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April 12, 2023

To: The Officials of the Metropolitan School District of New Durham Township
Metropolitan School District of New Durham Township
207 E Valparaiso Street
Westville, IN 46391

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Metropolitan School District of New Durham Township. 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 present 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 findings included in the report on pages 39 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 pages 46 and 47.

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 Metropolitan School District of New Durham Township 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

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
LaPorte County, Indiana

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

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
LaPorte County, Indiana

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

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METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
SCHEDULE OF OFFICIALS (Unaudited)
For the period July 1, 2020 to June 30, 2022

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Terri Stachowiak	07-01-20 to 06-30-22
Superintendent of Schools	Sandra Wood	07-01-20 to 06-30-22
President of the School Board	Mark Parkman	07-01-20 to 06-30-22

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Metropolitan School District of New Durham Township
LaPorte County, Indiana

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

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

Unmodified Opinion on Regulatory Basis of Accounting

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Basis for Opinions

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

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

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

(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.

(Continued)

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.

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 30, 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 30, 2023

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
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	\$ 993,200	\$ 6,362,609	\$ 5,429,781	\$ (1,246,385)	679,643	6,742,971	5,823,680	\$ (862,574)	\$ 736,360
Debt Service	433,400	1,417,042	1,430,623	170,392	590,211	1,508,308	1,618,035	299,676	780,160
Retirement/Severance Bond Debt Service	5,927	106,461	96,260	-	16,128	100,214	96,876	-	19,466
Operations	894,397	1,303,957	1,797,664	463,550	864,240	1,244,236	2,031,240	735,739	812,975
Local Rainy Day	43,601	-	-	644,404	688,005	-	-	-	688,005
2017 Project-Go Bond	57,250	130,405	16,823	-	170,832	74	18,327	-	152,579
School Lunch	134,791	336,035	215,627	(27,414)	227,785	490,388	307,834	(33,657)	376,682
Curricular Materials Rental	(121,740)	109,499	-	18,211	5,970	132,448	157,652	19,594	360
Levy Excess	8,958	-	-	-	8,958	-	-	-	8,958
Blue Chip	31,003	10,617	-	-	41,620	14,287	-	-	55,907
Westville Little School	23,746	44,958	28,236	-	40,468	55,295	28,771	-	66,992
Hlthcare Foundation 1790	-	24,999	21,973	-	3,026	50,000	28,026	-	25,000
Hlthcare Foundation 1791	5,200	-	-	-	5,200	-	5,200	-	-
Hlthcare Foundation 1792	1,455	-	1,396	-	59	-	-	-	59
Hlthcr Grnt Prevention Implmnt	20,258	-	502	-	19,756	-	15,369	-	4,387
Hlthcr Foundation Mentorship	-	7,068	5,905	-	1,163	14,000	6,938	-	8,225
Educational License Plates	563	56	-	-	619	38	-	-	657
Courtyard 2004	313	(1)	-	-	312	-	-	-	312
Donations Gifts Trusts	10,823	2,952	1,712	-	12,063	-	2,478	-	9,585
Stem Program	91	-	91	-	-	-	-	-	-
Porter Trust	3,578	-	-	-	3,578	-	-	-	3,578
United Way Stdnt Vrtl Support	-	37,500	15,430	-	22,070	-	11,112	-	10,958
Epa Grant Dunes Learning Cntr	152	-	151	-	1	-	-	-	1
Formative Assessment	6,264	8,078	6,218	-	8,124	11,430	7,788	-	11,766
Special Education Excess Costs	-	-	-	-	-	115,088	115,088	-	-
Medicaid Reimburse - State	1,567	2,675	-	(3,284)	958	6,273	-	(5,726)	1,505
Secured Schools Safety Grant	-	25,047	25,047	-	-	30,152	30,152	-	-
Early Intervention Grant	88	2,971	3,032	-	27	3,254	-	-	3,281
Teacher Appreciation Grant	-	33,031	33,031	-	-	33,474	33,474	-	-
High Ability Students	12,370	22,836	29,015	28	6,219	25,207	28,446	-	2,980
State Connectivity Grant	-	11,864	11,864	-	-	6,030	6,030	-	-
Project Lead The Way	-	3,900	2,400	-	1,500	5,000	3,900	-	2,600
Pltw Grant	1,102	6,000	6,604	-	498	6,743	6,743	-	498
Title I 2019-20 Cfda 84.010A	(5,233)	21,648	16,415	-	-	-	-	-	-
Title I	-	85,920	99,438	-	(13,518)	30,560	17,042	-	-
Title I 2021-2022 Cfda 84.010A	-	-	-	-	-	113,316	115,757	-	(2,441)
Title Iv A 5800	1,018	2,106	6,424	-	(3,300)	15,650	12,176	-	174
Nutritional Grant	-	-	-	-	-	2,810	2,810	-	-
Medicaid Reimburse - Federal	58,598	27,227	897	-	84,928	25,224	57,040	-	53,112
Title Ii	-	3,882	4,382	-	(500)	7,404	6,904	-	-
Title Iia 6844	-	1,038	3,080	-	(2,042)	11,876	9,834	-	-
Title Iia 6845	-	-	3,225	-	(3,225)	4,229	2,455	-	(1,451)

