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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 Southern Wells Community Schools
Southern Wells Community Schools
9120 S 300 West
Poneto, IN 46781

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Southern Wells Community Schools. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period July 1, 2020 to June 30, 2022. Per the *Independent Auditor's Report*, the financial statement referred to above 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.

We call your attention to the finding included in the report on pages 43 through 45. Please see the Schedule of Findings and Questioned Costs for complete details related to the finding. Management's Corrective Action Plan appears on page 46.

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 Southern Wells Community 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.

Tammy R. White, CPA
Deputy State Examiner

SOUTHERN WELLS COMMUNITY SCHOOLS
Wells County, Indiana

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

SOUTHERN WELLS COMMUNITY SCHOOLS
Wells County, Indiana

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

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SOUTHERN WELLS COMMUNITY SCHOOLS
SCHEDULE OF OFFICIALS (Unaudited)
For the period July 1, 2020 through June 30, 2022

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Lora Warner	07-01-20 to 06-30-22
Superintendent of Schools	Steve Darnell Brian Sloan	07-01-20 to 08-03-20 08-04-20 to 06-30-22
President of the School Board	Aaron Westfall Kevin Scott	07-01-20 to 12-31-21 01-01-22 to 06-30-22

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Southern Wells Community Schools
Wells 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 Southern Wells Community Schools (the School Corporation) as of June 30, 2022 and for the period of July 1, 2020 through 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 through 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 through June 30, 2022.

Basis for Opinions

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

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

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

(Continued)

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

Responsibilities of Management for the Financial Statement

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

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

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

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

Supplementary Information

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

(Continued)

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

Other Information

Management is responsible for the other information included with the financial statement. The other information comprises the Schedule of Officials, Other Information Schedules, and State Reporting Information, marked as unaudited on the table of contents, but does not include the financial statement and our auditor's report thereon. Our 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 28, 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 28, 2023

SOUTHERN WELLS 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 Sources (Uses)	Cash and Investments			Other Financing Sources (Uses)	Cash and Investments
	07-01-2020	Receipts	Disbursements		06-30-2021	Receipts	Disbursements		
Education	\$ 352,212	\$ 5,582,533	\$ 5,375,541	\$ (209,204)	\$ 350,000	\$ 5,967,027	\$ 5,453,653	\$ (400,000)	\$ 463,374
Operating Referendum Tax Levy	499	518,904	479,191	-	40,212	534,572	526,686	-	48,098
Debt Service	188,142	655,976	653,388	-	190,730	661,647	652,811	-	199,566
Operations	12,345	2,032,915	1,896,887	56,513	204,886	2,189,882	2,243,310	140,670	292,128
Local Rainy Day	1,092,598	125,000	562,197	56,335	711,736	95,108	216,661	200,000	790,183
Construction	302	-	302	-	-	-	-	-	-
2019 Construction	988,522	7,845	993,983	-	2,384	1	2,385	-	-
School Lunch	144,867	449,180	463,103	(17,051)	113,893	563,573	419,984	-	257,482
Curricular Materials Rental	434	250,123	239,274	-	11,283	167,475	178,336	-	422
Educational License Plates	609	131	-	-	740	113	-	-	853
Asbury Chapel Lunch (Es/Hs)	90	-	-	-	90	-	17	-	73
Special Anonymous Elementary Grant	74	10,000	4,000	-	6,074	4,500	10,133	-	441
Park Community Church-Food Fight	79	-	79	-	-	-	-	-	-
Bluffton Lodge #145	2	1	3	-	-	-	-	-	-
Donation For Swhs	350	-	-	-	350	500	850	-	-
Archery Club Donations	-	275	-	-	275	-	275	-	-
Six Mile Church Elementary Donation	-	-	-	-	-	150	-	-	150
Family Ford Donation-Hs Weight Room	-	-	-	-	-	1,000	1,000	-	-
Building Trades Donations	-	-	-	-	-	2,865	1,294	-	1,571
Driver'S Education	8,741	17,854	14,507	-	12,088	2,655	6,382	-	8,361
Nasp-Es/Ms Archery (Whitetails Unlimited)	2,265	-	1,066	-	1,199	1,120	2,319	-	-
Action For Healthy Kids	2,172	26	174	-	2,024	20	882	-	1,162
Stem/Robotics Donations	-	-	-	-	-	150	-	-	150
Cada Grant	4	-	-	-	4	860	858	-	6
Aws Foundation Grant	-	2,500	-	-	2,500	-	2,500	-	-
Partners In Education Donation	96	-	-	-	96	-	-	-	96
Genyouth Futp60 Grant	-	-	-	-	-	1,295	1,295	-	-
Wells County Foundation	124	-	124	-	-	-	-	-	-
2020 Wells County Foundation Grants	2,150	10,807	12,957	-	-	-	-	-	-
2021 Wells County Foundation Grant	-	7,043	146	-	6,897	-	6,897	-	-
2022 Wells County Foundation Grants	-	-	-	-	-	12,519	5,825	-	6,694
Scholarship	-	-	-	-	-	5,828	500	-	5,328
Formative Assessment	-	9,045	8,955	-	90	10,486	10,576	-	-
Medicaid Reimbursement	11,444	521	10,951	-	1,014	648	1,173	-	489
Secured Schools Safety Grant	(45,183)	40,835	73,850	65,299	(12,899)	57,180	67,273	22,992	-
Early Literacy Intervention Grant 2020	3,320	-	3,320	-	-	-	-	-	-
2020-2021 Early Intervention Grant	-	2,613	-	-	2,613	-	2,613	-	-
2021-2022 Early Intervention Grant	-	-	-	-	-	2,942	1,782	-	1,160
School Technology --Do Not Use	31,708	1	11,817	-	19,892	4,860	68,042	43,290	-
Teacher Appreciation Grant	-	30,786	30,951	165	-	-	-	-	-
2022 Teacher Appreciation Grant (Tag)	-	-	-	-	-	31,645	31,645	-	-
High Ability Students	2,003	22,621	9,753	-	14,871	24,760	29,522	-	10,109
State Connectivity Grant	11,083	11,864	6,400	-	16,547	12,760	14,580	-	14,727
Title 1 2019/2020	(3,326)	2,397	2,398	3,327	-	-	-	-	-
2020-2021 Title I	-	60,855	90,232	29,377	-	-	-	-	-
2021-2022 Title I	-	-	-	-	-	57,868	57,318	-	550
Title Iv Student Support	(2,655)	3,295	640	-	-	-	-	-	-

