>	<u>22,374</u>	<u>70,323</u>
Total - Supporting Effective Instruction State Grants						
Student Support and Academic Enrichment Program	Indiana Department of Education					
Title IV, Part A		84.424	S424A190015	10,496	3,274	13,770
Title IV, Part A		84.424	S424A200015	-	7,724	7,724
Title IV, Part A		84.424	S424A210015	-	7,900	7,900
				<u>10,496</u>	<u>18,898</u>	<u>29,394</u>
Total - Student Support and Academic Enrichment Program						
COVID-19 Education Stabilization Fund	Indiana Department of Education					
Governor's Emergency Education Relief (GEER) Fund		84.425C	S425D200013	100,400	-	100,400
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	94,754	127,039	221,793
Elementary and Secondary School Emergency Relief (ESSER II) Fund		84.425D	S425D210013	-	525,583	525,583
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund		84.425U	S425U210013	-	199,930	199,930
				<u>195,154</u>	<u>852,552</u>	<u>1,047,706</u>
Total - COVID-19 Education Stabilization Fund						
Total - Department of Education				<u>914,877</u>	<u>1,369,148</u>	<u>2,284,025</u>
Total federal awards expended				<u>\$ 1,728,286</u>	<u>\$ 2,398,992</u>	<u>\$ 4,127,278</u>

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

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

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**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, 2020 to June 30, 2022. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position of the School Corporation.

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

*B. Other Significant Accounting Policies*

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

**NOTE 2 - INDIRECT COST RATE**

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

**NOTE 3 - OTHER INFORMATION**

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

**NOTE 4 - SPECIAL EDUCATION COOPERATIVE (ALN: 84.027, 84.173)**

The School Corporation is a member of the Northeast Indiana Special Education 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.

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  
Prairie Heights Community School Corporation  
LaGrange 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 Prairie Heights Community School Corporation ("School Corporation"), which comprise the statement of receipts, disbursements, other financing sources (uses), and cash and investment balances of the School Corporation as of June 30, 2022 and for the period July 1, 2020 to June 30, 2022 and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement, and have issued our report thereon dated March 23, 2023.

### **Report on 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 or significant deficiencies may exist that have not been identified.

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(Continued)

## Report on Compliance and Other Matters

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

### Purpose of this Report

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

*Crowe LLP*  
Crowe LLP

Indianapolis, Indiana  
March 23, 2023

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

Those Charged with Governance  
Prairie Heights Community School Corporation  
LaGrange County, Indiana

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

***Opinion on Major Federal Program***

We have audited Prairie Heights Community School Corporation (School Corporation) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the School Corporation's major federal programs for the period of July 1, 2020 to June 30, 2022. 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.

In our opinion, the School Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the period of July 1, 2020 to June 30, 2022.

***Basis for Opinion on Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

***Responsibilities of Management for Compliance***

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

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(Continued)

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

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the School Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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(Continued)

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

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 23, 2023

PRAIRIE HEIGHTS COMMUNITY SCHOOL CORPORATION  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 July 1, 2020 through June 30, 2022

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**Section I – Summary of Auditor’s Results**

***Financial Statement***

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

Internal control over financial reporting:

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

Noncompliance material to financial statement noted?	_____	Yes	_____ <u>X</u> _____	No
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***Federal Awards***

Internal control over major programs:

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

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	_____	Yes	_____ <u>X</u> _____	No
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Identification of major programs:

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

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

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

None noted.

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(Continued)

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

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

None noted.



## **Prairie Heights Community School Corporation**

0305S 1150E, LaGrange, IN 46761  
Phone: (260) 351-3214 or (800) 800-9596  
Fax: (260) 351-3614

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### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

#### **FINDING 2020-001**

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

#### Condition and Context

The School Corporation had not established internal controls over the federal award information entered in the Indiana Gateway for Government Units (Gateway) financial reporting system, which was the source of the School Corporation's Schedule of Expenditures of Federal Awards (SEFA). The School Corporation did not have a proper system of internal controls in place to prevent, or detect and correct, errors on the SEFA.

Due to the lack of internal controls, the SEFA presented for audit included material errors.

Status: Resolved, controls were implemented for the audit period.

#### **FINDING 2020-002**

Subject: Child Nutrition Cluster - Internal Controls  
Federal Agency: Department of Agriculture  
Federal Programs: School Breakfast Program, COVID-19 School Breakfast Program, National School Lunch Program, COVID-19 National School Lunch Program  
CFDA Numbers: 10.553, 10.555  
Federal Award Numbers and Years (or Other Identifying Numbers): FY 2018-2019, FY 2019-2020  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirements: Cash Management, Eligibility, Special Tests and Provisions - Verification of Free and Reduced Price Applications (NLSP), 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 to ensure compliance with the grant agreement and the Cash Management, Eligibility, Special Tests and Provisions - Verification of Free and Reduced Price Applications (NLSP), and Special Tests and Provisions - Paid Lunch Equity compliance requirements.

#### Cash Management

The School Corporation had not developed procedures whereby the School Lunch fund balance was monitored to ensure that the net cash resources in the fund did not exceed three months average expenditures.

#### Eligibility

The Food Service Director entered application data into the School Corporation's computerized system for paper applications without oversight or review of the information entered or the accuracy of the eligibility determinations made. There was no evidence of an oversight, review, or approval process that ensured that the eligibility determinations of the applications submitted online were correct. In addition, there was no evidence of an oversight, review, or approval process of the Direct Certification listings or that they were correct and properly included in the computer system.

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

The Food Service Director prepared the Verification of Free and Reduced Price Applications (NLSP) report for fiscal year 2019-2020 and was also responsible for verification of the applications. There was no oversight, review, or approval process to ensure that the verification process was accurate and complete.

#### Special Tests and Provisions - Paid Lunch Equity (National School Lunch Program and COVID-19 National School Lunch Programs only)

The Paid Lunch Equity calculations were prepared by the Food Service Director without a system of oversight or review. The lack of internal controls for Cash Management and the Special Tests and Provisions - Paid Lunch Equity was a systemic issue throughout the audit period. The lack of internal controls for Eligibility and the Special Tests and Provisions - Verification of Free and Reduced Price Applications (NLSP) were isolated to 2019-2020.

Status: Resolved, controls were implemented for the audit period.

### **FINDING 2020-003**

Subject: Child Nutrition Cluster - Allowable Costs/Cost Principles, Program Income,  
Special Tests and Provisions - School Food Accounts

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, COVID-19 School Breakfast Program, National School Lunch Program, COVID-19 National School Lunch Program

CFDA Numbers: 10.553, 10.555

Federal Award Numbers and Years (or Other Identifying Numbers): FY 2018-2019, FY 2019-2020

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Allowable Costs/Cost Principles, Program Income, Special Tests and Provisions - School Food Accounts

Audit Findings: Material Weakness, Other Matters

#### Condition and Context

An effective internal control system was not in place at the School Corporation to ensure compliance with requirements related to the grant agreement and the Allowable Costs/Cost Principles, Program Income, and Special Tests and Provisions - School Food Accounts compliance requirements. Based upon the payroll operating costs tested, the School Corporation did not maintain proper time and effort documentation for some employees paid from the School Lunch fund. The amounts paid to these employees were based on a budgeted amount rather than actual time spent. This compensation related to food service operations, which was not supported by time records, totaled \$27,360. These undocumented expenditures were considered questioned costs. The lack of internal controls and noncompliance were systemic issues throughout the audit period.

Status: Resolved, controls were implemented for the audit period.