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
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
Title Ii Bootcamp Fy22 84.367A	-	-	-	-	-	4,000	4,000	-	-
ESSER III	-	-	-	-	-	246,510	253,107	-	(6,597)
ESSER II	-	-	4,665	-	(4,665)	233,648	233,303	-	(4,320)
ESSER I	-	57,862	60,812	-	(2,950)	31,312	28,362	-	-
Fema Grant Prj385Pa4515000000	-	-	-	-	-	59,914	59,914	-	-
Prepaid School Lunch Accounts	3,838	20,625	11,923	-	12,540	28,474	28,179	-	12,835
Vision	-	6,505	6,505	-	-	6,867	6,867	-	-
Dental	-	17,957	17,957	-	-	16,748	16,748	-	-
Health	-	150,443	150,443	-	-	168,381	168,381	-	-
Med Reimb Afa125	-	9,806	9,806	-	-	12,419	12,419	-	-
Disability Afa	12,669.00	471	13,140	-	-	12,806	12,806	-	-
Life Afa	-	20,264	20,264	-	-	22,495	22,495	-	-
Cancer 125 Afa	203.00	23,042	23,245	-	-	25,585	25,585	-	-
Critical III Afa	-	183	183	-	-	183	183	-	-
Critical Grp II Afa	-	3,766	3,766	-	-	4,059	4,059	-	-
Accident 125 Afa	90.00	9,450	9,540	-	-	10,348	10,348	-	-
Grp Hosp 125 Afa 1339 28	-	-	-	-	-	1,995	1,995	-	-
Hsa 125 Afa	-	27,266	27,266	-	-	25,092	25,092	-	-
Federal Tax	-	329,546	329,670	-	(124)	389,915	389,791	-	-
Social Security Tax	-	299,796	299,837	-	(41)	356,918	356,877	-	-
State Tax	-	123,850	123,850	-	-	146,697	146,697	-	-
County Tax	-	31,422	31,422	-	-	39,521	39,521	-	-
Retirement	-	78,703	78,703	-	-	86,937	86,937	-	-
Health Ins	-	4	4	-	-	3	3	-	-
Life Insurance	59.00	64	122	-	1	63	64	-	-
403B Met Life	-	7,800	7,800	-	-	7,800	7,800	-	-
Garnish Lp Co	-	1,089	1,089	-	-	-	-	-	-
Garnish Chld Sprrt	-	5,360	5,360	-	-	5,280	5,280	-	-
Af Noncert 403B	-	13,398	13,398	-	-	19,129	19,129	-	-
Af Cert 403B	-	138,003	138,003	-	-	121,235	121,235	-	-
Moneyin Moneyout	6,783.00	36,748	39,276	-	4,255	31,020	26,883	-	8,392
Special Trf Fund	(4.00)	923	919	-	-	-	-	-	-
Fringe Benefits	-	422	421	-	1	412	413	-	-
Totals	\$ 2,646,378	\$ 11,567,148	\$ 10,742,635	\$ 19,502	3,490,393	12,921,745	12,721,650	\$ 153,052	\$ 3,843,540

See notes to financial statement.

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period of 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)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period of 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)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 NOTES TO FINANCIAL STATEMENT
 As of June 30, 2022, and for the period of 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 - RECLASSIFICATION

Certain prior year balances have been reclassified to conform to the current fiscal year presentation. The reclassifications had no effect on total opening cash balances. The clearing fund which was previously reported in the aggregate amount of \$19,800 at June 30, 2020, has been reclassified to the following individual fund balances at July 1, 2020 to reflect the nature of the clearing fund activity as follows:

Disability Afa	\$	12,669
Cancer 125 Afa		203
Accident 125 Afa		90
Life Insurance		59
Moneyin Moneyout		6,783
Special Trf Fund		(4)
	\$	19,800

NOTE 3 - BUDGETS

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

NOTE 4 - PROPERTY TAXES

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

(Continued)

NOTE 5 - DEPOSITS AND INVESTMENTS

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

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

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

NOTE 6 - RISK MANAGEMENT

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

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

NOTE 7 - CASH BALANCE DEFICITS

The financial 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, 2021, and 2022.