(Continued)

SOUTHERN WELLS 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
2020-2021 Title Iv Part A	\$ -	\$ 4,962	\$ 6,476	\$ -	\$ (1,514)	\$ 1,944	\$ 430	\$ -	\$ -
2019-2020 Cte Pilot Program Planning Gra	(2,159)	5,000	2,841	-	-	-	-	-	-
2020-2021 Area 18 Perkins Grant-Cte	-	27,285	27,285	-	-	-	-	-	-
2021-2022 Perkins Cte Grant	-	-	-	-	-	13,188	13,188	-	-
School Technology-E Rate	-	-	-	-	-	3,713	5,304	1,591	-
Improving Teacher Quality Nclb	(1,001)	3,068	2,067	-	-	-	-	-	-
2020-2021 Title li A	-	1,367	1,417	-	(50)	6,660	6,735	-	(125)
2019-2020 Title lia-Pbl Training	-	600	600	-	-	400	400	-	-
Title lia Fy2019	-	4,463	4,463	-	-	-	-	-	-
Emergency Connectivity (American Rescue	-	-	-	-	-	5,336	5,336	-	-
ESSER III	-	-	2,671	-	(2,671)	365,238	363,402	(8,543)	(9,378)
ESSER II	-	-	98,481	-	(98,481)	211,651	113,170	-	-
Governor's Emergency Education Relief (GEER)	-	295,343	295,343	-	-	134,252	134,252	-	-
ESSER I	-	61,478	64,926	-	(3,448)	5,786	2,338	-	-
Covid-19 Fema Ing-Application 2	-	5,147	5,147	-	-	-	-	-	-
Covid-19 Fema Application #1	-	3,020	3,020	-	-	-	-	-	-
Prepaid School Lunch Accounts	10,379	55,439	66,373	17,051	16,496	40,489	43,666	-	13,319
Construction Trades	28,195	85,096	1,302	450	112,439	8,868	-	400	121,707
Federal	-	343,772	343,772	-	-	379,658	379,658	-	-
State	-	151,389	151,389	-	-	161,274	161,274	-	-
County	(1)	94,409	94,408	-	-	99,714	99,714	-	-
Annuities	-	164,455	164,455	-	-	176,820	176,820	-	-
I.S.W.A.T.	-	4,100	4,100	-	-	4,140	4,140	-	-
Fica - Certified	-	271,782	271,782	-	-	281,804	281,804	-	-
Fica - Noncertified	-	108,696	108,696	-	-	115,020	115,020	-	-
United Way	-	1,467	1,467	-	-	96	96	-	-
Garnishment	-	5,009	5,009	-	-	1,167	1,167	-	-
Textbook Payroll Deduction	-	246	246	-	-	245	245	-	-
County Property Tax Withholding	-	16	16	-	-	-	-	-	-
Health Insurance	7,432	169,843	177,764	-	(489)	182,248	181,473	-	286
Health Insurance - Retirees	-	31,584	26,878	-	4,706	33,071	34,054	-	3,723
Cancer/Other Insurance	-	63,488	63,488	-	-	65,628	65,793	-	(165)
Life Insurance	(64)	7,492	7,428	-	-	9,050	8,915	-	135
Life Insurance - Retirees	-	273	163	-	110	217	247	-	80
Section 125 Flexible	-	5,975	5,975	-	-	2,926	2,926	-	-
Long Term Disability	-	106	106	-	-	110	110	-	-
S125 Vision Service Plan	348	9,253	9,513	-	88	8,713	8,744	-	57
Vsp - Retiree Premiums	-	473	414	-	59	596	682	-	(27)
Library Book Replacement Clearing Acct	124	122	124	-	122	54	126	-	50
Eca/Overpayment Clearing	-	112	75	-	37	-	37	-	-
Online Textbook Payments	-	7,641	7,641	-	-	15,100	15,100	-	-
Adams Wells Retirement Payoff	-	-	-	-	-	-	-	-	-
Bank Transfer	-	-	-	-	-	30,450	30,450	-	-
Totals	\$ 2,848,324	\$ 11,849,917	\$ 12,973,510	\$ 2,262	\$ 1,726,993	\$ 12,781,635	\$ 12,276,193	\$ 400	\$ 2,232,835

See notes to financial statement.

SOUTHERN WELLS COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period July 1, 2020 through June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period July 1, 2020 through June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period July 1, 2020 through June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

NOTE 2 - BUDGETS

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

NOTE 3 - PROPERTY TAXES

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

(Continued)

NOTE 5 - RISK MANAGEMENT

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

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

NOTE 6 - CASH BALANCE DEFICITS

The financial statement contain some funds with deficits in cash. This is a result of certain funds being set up for reimbursable grants, but for which reimbursement was not yet received by June 30, 2020, and 2021. Deficits in other fund balances, including the Health Insurance, VSP – Retiree Premiums, and Cancer/Other Insurance funds, were the result of disbursements exceeding receipts due to under-estimating current requirements for some funds. While the Health Insurance deficit balance was prepaid with future receipts during fiscal year 2022, the deficits in the other funds are to be prepaid from future receipts.

NOTE 7 - HOLDING CORPORATION

The School Corporation has entered into a series of capital leases with the Southern Wells 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, 2020 to June 30, 2021 totaled \$506,000. Lease payments for the period July 1, 2021 to June 30, 2022 totaled \$623,000.

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.