NOTE 8 - HOLDING CORPORATION

The School Corporation has entered into a capital lease with the Metropolitan School District of New Durham Township 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 \$1,405,830. Lease payments for the period July 1, 2021 to June 30, 2022 totaled \$1,413,580.

NOTE 9 - PENSION PLANS

Public Employees' Retirement Fund

Plan Description

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

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

Financial Report

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

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

Contributions

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

Teachers' Retirement Fund

Plan Descriptions

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

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

(Continued)

NOTE 9 - PENSION PLANS (Continued)

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

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

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

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

Financial Report

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

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

Contributions

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

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Education	Debt Service	Retirement/Severance Bond Debt Service	Operations	Local Rainy Day	2017 Project-Go Bond	School Lunch	Curricular Materials Rental	Levy Excess	Blue Chip	Westville Little School	Hlthcare Foundation 1790
Cash and investments - beginning	\$ 993,200	\$ 433,400	\$ 5,927	\$ 894,397	\$ 43,601	\$ 57,250	\$ 134,791	\$ (121,740)	\$ 8,958	\$ 31,003	\$ 23,746	\$ -
Receipts:												
Local sources	19,141	1,417,042	106,461	1,303,930	-	130,405	31,560	85,296	-	-	44,958	24,999
Intermediate sources	-	-	-	27	-	-	-	-	-	10,617	-	-
State sources	6,343,468	-	-	-	-	-	-	24,203	-	-	-	-
Federal sources	-	-	-	-	-	-	304,325	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	150	-	-	-	-	-
Total receipts	6,362,609	1,417,042	106,461	1,303,957	-	130,405	336,035	109,499	-	10,617	44,958	24,999
Disbursements:												
Instruction	4,117,592	-	-	-	-	-	-	-	-	-	27,926	21,973
Support services	1,201,675	10	-	1,744,915	-	-	(231)	-	-	-	310	-
Noninstructional services	110,514	-	-	-	-	-	215,858	-	-	-	-	-
Facilities acquisition and construction	-	-	-	52,749	-	16,823	-	-	-	-	-	-
Debt services	-	1,430,613	96,260	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	5,429,781	1,430,623	96,260	1,797,664	-	16,823	215,627	-	-	-	28,236	21,973
Excess (deficiency) of receipts over disbursements	932,828	(13,581)	10,201	(493,707)	-	113,582	120,408	109,499	-	10,617	16,722	3,026
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	424	36	-	803	-	-	-	18,211	-	-	-	-
Transfers in	3,284	170,356	-	977,553	644,404	-	-	-	-	-	-	-
Transfers out	(1,250,093)	-	-	(514,806)	-	-	(27,414)	-	-	-	-	-
Total other financing sources (uses)	(1,246,385)	170,392	-	463,550	644,404	-	(27,414)	18,211	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(313,557)	156,811	10,201	(30,157)	644,404	113,582	92,994	127,710	-	10,617	16,722	3,026
Cash and investments - ending	\$ 679,643	\$ 590,211	\$ 16,128	\$ 864,240	\$ 688,005	\$ 170,832	\$ 227,785	\$ 5,970	\$ 8,958	\$ 41,620	\$ 40,468	\$ 3,026

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Hlthcare Foundation 1791	Hlthcare Foundation 1792	Hlthcr Grnt Prevention Implmnt	Hlthcr Foundation Mentorship	Educational License Plates	Courtyard 2004	Donations Gifts Trusts	Stem Program	Porter Trust	United Way Stdnt Vrtl Support	Epa Grant Dunes Learning Cntr	Formative Assessment
Cash and investments - beginning	\$ 5,200	\$ 1,455	\$ 20,258	\$ -	\$ 563	\$ 313	\$ 10,823	\$ 91	\$ 3,578	\$ -	\$ 152	\$ 6,264
Receipts:												
Local sources	-	-	-	7,068	-	(1)	2,952	-	-	37,500	-	-
Intermediate sources	-	-	-	-	56	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	8,078
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	7,068	56	(1)	2,952	-	-	37,500	-	8,078
Disbursements:												
Instruction	-	-	37	-	-	-	462	91	-	-	151	-
Support services	-	1,396	465	5,905	-	-	701	-	-	15,430	-	6,218
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	549	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	1,396	502	5,905	-	-	1,712	91	-	15,430	151	6,218
Excess (deficiency) of receipts over disbursements	-	(1,396)	(502)	1,163	56	(1)	1,240	(91)	-	22,070	(151)	1,860
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(1,396)	(502)	1,163	56	(1)	1,240	(91)	-	22,070	(151)	1,860
Cash and investments - ending	\$ 5,200	\$ 59	\$ 19,756	\$ 1,163	\$ 619	\$ 312	\$ 12,063	\$ -	\$ 3,578	\$ 22,070	\$ 1	\$ 8,124

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Medicaid Reimburse - State	Secured Schools Safety Grant	Early Intervention Grant	Teacher Appreciation Grant	High Ability Students	State Connectivity Grant	Project Lead The Way	Pltw Grant	Title I 2019-20 Cfda 84.010A	Title I	Title Iv A 5800
Cash and investments - beginning	\$ 1,567	\$ -	\$ 88	\$ -	\$ 12,370	\$ -	\$ -	\$ 1,102	\$ (5,233)	\$ -	\$ 1,018
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	2,675	25,047	2,971	33,031	22,836	11,864	3,900	6,000	-	-	-
Federal sources	-	-	-	-	-	-	-	-	21,648	85,920	2,106
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	2,675	25,047	2,971	33,031	22,836	11,864	3,900	6,000	21,648	85,920	2,106
Disbursements:											
Instruction	-	-	407	31,638	29,015	-	2,400	6,604	16,415	99,413	6,225
Support services	-	25,047	2,625	1,393	-	11,864	-	-	-	-	199
Noninstructional services	-	-	-	-	-	-	-	-	-	25	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	25,047	3,032	33,031	29,015	11,864	2,400	6,604	16,415	99,438	6,424
Excess (deficiency) of receipts over disbursements	2,675	-	(61)	-	(6,179)	-	1,500	(604)	5,233	(13,518)	(4,318)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	28	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	(3,284)	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(3,284)	-	-	-	28	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(609)	-	(61)	-	(6,151)	-	1,500	(604)	5,233	(13,518)	(4,318)
Cash and investments - ending	\$ 958	\$ -	\$ 27	\$ -	\$ 6,219	\$ -	\$ 1,500	\$ 498	\$ -	\$ (13,518)	\$ (3,300)

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Medicaid Reimburse - Federal	Title li	Title lia 6844	Title lia 6845	ESSER II	ESSER I	Prepaid School Lunch Accounts	Vision	Dental	Health	Med Reimb Afa125	Disability Afa
Cash and investments - beginning	\$ 58,598	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,838	\$ -	\$ -	\$ -	\$ -	\$ 12,669
Receipts:												
Local sources	-	-	-	-	-	-	20,625	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	27,227	3,882	1,038	-	-	57,862	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	6,505	17,957	150,443	9,806	471
Total receipts	27,227	3,882	1,038	-	-	57,862	20,625	6,505	17,957	150,443	9,806	471
Disbursements:												
Instruction	-	-	-	-	-	-	-	-	-	-	-	-
Support services	-	4,382	3,080	3,225	4,665	60,812	452	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	11,471	-	-	-	-	-
Facilities acquisition and construction	897	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	6,505	17,957	150,443	9,806	13,140
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	897	4,382	3,080	3,225	4,665	60,812	11,923	6,505	17,957	150,443	9,806	13,140
Excess (deficiency) of receipts over disbursements	26,330	(500)	(2,042)	(3,225)	(4,665)	(2,950)	8,702	-	-	-	-	(12,669)
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	26,330	(500)	(2,042)	(3,225)	(4,665)	(2,950)	8,702	-	-	-	-	(12,669)
Cash and investments - ending	\$ 84,928	\$ (500)	\$ (2,042)	\$ (3,225)	\$ (4,665)	\$ (2,950)	\$ 12,540	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Life Afa	Cancer 125 Afa	Critical III Afa	Critical Grp II Afa	Accident 125 Afa	Hsa 125 Afa	Federal Tax	Social Security Tax	State Tax	County Tax	Retirement	Health Ins
Cash and investments - beginning	\$ -	\$ 203	\$ -	\$ -	\$ 90	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	20,264	23,042	183	3,766	9,450	27,266	329,546	299,796	123,850	31,422	78,703	4
Total receipts	20,264	23,042	183	3,766	9,450	27,266	329,546	299,796	123,850	31,422	78,703	4
Disbursements:												
Instruction	-	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	20,264	23,245	183	3,766	9,540	27,266	329,670	299,837	123,850	31,422	78,703	4
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	20,264	23,245	183	3,766	9,540	27,266	329,670	299,837	123,850	31,422	78,703	4
Excess (deficiency) of receipts over disbursements	-	(203)	-	-	(90)	-	(124)	(41)	-	-	-	-
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	-	(203)	-	-	(90)	-	(124)	(41)	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (124)	\$ (41)	\$ -	\$ -	\$ -	\$ -