SOUTHERN WELLS COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period July 1, 2020 through June 30, 2022

NOTE 8 - PENSION PLANS (Continued)

Financial Report

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

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

Contributions

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

Teachers' Retirement Fund

Plan Descriptions

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

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

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

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

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

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

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period July 1, 2020 through June 30, 2022

NOTE 8 - PENSION PLANS (Continued)

Financial Report

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

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

Contributions

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

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

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

SUPPLEMENTARY INFORMATION

SOUTHERN WELLS 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	2019 Construction	School Lunch	Curricular Materials Rental	Educational License Plates	Asbury Chapel Lunch (Es/Hs)	Special Anonymous Elementary Grant
Cash and investments - beginning	\$ 352,212	\$ 499	\$ 188,142	\$ 12,345	\$ 1,092,598	\$ 302	\$ 988,522	\$ 144,867	\$ 434	\$ 609	\$ 90	\$ 74
Receipts:												
Local sources	107,662	518,904	655,976	2,020,541	-	-	7,845	66,545	162,535	-	-	10,000
Intermediate sources	210	-	-	-	-	-	-	-	-	131	-	-
State sources	5,391,784	-	-	-	-	-	-	6,624	27,334	-	-	-
Federal sources	-	-	-	-	-	-	-	376,011	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	60,254	-	-	-	125,000	-	-	-	60,254	-	-	-
Other receipts	22,623	-	-	12,374	-	-	-	-	-	-	-	-
Total receipts	5,582,533	518,904	655,976	2,032,915	125,000	-	7,845	449,180	250,123	131	-	10,000
Disbursements:												
Instruction	4,026,295	283,824	-	-	-	-	-	-	-	-	-	4,000
Support services	1,146,010	195,367	45,388	1,896,887	35,846	302	60,680	200	54,020	-	-	-
Noninstructional services	142,982	-	-	-	-	-	-	413,941	-	-	-	-
Facilities acquisition and construction	-	-	-	-	526,351	-	933,303	48,962	-	-	-	-
Debt services	-	-	608,000	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	60,254	-	-	-	-	-	-	-	185,254	-	-	-
Total disbursements	5,375,541	479,191	653,388	1,896,887	562,197	302	993,983	463,103	239,274	-	-	4,000
Excess (deficiency) of receipts over disbursements	206,992	39,713	2,588	136,028	(437,197)	(302)	(986,138)	(13,923)	10,849	131	-	6,000
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	1,812	-	-	-	-	-	-	-	-
Transfers in	-	-	-	122,042	56,335	-	-	-	-	-	-	-
Transfers out	(209,204)	-	-	(67,341)	-	-	-	(17,051)	-	-	-	-
Total other financing sources (uses)	(209,204)	-	-	56,513	56,335	-	-	(17,051)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,212)	39,713	2,588	192,541	(380,862)	(302)	(986,138)	(30,974)	10,849	131	-	6,000
Cash and investments - ending	\$ 350,000	\$ 40,212	\$ 190,730	\$ 204,886	\$ 711,736	\$ -	\$ 2,384	\$ 113,893	\$ 11,283	\$ 740	\$ 90	\$ 6,074

(Continued)

SOUTHERN WELLS 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

	Park Community Church-Food Fight	Bluffton Lodge #145	Donation For Swhs	Archery Club Donations	Six Mile Church Elementary Donation	Family Ford Donation-Hs Weight Room	Building Trades Donations	Driver'S Education	Nasp-Es/Ms Archery (Whitetails Unlimited	Action For Healthy Kids	Stem/Robotics Donations	Cada Grant
Cash and investments - beginning	\$ 79	\$ 2	\$ 350	\$ -	\$ -	\$ -	\$ -	\$ 8,741	\$ 2,265	\$ 2,172	\$ -	\$ 4
Receipts:												
Local sources	-	1	-	275	-	-	-	17,854	-	26	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	1	-	275	-	-	-	17,854	-	26	-	-
Disbursements:												
Instruction	-	-	-	-	-	-	-	14,507	1,066	174	-	-
Support services	-	3	-	-	-	-	-	-	-	-	-	-
Noninstructional services	79	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	79	3	-	-	-	-	-	14,507	1,066	174	-	-
Excess (deficiency) of receipts over disbursements	(79)	(2)	-	275	-	-	-	3,347	(1,066)	(148)	-	-
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	(79)	(2)	-	275	-	-	-	3,347	(1,066)	(148)	-	-
Cash and investments - ending	\$ -	\$ -	\$ 350	\$ 275	\$ -	\$ -	\$ -	\$ 12,088	\$ 1,199	\$ 2,024	\$ -	\$ 4

(Continued)

SOUTHERN WELLS 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

	Aws Foundation Grant	Partners In Education Donation	Genyouth Futp60 Grant	Wells County Foundation	2020 Wells County Foundation Grants	2021 Wells County Foundation Grant	2022 Wells County Foundation Grants	Scholarship	Formative Assessment	Medicaid Reimbursement	Secured Schools Safety Grant	Early Literacy Intervention Grant 2020
Cash and investments - beginning	\$ -	\$ 96	\$ -	\$ 124	\$ 2,150	\$ -	\$ -	\$ -	\$ -	\$ 11,444	\$ (45,183)	\$ 3,320
Receipts:												
Local sources	2,500	-	-	-	10,807	7,043	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	9,045	521	40,835	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	2,500	-	-	-	10,807	7,043	-	9,045	521	40,835	-	-
Disbursements:												
Instruction	-	-	-	124	12,957	146	-	8,955	-	-	-	3,320
Support services	-	-	-	-	-	-	-	-	10,951	73,850	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	124	12,957	146	-	8,955	10,951	73,850	-	3,320
Excess (deficiency) of receipts over disbursements	2,500	-	-	(124)	(2,150)	6,897	-	90	(10,430)	(33,015)	-	(3,320)
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	65,299	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	65,299	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,500	-	-	(124)	(2,150)	6,897	-	90	(10,430)	32,284	-	(3,320)
Cash and investments - ending	\$ 2,500	\$ 96	\$ -	\$ -	\$ -	\$ 6,897	\$ -	\$ 90	\$ 1,014	\$ (12,899)	\$ -	\$ -

(Continued)

SOUTHERN WELLS 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

	2020-2021 Early Intervention Grant	2021-2022 Early Intervention Grant	School Technology --Do Not Use	Teacher Appreciation Grant	2022 Teacher Appreciation Grant (Tag)	High Ability Students	State Connectivity Grant	Title 1 2019/2020	2020-2021 Title I	2021-2022 Title I	Title Iv Student Support	2020-2021 Title Iv Part A
Cash and investments - beginning	\$ -	\$ -	\$ 31,708	\$ -	\$ -	\$ 2,003	\$ 11,083	\$ (3,326)	\$ -	\$ -	\$ (2,655)	\$ -
Receipts:												
Local sources	-	-	1	-	-	-	-	-	10	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	2,613	-	-	30,786	-	22,621	11,864	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	2,397	60,845	-	3,295	4,962
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	2,613	-	1	30,786	-	22,621	11,864	2,397	60,855	-	3,295	4,962
Disbursements:												
Instruction	-	-	-	30,951	-	5,597	-	2,398	90,232	-	-	5,991
Support services	-	-	11,817	-	-	4,156	6,400	-	-	-	640	485
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	11,817	30,951	-	9,753	6,400	2,398	90,232	-	640	6,476
Excess (deficiency) of receipts over disbursements	2,613	-	(11,816)	(165)	-	12,868	5,464	(1)	(29,377)	-	2,655	(1,514)
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	165	-	-	-	3,327	29,377	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	165	-	-	-	3,327	29,377	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,613	-	(11,816)	-	-	12,868	5,464	3,326	-	-	2,655	(1,514)
Cash and investments - ending	\$ 2,613	\$ -	\$ 19,892	\$ -	\$ -	\$ 14,871	\$ 16,547	\$ -	\$ -	\$ -	\$ -	\$ (1,514)

(Continued)

SOUTHERN WELLS 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

	2019-2020 Cte Pilot Program Planning Gra	2020-2021 Area 18 Perkins Grant- Cte	2021-2022 Perkins Cte Grant	School Technology-E Rate	Improving Teacher Quality Nclb	2020-2021 Title li A	2019-2020 Title lia-Pbl Training	Title lia Fy2019	Emergency Connectivity (American Rescue	ESSER III	ESSER II
Cash and investments - beginning	\$ (2,159)	\$ -	\$ -	\$ -	\$ (1,001)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	5,000	27,285	-	-	3,068	1,367	600	4,463	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	5,000	27,285	-	-	3,068	1,367	600	4,463	-	-	-
Disbursements:											
Instruction	2,841	27,285	-	-	-	-	600	1,748	-	-	3,303
Support services	-	-	-	-	2,067	1,417	-	2,715	-	2,671	95,178
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	2,841	27,285	-	-	2,067	1,417	600	4,463	-	2,671	98,481
Excess (deficiency) of receipts over disbursements	2,159	-	-	-	1,001	(50)	-	-	-	(2,671)	(98,481)
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	2,159	-	-	-	1,001	(50)	-	-	-	(2,671)	(98,481)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (50)	\$ -	\$ -	\$ -	\$ (2,671)	\$ (98,481)

(Continued)

SOUTHERN WELLS 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	Covid-19 Fema Ing-Application 2	Covid-19 Fema Application #1	Prepaid School Lunch Accounts	Construction Trades	Federal	State	County	Annuities	I.S.W.A.T.
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 10,379	\$ 28,195	\$ -	\$ -	\$ (1)	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	183	85,096	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	295,343	61,478	5,147	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	3,020	55,256	-	343,772	151,389	94,409	164,455	4,100
Total receipts	295,343	61,478	5,147	3,020	55,439	85,096	343,772	151,389	94,409	164,455	4,100
Disbursements:											
Instruction	-	13,089	-	-	-	-	-	-	-	-	-
Support services	295,343	51,837	5,147	3,020	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	66,373	1,302	343,772	151,389	94,408	164,455	4,100
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	295,343	64,926	5,147	3,020	66,373	1,302	343,772	151,389	94,408	164,455	4,100
Excess (deficiency) of receipts over disbursements	-	(3,448)	-	-	(10,934)	83,794	-	-	1	-	-
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	450	-	-	-	-	-
Transfers in	-	-	1,287	755	17,051	-	-	-	-	-	-
Transfers out	-	-	(1,287)	(755)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	17,051	450	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(3,448)	-	-	6,117	84,244	-	-	1	-	-
Cash and investments - ending	\$ -	\$ (3,448)	\$ -	\$ -	\$ 16,496	\$ 112,439	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

SOUTHERN WELLS 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

	Fica - Certified	Fica - Noncertified	United Way	Garnishment	Textbook Payroll Deduction	County Property Tax Withholding	Health Insurance	Health Insurance - Retirees	Cancer/Other Insurance	Life Insurance	Life Insurance - Retirees
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,432	\$ -	\$ -	\$ (64)	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	271,782	108,696	1,467	5,009	246	16	169,843	31,584	63,488	7,492	273
Total receipts	271,782	108,696	1,467	5,009	246	16	169,843	31,584	63,488	7,492	273
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	271,782	108,696	1,467	5,009	246	16	177,764	26,878	63,488	7,428	163
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	271,782	108,696	1,467	5,009	246	16	177,764	26,878	63,488	7,428	163
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	(7,921)	4,706	-	64	110
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	-	-	-	-	-	-	(7,921)	4,706	-	64	110
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (489)	\$ 4,706	\$ -	\$ -	\$ 110

(Continued)

SOUTHERN WELLS 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

	Section 125 Flexible	Long Term Disability	S125 Vision Service Plan	Vsp - Retiree Premiums	Library Book Replacement Clearing Acct	Eca/Overpaymen t Clearing	Online Textbook Payments	Adams Wells Retirement Payoff	Bank Transfer	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 348	\$ -	\$ 124	\$ -	\$ -	\$ -	\$ -	\$ 2,848,324
Receipts:										
Local sources	-	-	-	473	122	112	7,641	-	-	3,682,152
Intermediate sources	-	-	-	-	-	-	-	-	-	341
State sources	-	-	-	-	-	-	-	-	-	5,544,027
Federal sources	-	-	-	-	-	-	-	-	-	851,261
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	245,508
Other receipts	5,975	106	9,253	-	-	-	-	-	-	1,526,628
Total receipts	5,975	106	9,253	473	122	112	7,641	-	-	11,849,917
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	4,539,403
Support services	-	-	-	-	-	-	-	-	-	4,002,397
Noninstructional services	-	-	-	-	-	-	-	-	-	557,002
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	1,508,616
Debt services	-	-	-	-	-	-	-	-	-	608,000
Nonprogrammed charges	5,975	106	9,513	414	124	75	7,641	-	-	1,512,584
Interfund loans	-	-	-	-	-	-	-	-	-	245,508
Total disbursements	5,975	106	9,513	414	124	75	7,641	-	-	12,973,510
Excess (deficiency) of receipts over disbursements	-	-	(260)	59	(2)	37	-	-	-	(1,123,593)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	2,262
Transfers in	-	-	-	-	-	-	-	-	-	295,638
Transfers out	-	-	-	-	-	-	-	-	-	(295,638)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	2,262
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(260)	59	(2)	37	-	-	-	(1,121,331)
Cash and investments - ending	\$ -	\$ -	\$ 88	\$ 59	\$ 122	\$ 37	\$ -	\$ -	\$ -	\$ 1,726,993