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Life Insurance	403B Met Life	Garnish Lp Co	Garnish Chld Sprt	Af Noncert 403B	Af Cert 403B	Moneyin Moneyout	Special Trf Fund	Fringe Benefits	Totals
Cash and investments - beginning	\$ 59	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,783	\$ (4)	\$ -	\$ 2,646,378
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	3,231,936
Intermediate sources	-	-	-	-	-	-	-	-	-	10,700
State sources	-	-	-	-	-	-	-	-	-	6,484,073
Federal sources	-	-	-	-	-	-	-	-	-	504,008
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	64	7,800	1,089	5,360	13,398	138,003	36,748	923	422	1,336,431
Total receipts	64	7,800	1,089	5,360	13,398	138,003	36,748	923	422	11,567,148
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	4,360,349
Support services	-	-	-	-	-	-	-	-	-	3,094,538
Noninstructional services	-	-	-	-	-	-	-	-	-	337,868
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	71,018
Debt services	-	-	-	-	-	-	-	-	-	1,526,873
Nonprogrammed charges	122	7,800	1,089	5,360	13,398	138,003	39,276	919	421	1,351,989
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	122	7,800	1,089	5,360	13,398	138,003	39,276	919	421	10,742,635
Excess (deficiency) of receipts over disbursements	(58)	-	-	-	-	-	(2,528)	4	1	824,513
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	19,502
Transfers in	-	-	-	-	-	-	-	-	-	1,795,597
Transfers out	-	-	-	-	-	-	-	-	-	(1,795,597)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	19,502
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(58)	-	-	-	-	-	(2,528)	4	1	844,015
Cash and investments - ending	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,255	\$ -	\$ 1	\$ 3,490,393

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Education	Debt Service	Retirement/Severance Bond Debt Service	Operations	Local Rainy Day	2017 Project-Go Bond	School Lunch	Curricular Materials Rental	Levy Excess	Blue Chip	Westville Little School
Cash and investments - beginning	\$ 679,643	\$ 590,211	\$ 16,128	\$ 864,240	\$ 688,005	\$ 170,832	\$ 227,785	\$ 5,970	\$ 8,958	\$ 41,620	\$ 40,468
Receipts:											
Local sources	24,341	1,508,308	100,214	1,244,210	-	74	31,686	105,444	-	-	55,295
Intermediate sources	-	-	-	26	-	-	-	-	-	14,287	-
State sources	6,718,630	-	-	-	-	-	-	27,004	-	-	-
Federal sources	-	-	-	-	-	-	458,702	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	6,742,971	1,508,308	100,214	1,244,236	-	74	490,388	132,448	-	14,287	55,295
Disbursements:											
Instruction	4,609,444	-	-	-	-	-	-	-	-	-	28,771
Support services	1,099,934	10	-	1,980,520	-	-	150	157,652	-	-	-
Noninstructional services	114,302	-	-	-	-	-	307,684	-	-	-	-
Facilities acquisition and construction	-	-	-	50,720	-	18,327	-	-	-	-	-
Debt services	-	1,618,025	96,876	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	5,823,680	1,618,035	96,876	2,031,240	-	18,327	307,834	157,652	-	-	28,771
Excess (deficiency) of receipts over disbursements	919,291	(109,727)	3,338	(787,004)	-	(18,253)	182,554	(25,204)	-	14,287	26,524
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	623	132,600	-	235	-	-	-	19,594	-	-	-
Transfers in	5,726	167,076	-	902,580	-	-	-	-	-	-	-
Transfers out	(868,923)	-	-	(167,076)	-	-	(33,657)	-	-	-	-
Total other financing sources (uses)	(862,574)	299,676	-	735,739	-	-	(33,657)	19,594	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	56,717	189,949	3,338	(51,265)	-	(18,253)	148,897	(5,610)	-	14,287	26,524
Cash and investments - ending	\$ 736,360	\$ 780,160	\$ 19,466	\$ 812,975	\$ 688,005	\$ 152,579	\$ 376,682	\$ 360	\$ 8,958	\$ 55,907	\$ 66,992

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Hlthcare Foundation 1790	Hlthcare Foundation 1791	Hlthcare Foundation 1792	Hlthcr Grnt Prevention Implmnt	Hlthcr Foundation Mentorship	Educational License Plates	Courtyard 2004	Donations Gifts Trusts	Porter Trust	United Way Stdnt Vrtl Support	Epa Grant Dunes Learning Cntr
Cash and investments - beginning	\$ 3,026	\$ 5,200	\$ 59	\$ 19,756	\$ 1,163	\$ 619	\$ 312	\$ 12,063	\$ 3,578	\$ 22,070	\$ 1
Receipts:											
Local sources	50,000	-	-	-	14,000	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	38	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	50,000	-	-	-	14,000	38	-	-	-	-	-
Disbursements:											
Instruction	28,026	5,200	-	13,512	-	-	-	1,428	-	-	-
Support services	-	-	-	1,857	6,938	-	-	1,050	-	11,112	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	28,026	5,200	-	15,369	6,938	-	-	2,478	-	11,112	-
Excess (deficiency) of receipts over disbursements	21,974	(5,200)	-	(15,369)	7,062	38	-	(2,478)	-	(11,112)	-
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	21,974	(5,200)	-	(15,369)	7,062	38	-	(2,478)	-	(11,112)	-
Cash and investments - ending	\$ 25,000	\$ -	\$ 59	\$ 4,387	\$ 8,225	\$ 657	\$ 312	\$ 9,585	\$ 3,578	\$ 10,958	\$ 1

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Formative Assessment	Special Education Excess Costs	Medicaid Reimburse - State	Secured Schools Safety Grant	Early Intervention Grant	Teacher Appreciation Grant	High Ability Students	State Connectivity Grant	Project Lead The Way	Pltw Grant	Title I
Cash and investments - beginning	\$ 8,124	\$ -	\$ 958	\$ -	\$ 27	\$ -	\$ 6,219	\$ -	\$ 1,500	\$ 498	\$ (13,518)
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	11,430	115,088	6,273	30,152	3,254	33,474	25,207	6,030	5,000	6,743	-
Federal sources	-	-	-	-	-	-	-	-	-	-	30,560
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	11,430	115,088	6,273	30,152	3,254	33,474	25,207	6,030	5,000	6,743	30,560
Disbursements:											
Instruction	-	115,088	-	-	-	32,741	28,446	-	3,900	6,743	17,042
Support services	7,788	-	-	30,152	-	733	-	6,030	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	7,788	115,088	-	30,152	-	33,474	28,446	6,030	3,900	6,743	17,042
Excess (deficiency) of receipts over disbursements	3,642	-	6,273	-	3,254	-	(3,239)	-	1,100	-	13,518
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	(5,726)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(5,726)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,642	-	547	-	3,254	-	(3,239)	-	1,100	-	13,518
Cash and investments - ending	\$ 11,766	\$ -	\$ 1,505	\$ -	\$ 3,281	\$ -	\$ 2,980	\$ -	\$ 2,600	\$ 498	\$ -

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Title I 2021-2022 Cfda 84.010A	Title Iv A 5800	Nutritional Grant	Medicaid Reimburse - Federal	Title li	Title lia 6844	Title lia 6845	Title li Bootcamp Fy22 84.367A	ESSER III	ESSER II	ESSER I
Cash and investments - beginning	\$ -	\$ (3,300)	\$ -	\$ 84,928	\$ (500)	\$ (2,042)	\$ (3,225)	\$ -	\$ -	\$ (4,665)	\$ (2,950)
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	113,316	15,650	2,810	25,224	7,404	11,876	4,229	4,000	246,510	233,648	31,312
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	113,316	15,650	2,810	25,224	7,404	11,876	4,229	4,000	246,510	233,648	31,312
Disbursements:											
Instruction	115,757	6,466	-	55,924	-	-	-	-	94,282	73,767	2,292
Support services	-	5,710	-	-	6,904	9,834	2,455	4,000	158,825	159,536	26,070
Noninstructional services	-	-	2,810	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	1,116	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	115,757	12,176	2,810	57,040	6,904	9,834	2,455	4,000	253,107	233,303	28,362
Excess (deficiency) of receipts over disbursements	(2,441)	3,474	-	(31,816)	500	2,042	1,774	-	(6,597)	345	2,950
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	(2,441)	3,474	-	(31,816)	500	2,042	1,774	-	(6,597)	345	2,950
Cash and investments - ending	\$ (2,441)	\$ 174	\$ -	\$ 53,112	\$ -	\$ -	\$ (1,451)	\$ -	\$ (6,597)	\$ (4,320)	\$ -