SOUTHERN WELLS 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

	Education	Operating Referendum Tax Levy	Debt Service	Operations	Local Rainy Day	Construction	2019 Construction	School Lunch	Curricular Materials Rental	Educational License Plates	Asbury Chapel Lunch (Es/Hs)
Cash and investments - beginning	\$ 350,000	\$ 40,212	\$ 190,730	\$ 204,886	\$ 711,736	\$ -	\$ 2,384	\$ 113,893	\$ 11,283	\$ 740	\$ 90
Receipts:											
Local sources	119,636	534,572	661,647	2,073,439	-	-	1	51,422	120,568	-	-
Intermediate sources	195	-	-	-	-	-	-	-	-	113	-
State sources	5,833,196	-	-	-	-	-	-	4,202	43,817	-	-
Federal sources	-	-	-	-	-	-	-	506,911	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	3,000	-	-
Other receipts	14,000	-	-	116,443	95,108	-	-	1,038	90	-	-
Total receipts	5,967,027	534,572	661,647	2,189,882	95,108	-	1	563,573	167,475	113	-
Disbursements:											
Instruction	4,219,832	313,511	-	5,140	-	-	-	-	-	-	-
Support services	1,092,405	213,175	29,811	2,238,170	12,253	-	-	200	178,336	-	-
Noninstructional services	141,416	-	-	-	-	-	-	419,784	-	-	17
Facilities acquisition and construction	-	-	-	-	201,408	-	2,385	-	-	-	-
Debt services	-	-	623,000	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	3,000	-	-	-	-	-	-
Total disbursements	5,453,653	526,686	652,811	2,243,310	216,661	-	2,385	419,984	178,336	-	17
Excess (deficiency) of receipts over disbursements	513,374	7,886	8,836	(53,428)	(121,553)	-	(2,384)	143,589	(10,861)	113	(17)
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	208,543	200,000	-	-	-	-	-	-
Transfers out	(400,000)	-	-	(67,873)	-	-	-	-	-	-	-
Total other financing sources (uses)	(400,000)	-	-	140,670	200,000	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	113,374	7,886	8,836	87,242	78,447	-	(2,384)	143,589	(10,861)	113	(17)
Cash and investments - ending	\$ 463,374	\$ 48,098	\$ 199,566	\$ 292,128	\$ 790,183	\$ -	\$ -	\$ 257,482	\$ 422	\$ 853	\$ 73

(Continued)

SOUTHERN WELLS 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

	Special Anonymous Elementary Grant	Park Community Church-Food Fight	Bluffton Lodge #145	Donation For Swhs	Archery Club Donations	Six Mile Church Elementary Donation	Family Ford Donation-Hs Weight Room	Building Trades Donations	Driver'S Education	Nasp-Es/Ms Archery (Whitetails Unlimited)	Action For Healthy Kids
Cash and investments - beginning	\$ 6,074	\$ -	\$ -	\$ 350	\$ 275	\$ -	\$ -	\$ -	\$ 12,088	\$ 1,199	\$ 2,024
Receipts:											
Local sources	4,500	-	-	500	-	150	1,000	2,865	2,655	1,120	20
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	4,500	-	-	500	-	150	1,000	2,865	2,655	1,120	20
Disbursements:											
Instruction	6,341	-	-	850	275	-	1,000	1,294	5,847	2,319	882
Support services	3,792	-	-	-	-	-	-	-	535	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	10,133	-	-	850	275	-	1,000	1,294	6,382	2,319	882
Excess (deficiency) of receipts over disbursements	(5,633)	-	-	(350)	(275)	150	-	1,571	(3,727)	(1,199)	(862)
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,633)	-	-	(350)	(275)	150	-	1,571	(3,727)	(1,199)	(862)
Cash and investments - ending	\$ 441	\$ -	\$ -	\$ -	\$ -	\$ 150	\$ -	\$ 1,571	\$ 8,361	\$ -	\$ 1,162

(Continued)

SOUTHERN WELLS 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

	Stem/Robotics Donations	Cada Grant	Aws Foundation Grant	Partners In Education Donation	Genyouth Futp60 Grant	Wells County Foundation	2020 Wells County Foundation Grants	2021 Wells County Foundation Grant	2022 Wells County Foundation Grants	Scholarship	Formative Assessment
Cash and investments - beginning	\$ -	\$ 4	\$ 2,500	\$ 96	\$ -	\$ -	\$ -	\$ 6,897	\$ -	\$ -	\$ 90
Receipts:											
Local sources	150	860	-	-	1,295	-	-	-	12,519	5,828	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	10,486
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	150	860	-	-	1,295	-	-	-	12,519	5,828	10,486
Disbursements:											
Instruction	-	858	2,500	-	1,295	-	-	6,897	5,825	-	10,576
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	500	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	858	2,500	-	1,295	-	-	6,897	5,825	500	10,576
Excess (deficiency) of receipts over disbursements	150	2	(2,500)	-	-	-	-	(6,897)	6,694	5,328	(90)
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	150	2	(2,500)	-	-	-	-	(6,897)	6,694	5,328	(90)
Cash and investments - ending	\$ 150	\$ 6	\$ -	\$ 96	\$ -	\$ -	\$ -	\$ -	\$ 6,694	\$ 5,328	\$ -

(Continued)

SOUTHERN WELLS 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

	Medicaid Reimbursement	Secured Schools Safety Grant	Early Literacy Intervention Grant 2020	2020-2021 Early Intervention Grant	2021-2022 Early Intervention Grant	School Technology --Do Not Use	Teacher Appreciation Grant	2022 Teacher Appreciation Grant (Tag)	High Ability Students	State Connectivity Grant	Title 1 2019/2020
Cash and investments - beginning	\$ 1,014	\$ (12,899)	\$ -	\$ 2,613	\$ -	\$ 19,892	\$ -	\$ -	\$ 14,871	\$ 16,547	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	648	57,180	-	-	2,942	-	-	31,645	24,760	12,760	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	4,860	-	-	-	-	-
Total receipts	648	57,180	-	-	2,942	4,860	-	31,645	24,760	12,760	-
Disbursements:											
Instruction	-	-	-	-	1,782	-	-	31,645	17,313	-	-
Support services	1,173	67,273	-	2,613	-	68,042	-	-	12,209	14,580	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,173	67,273	-	2,613	1,782	68,042	-	31,645	29,522	14,580	-
Excess (deficiency) of receipts over disbursements	(525)	(10,093)	-	(2,613)	1,160	(63,182)	-	-	(4,762)	(1,820)	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	22,992	-	-	-	43,290	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	22,992	-	-	-	43,290	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(525)	12,899	-	(2,613)	1,160	(19,892)	-	-	(4,762)	(1,820)	-
Cash and investments - ending	\$ 489	\$ -	\$ -	\$ -	\$ 1,160	\$ -	\$ -	\$ -	\$ 10,109	\$ 14,727	\$ -

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SOUTHERN WELLS 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

	2020-2021 Title I	2021-2022 Title I	Title Iv Student Support	2020-2021 Title Iv Part A	2019-2020 Cte Pilot Program Planning Gra	2020-2021 Area 18 Perkins Grant- Cte	2021-2022 Perkins Cte Grant	School Technology-E Rate	Improving Teacher Quality Nclb	2020-2021 Title Ii A	2019-2020 Title Iia-Pbl Training
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (1,514)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (50)	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	13,188	-	-	-	-
Federal sources	-	57,868	-	1,944	-	-	-	3,713	-	6,660	400
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	57,868	-	1,944	-	-	13,188	3,713	-	6,660	400
Disbursements:											
Instruction	-	57,318	-	430	-	-	13,188	-	-	-	400
Support services	-	-	-	-	-	-	-	5,304	-	6,735	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	57,318	-	430	-	-	13,188	5,304	-	6,735	400
Excess (deficiency) of receipts over disbursements	-	550	-	1,514	-	-	-	(1,591)	-	(75)	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	1,591	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	1,591	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	550	-	1,514	-	-	-	-	-	(75)	-
Cash and investments - ending	\$ -	\$ 550	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (125)	\$ -

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SOUTHERN WELLS 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

	Title lia Fy2019	Emergency Connectivity (American Rescue)	ESSER III	ESSER II	Governor's Emergency Education Relief (GEER)	ESSER I	Covid-19 Fema Ing-Application 2	Covid-19 Fema Application #1	Prepaid School Lunch Accounts	Construction Trades	Federal	State
Cash and investments - beginning	\$ -	\$ -	\$ (2,671)	\$ (98,481)	\$ -	\$ (3,448)	\$ -	\$ -	\$ 16,496	\$ 112,439	\$ -	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	106	8,868	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	5,336	365,238	211,651	134,252	5,786	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	40,383	-	379,658	161,274
Total receipts	-	5,336	365,238	211,651	134,252	5,786	-	-	40,489	8,868	379,658	161,274
Disbursements:												
Instruction	-	5,336	116,809	49,291	-	267	-	-	-	-	-	-
Support services	-	-	39,537	58,751	134,252	2,071	-	-	-	-	-	-
Noninstructional services	-	-	-	5,128	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	207,056	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	43,666	-	379,658	161,274
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	5,336	363,402	113,170	134,252	2,338	-	-	43,666	-	379,658	161,274
Excess (deficiency) of receipts over disbursements	-	-	1,836	98,481	-	3,448	-	-	(3,177)	8,868	-	-
Other financing sources (uses)												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	400	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	(8,543)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(8,543)	-	-	-	-	-	-	400	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(6,707)	98,481	-	3,448	-	-	(3,177)	9,268	-	-
Cash and investments - ending	\$ -	\$ -	\$ (9,378)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,319	\$ 121,707	\$ -	\$ -

(Continued)

SOUTHERN WELLS 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

	County	Annuities	I.S.W.A.T.	Fica - Certified	Fica - Noncertified	United Way	Garnishment	Textbook Payroll Deduction	County Property Tax Withholding	Health Insurance	Health Insurance - Retirees	Cancer/Other Insurance
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (489)	\$ 4,706	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	660	33,071	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	99,714	176,820	4,140	281,804	115,020	96	1,167	245	-	181,588	-	65,628
Total receipts	99,714	176,820	4,140	281,804	115,020	96	1,167	245	-	182,248	33,071	65,628
Disbursements:												
Instruction	-	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	99,714	176,820	4,140	281,804	115,020	96	1,167	245	-	181,473	34,054	65,793
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	99,714	176,820	4,140	281,804	115,020	96	1,167	245	-	181,473	34,054	65,793
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	-	-	775	(983)	(165)
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	-	-	-	-	-	-	-	-	-	775	(983)	(165)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 286	\$ 3,723	\$ (165)

(Continued)

SOUTHERN WELLS 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

	Life Insurance	Life Insurance - Retirees	Section 125 Flexible	Long Term Disability	S125 Vision Service Plan	Vsp - Retiree Premiums	Library Book Replacement Clearing Acct	Eca/Overpayment Clearing	Online Textbook Payments	Adams Wells Retirement Payoff	Bank Transfer	Totals
Cash and investments - beginning	\$ -	\$ 110	\$ -	\$ -	\$ 88	\$ 59	\$ 122	\$ 37	\$ -	\$ -	\$ -	\$ 1,726,993
Receipts:												
Local sources	-	217	-	-	-	596	54	-	15,100	-	-	3,653,419
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	308
State sources	-	-	-	-	-	-	-	-	-	-	-	6,034,824
Federal sources	-	-	-	-	-	-	-	-	-	-	-	1,299,759
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	3,000
Other receipts	9,050	-	2,926	110	8,713	-	-	-	-	-	30,450	1,790,325
Total receipts	9,050	217	2,926	110	8,713	596	54	-	15,100	-	30,450	12,781,635
Disbursements:												
Instruction	-	-	-	-	-	-	-	-	-	-	-	4,879,021
Support services	-	-	-	-	-	-	-	-	-	-	30,450	4,211,667
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	566,345
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	410,849
Debt services	-	-	-	-	-	-	-	-	-	-	-	623,000
Nonprogrammed charges	8,915	247	2,926	110	8,744	682	126	37	15,100	-	-	1,582,311
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	3,000
Total disbursements	8,915	247	2,926	110	8,744	682	126	37	15,100	-	30,450	12,276,193
Excess (deficiency) of receipts over disbursements	135	(30)	-	-	(31)	(86)	(72)	(37)	-	-	-	505,442
Other financing sources (uses)												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	400
Transfers in	-	-	-	-	-	-	-	-	-	-	-	476,416
Transfers out	-	-	-	-	-	-	-	-	-	-	-	(476,416)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	400
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	135	(30)	-	-	(31)	(86)	(72)	(37)	-	-	-	505,842
Cash and investments - ending	\$ 135	\$ 80	\$ -	\$ -	\$ 57	\$ (27)	\$ 50	\$ -	\$ -	\$ -	\$ -	\$ 2,232,835