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Fema Grant Prj385Pa4515000 000	Prepaid School Lunch Accounts	Vision	Dental	Health	Med Reimb Afa125	Disability Afa	Life Afa	Cancer 125 Afa	Critical III Afa
Cash and investments - beginning	\$ -	\$ 12,540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	28,474	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	59,914	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	6,867	16,748	168,381	12,419	12,806	22,495	25,585	183
Total receipts	59,914	28,474	6,867	16,748	168,381	12,419	12,806	22,495	25,585	183
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	59,914	211	-	-	-	-	-	-	-	-
Noninstructional services	-	27,968	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	6,867	16,748	168,381	12,419	12,806	22,495	25,585	183
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	59,914	28,179	6,867	16,748	168,381	12,419	12,806	22,495	25,585	183
Excess (deficiency) of receipts over disbursements	-	295	-	-	-	-	-	-	-	-
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	-	295	-	-	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ 12,835	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Critical Grp II Afa	Accident 125 Afa	Grp Hosp 125 Afa 1339 28	Hsa 125 Afa	Federal Tax	Social Security Tax	State Tax	County Tax	Retirement	Health Ins
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ (124)	\$ (41)	\$ -	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	4,059	10,348	1,995	25,092	389,915	356,918	146,697	39,521	86,937	3
Total receipts	4,059	10,348	1,995	25,092	389,915	356,918	146,697	39,521	86,937	3
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	4,059	10,348	1,995	25,092	389,791	356,877	146,697	39,521	86,937	3
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	4,059	10,348	1,995	25,092	389,791	356,877	146,697	39,521	86,937	3
Excess (deficiency) of receipts over disbursements	-	-	-	-	124	41	-	-	-	-
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	-	-	-	-	124	41	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 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	403B Met Life	Garnish Chld Sprt	Af Noncert 403B	Af Cert 403B	Moneyin Moneyout	Fringe Benefits	Totals
Cash and investments - beginning	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ 4,255	\$ 1	\$ 3,490,393
Receipts:								
Local sources	-	-	-	-	-	-	-	3,162,046
Intermediate sources	-	-	-	-	-	-	-	14,351
State sources	-	-	-	-	-	-	-	6,988,285
Federal sources	-	-	-	-	-	-	-	1,245,155
Temporary loans	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other receipts	63	7,800	5,280	19,129	121,235	31,020	412	1,511,908
Total receipts	63	7,800	5,280	19,129	121,235	31,020	412	12,921,745
Disbursements:								
Instruction	-	-	-	-	-	-	-	5,238,829
Support services	-	-	-	-	-	-	-	3,737,385
Noninstructional services	-	-	-	-	-	-	-	452,764
Facilities acquisition and construction	-	-	-	-	-	-	-	70,163
Debt services	-	-	-	-	-	-	-	1,714,901
Nonprogrammed charges	64	7,800	5,280	19,129	121,235	26,883	413	1,507,608
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	64	7,800	5,280	19,129	121,235	26,883	413	12,721,650
Excess (deficiency) of receipts over disbursements	(1)	-	-	-	-	4,137	(1)	200,095
Other financing sources (uses)								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	153,052
Transfers in	-	-	-	-	-	-	-	1,075,382
Transfers out	-	-	-	-	-	-	-	(1,075,382)
Total other financing sources (uses)	-	-	-	-	-	-	-	153,052
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1)	-	-	-	-	4,137	(1)	353,147
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,392	\$ -	\$ 3,843,540

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2022

<u>Government or Enterprise</u>	Accounts <u>Payable</u>	Accounts <u>Receivable</u>
Governmental activities	\$ 543,876	\$ 14,809

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
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:				
Energy Savings Loan MSD of New Durham Township Bldg Corp	School Construction	\$ 165,436	11/30/2017	7/15/2037
MSD of New Durham Township Bldg Corp	School Construction	861,500	7/15/2011	7/15/2024
MSD of New Durham Township Bldg Corp	School Construction	163,465	1/15/2015	1/15/2027
MSD of New Durham Township Bldg Corp	School Construction	<u>55,500</u>	5/13/2021	12/31/2031
Total governmental activities		<u>1,245,901</u>		
Total of annual lease payments		<u>\$ 1,245,901</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	School Construction	\$ -	\$ -
General Obligation Bonds	School Construction - QSCB	1,475,000	85,000
Notes and Loans Payable	Pension Debt	<u>400,000</u>	<u>80,000</u>
Total governmental activities		<u>1,875,000</u>	<u>165,000</u>
Totals		<u>\$ 1,875,000</u>	<u>\$ 165,000</u>