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2022

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 285,318	\$ 146,884

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2022

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities:				
Advanced Imaging Solutions	Copy machines	\$ 21,031	8/29/2018	8/29/2023
Southern Wells Community Schools Building Corporation	2019 Bond Issuance	292,000	7/15/2020	1/15/2040
Southern Wells Community Schools Building Corporation	2018 Bond Issuance	<u>333,000</u>	7/15/2019	1/15/2038
Total governmental activities		<u>646,031</u>		
Total of annual lease payments		<u>\$ 646,031</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	2018 Bond-Renovation projects- entire Corporation	\$ 4,090,000	\$ -
General Obligation Bonds	2019 Bond-Renoavtion projects- entire Corporation	<u>3,895,000</u>	<u>-</u>
Total governmental activities		<u>7,985,000</u>	<u>-</u>
Totals		<u>\$ 7,985,000</u>	<u>\$ -</u>

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2022

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 42,500
Infrastructure	899,745
Buildings	22,493,577
Improvements other than buildings	1,343,801
Machinery, equipment, and vehicles	3,240,118
Books and other	<u>347,081</u>
 Total governmental activities	 <u>28,366,822</u>
 Total capital assets	 <u>\$ 28,366,822</u>

SOUTHERN WELLS COMMUNITY SCHOOLS
STATE REPORTING INFORMATION
July 1, 2020 - June 30, 2022

Financial Statement and Accompanying Notes:

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

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

Indiana Department of Education Reporting:

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

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

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

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

Federal Grantor Agency <u>Cluster Title/Program Title/Project Title</u>	<u>Pass-Through Entity or Direct Grant</u>	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended <u>06-30-21</u>	Total Federal Awards Expended <u>06-30-22</u>	Total Federal Awards Expended 07-01-2020 to <u>06-30-22</u>
Department of Agriculture						
Child Nutrition Cluster						
Food & Nutrition Service/ School Breakfast Program	Indiana Department of Education	10.553	FY2021, FY2022	\$ 52,500	\$ 82,951	\$ 135,451
School Breakfast Program		10.555	FY2021, FY2022	323,511	432,061	755,572
National School Lunch Program		10.555	FY2021, FY2022	42,946	52,836	95,782
Commodities						
Total - Child Nutrition Cluster				<u>418,957</u>	<u>567,848</u>	<u>986,805</u>
Pandemic EBT Administrative Costs	Indiana Department of Education	10.649	FY2021, FY2022	-	614	614
Pandemic EBT Administrative Costs						
Total - Pandemic EBT Administrative Costs				<u>-</u>	<u>614</u>	<u>614</u>
Total - Department of Agriculture				<u>418,957</u>	<u>568,462</u>	<u>987,419</u>
Federal Communications Commission						
Universal Service Fund - Schools and Libraries	Universal Service Administrative Co.	32.004	27-5182-0-2-376	-	3,713	3,713
School Technology E-rate						
Total - Universal Service Fund - Schools and Libraries				<u>-</u>	<u>3,713</u>	<u>3,713</u>
Emergency Connectivity Fund Program	Universal Service Administrative Co.	32.009	27-1913-0-1-376	-	5,337	5,337
Emergency Connectivity						
Total - Emergency Connectivity Fund Program				<u>-</u>	<u>5,337</u>	<u>5,337</u>
Total - Federal Communications Commission				<u>-</u>	<u>9,050</u>	<u>9,050</u>
Department of Education						
Special Education Cluster(IDEA)						
Special Education Grants to States	Indiana Department of Education	84.027	19611-01-PN01	36,062	-	36,062
Special Ed-Part B		84.027	20611-01-PN01	153,311	16,859	170,170
Special Ed-Part B		84.027	21611-001-PN01	14,346	167,323	181,669
Special Ed-Part B		84.027	22611-001-ARP	-	2,077	2,077
Special Ed-Part B		84.027	22611-001-PN01	-	3,743	3,743
Total - Special Education Grants to States				<u>203,719</u>	<u>190,002</u>	<u>393,721</u>

(Continued)

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-2020 to 06-30-22
Special Education Preschool Grants	Indiana Department of Education					
Special Ed Preschool		84.173	19619-01-PN01	\$ 530	\$ -	\$ 530
Special Ed Preschool		84.173	20619-01-PN01	1,168	-	1,168
Special Ed Preschool		84.173	21619-01-PN01	11,277	2,328	13,605
Special Ed Preschool		84.173	22619-001-PN01	-	6,742	6,742
Total - Special Education Preschool Grants				<u>12,975</u>	<u>9,070</u>	<u>22,045</u>
Total - Special Education Cluster(IDEA)				<u>216,694</u>	<u>199,072</u>	<u>415,766</u>
Title I Grants to Local Education Agencies	Indiana Department of Education					
Title I, Part A		84.010	S010A190014	5,725	-	5,725
Title I, Part A		84.010	S010A200014	57,518	57,868	115,386
Total - Title I Grants to Local Educational Agencies				<u>63,243</u>	<u>57,868</u>	<u>121,111</u>
Title V Career and Technical Education - Basic Grants to State Pilot Program Planning Grant	IBluffton-Harrison M.S.D.					
		84.048	51248A19LDRSHIP	32,285	13,188	45,473
Total - Title V Career and Technical Education - Basic Grants to State				<u>32,285</u>	<u>13,188</u>	<u>45,473</u>
Title II Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367	S367A180013	3,067	-	3,067
Title II, Part A		84.367	S367A190013	4,462	400	4,862
Title II, Part A		84.367	S367A200013	1,968	6,660	8,628
Total - Title II Supporting Effective Instruction State Grants				<u>9,497</u>	<u>7,060</u>	<u>16,557</u>
Title IV Student Support and Academic Enrichment Program	Indiana Department of Education					
Title IV Part A		84.424	S424A180015	640	-	640
Title IV Part A		84.424	S424A200015	7,617	1,944	9,561
Total - Title IV Student Support and Academic Enrichment Program				<u>8,257</u>	<u>1,944</u>	<u>10,201</u>

(Continued)

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-2020 to 06-30-22
COVID-19 Education Stabilization Fund	Indiana Department of Education					
Governor's Emergency Education Relief (GEER) Fund		84.425C	S425C200018	\$ 295,343	\$ 134,252	\$ 429,595
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	61,477	5,786	67,263
Elementary and Secondary School Emergency Relief (ESSER II) Fund		84.425D	S425D210013	-	211,650	211,650
Elementary and Secondary School Emergency Relief (ESSER III) Fund		84.425U	S425U200013	-	365,238	365,238
Total - COVID-19 Education Stabilization Fund				<u>356,820</u>	<u>716,926</u>	<u>1,073,746</u>
Total - Department of Education				<u>686,796</u>	<u>996,058</u>	<u>1,685,854</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster	Indiana Department of Education					
Medical Assistance Program		93.778	FY2021, FY2022	<u>375</u>	<u>469</u>	<u>844</u>
Total - Medicaid Cluster				<u>375</u>	<u>469</u>	<u>844</u>
Total - Department of Health and Human Services				<u>375</u>	<u>469</u>	<u>844</u>
<u>Department of Homeland Security</u>						
Federal Emergency Management Agency (FEMA)	Indiana Department of Education					
COVID-19 - FEMA Public Assistance Grant		97.036	N/A	<u>5,147</u>	<u>-</u>	<u>5,147</u>
Total - Disaster Grants - Public Assistance (Presidentially Declared Disasters)				<u>5,147</u>	<u>-</u>	<u>5,147</u>
Total - Department of Homeland Security				<u>5,147</u>	<u>-</u>	<u>5,147</u>
Total federal awards expended				<u>\$ 1,111,275</u>	<u>\$ 1,574,039</u>	<u>\$ 2,685,314</u>

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

SOUTHERN WELLS COMMUNITY SCHOOLS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period of July 1, 2020 through June 30, 2022

NOTE 1 - BASIS OF PRESENTATION

A. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the period of July 1, 2020 through 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 Adams-Wells Special Services 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
Southern Wells Community Schools
Wells 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 Centerville-Abington Community 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, 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 28, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2022-001 that we consider to be a significant deficiency.

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Corporation's financial statements are 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 statements. 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*.

School Corporation's Response to Finding

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

Purpose of this Report

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


Crowe LLP

Indianapolis, Indiana
March 28, 2023

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

Those Charged with Governance
Southern Wells Community Schools
Wells County, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Southern Wells Community Schools' (the "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 through 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 through June 30, 2022.

Basis for Opinion on Each 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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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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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 28, 2023

SOUTHERN WELLS COMMUNITY SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 July 1, 2020 through June 30, 2022

Section I – Summary of Auditor’s Results

Financial Statement

Type of auditor’s report issued	Adverse as to GAAP, Unmodified as to regulatory basis		
Internal control over financial reporting			
Material weakness(es) identified?	_____	Yes	_____ <u>X</u> _____ No
Significant deficiencies identified not considered to be material weaknesses?	_____ <u>X</u> _____	Yes	_____ None Reported
Noncompliance material to financial statement noted?	_____	Yes	_____ <u>X</u> _____ No

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

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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SOUTHERN WELLS COMMUNITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 through June 30, 2022

Section II – Financial Statement Findings

FINDING 2022-001

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

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

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

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

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

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

2 CFR 200.508 states in part:

"The auditee must: . . .

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

2 CFR 200.510(b) states:

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

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

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SOUTHERN WELLS COMMUNITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 through June 30, 2022

Section II – Financial Statement Findings (Continued)

FINDING 2022-001 (Continued)

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

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

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

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

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

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

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

Context: The federal grant information entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the SEFA. There was no formal evidence that the SEFA was reviewed prior to submission. The following errors were noted that resulted in the net overstatement of the total federal awards expended on the SEFA by \$57,026 for the period July 1, 2020 through June 30, 2022:

1. The Child Nutrition Cluster expenditures were overstated by \$61,258
2. The Title I Grants to Local Education Agencies expenditures were overstated by \$3,327
3. The Title II Supporting Effective Instruction State Grants expenditures were understated by \$601
4. The Title IV Student Support and Academic Enrichment Program expenditures were understated by \$2,655
5. The Medicaid Cluster expenditures were understated by \$844
6. The COVID-19 – FEMA Public Assistance Grant expenditures were understated by \$5,147

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

Effect: Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA remained undetected. The SEFA contained the errors identified in the *Condition and Context*.

Identification as a repeat finding, if applicable: No.

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SOUTHERN WELLS COMMUNITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 through June 30, 2022

Section II – Financial Statement Findings (Continued)

FINDING 2022-001 (Continued)

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

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

Section III – Federal Award Findings and Questioned Costs

None noted.



Southern Wells Community Schools

9120 S 300 West

Poneto, IN 46781

765-728-5537

Dr. Trent Lehman, Superintendent

Lora Warner, Treasurer

lwarner@swraiders.com

Shirley Klowetter, Secretary

sklowetter@swraider.com

CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS
June 30, 2022

FINDING 2022-001

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

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

Context: The federal grant information entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the SEFA. There was no formal evidence that the SEFA was reviewed prior to submission. The following errors were noted that resulted in the net overstatement of the total federal awards expended on the SEFA by \$57,026 for the period July 1, 2020 through June 30, 2022:

The Child Nutrition Cluster expenditures were overstated by \$61,258

The Title I Grants to Local Education Agencies expenditures were overstated by \$3,327

The Title II Supporting Effective Instruction State Grants expenditures were understated by \$601

The Title IV Student Support and Academic Enrichment Program expenditures were understated by \$2,655

The Medicaid Cluster expenditures were understated by \$844

The COVID-19 – FEMA Public Assistance Grant expenditures were understated by \$5,147

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

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

The above listed grant amounts on the SEFA will be corrected at completion of the exit conference with Crowe auditors. On future SEFA reports, receipt amounts will be used to complete the distribution amounts on the report instead of our expenditure amounts as was done in the reports in this audit period. Double review and sign-off from the treasurer and superintendent will be established for the SEFA report prior to submitting the report in Gateway.

Responsible Party and Timeline for Completion:

The treasurer will be responsible for making the corrections in Gateway immediately following the end of the audit as well as making sure that the double review and sign-off process is completed prior to making any future submissions to Gateway for the SEFA.