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
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	\$ 177,200
Infrastructure	3,280,935
Buildings	35,669,727
Improvements other than buildings	5,194,102
Machinery, equipment, and vehicles	1,993,331
Books and other	693,750
Other Non-Depreciable Assets	<u>193,800</u>
 Total governmental activities	 <u>47,202,845</u>
 Total capital assets	 <u>\$ 47,202,845</u>

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
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.

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Period July 1, 2020 through June 30, 2022

Federal Grantor Agency <u>Cluster Title/Program Title/Project Title</u>	<u>Pass-Through Entity or Direct Grant</u>	Assistance Listing <u>Number</u>	Pass-Through Entity (or Other) Identifying <u>Number</u>	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>
<u>Department of Agriculture</u>						
Child Nutrition Cluster						
Food & Nutrition Service/ School Breakfast Program	Indiana Department of Education	10.553	FY2021, FY2022	\$ 4,617	\$ 73,875	\$ 78,492
School Breakfast Program		10.555	FY2021, FY2022	17,226	372,413	389,639
School Lunch Program		10.555	FY2021, FY2022	28,592	33,577	62,169
Commodities		10.559	FY2021, FY2022	282,482	9,794	292,276
Summer Food Service Program						
Total - Child Nutrition Cluster				<u>332,917</u>	<u>489,659</u>	<u>822,576</u>
Total - Department of Agriculture				<u>332,917</u>	<u>489,659</u>	<u>822,576</u>
<u>Department of Education</u>						
Special Education Cluster(IDEA)						
Special Education Grants to States	Indiana Department of Education					
Special Ed-Part B		84.027	19611 LEA#2.PN01	71,515	65,813	137,328
Special Ed-Part B		84.027	20611 LEA#2.PN01	105,555	103,293	208,848
Total - Special Education Grants to States				<u>177,070</u>	<u>169,106</u>	<u>346,176</u>
Special Education Preschool Grants	Indiana Department of Education					
Special Ed Preschool		84.173	18619 LEA#2.PN01	2,712	2,714	5,426
Special Ed Preschool		84.173	20619 LEA#2.PN01	5,165	7,009	12,174
Total - Special Education Preschool Grants				<u>7,877</u>	<u>9,723</u>	<u>17,600</u>
Total - Special Education Cluster(IDEA)				<u>184,947</u>	<u>178,829</u>	<u>363,776</u>
Title I Grants to Local Education Agencies	Indiana Department of Education					
Title I, Part A		84.010	S010A190014	21,647	113,316	134,963
Title I, Part A		84.010	S010A200014	85,920	30,560	116,480
Total - Title I Grants to Local Educational Agencies				<u>107,567</u>	<u>143,876</u>	<u>251,443</u>

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period July 1, 2020 through June 30, 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 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-2020 to 06-30-22
Title II Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367	S367A180013	\$ 3,882	\$ 7,404	\$ 11,286
Title II, Part A		84.367	S367A190013	1,038	11,876	12,914
Title II, Part A		84.367	S367A190013	-	4,000	4,000
Title II, Part A		84.367	S367A200013	-	4,229	4,229
Total - Title II Supporting Effective Instruction State Grants				<u>4,920</u>	<u>27,509</u>	<u>32,429</u>
Title IV Student Support and Academic Enrichment Program	Indiana Department of Education					
Title IV Part A		84.424	S424A190015	2,106	15,650	17,756
Total - Title IV Student Support and Academic Enrichment Program				<u>2,106</u>	<u>15,650</u>	<u>17,756</u>
COVID-19 Education Stabilization Fund	Indiana Department of Education					
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	57,862	31,312	89,174
Elementary and Secondary School Emergency Relief (ESSER II) Fund		84.425D	S425D210013	-	233,648	233,648
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund		84.425U	S425U210013	-	246,510	246,510
Total - COVID-19 Education Stabilization Fund				<u>57,862</u>	<u>511,470</u>	<u>569,332</u>
Total - Department of Education				<u>357,402</u>	<u>877,334</u>	<u>1,234,736</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster	Indiana Department of Education					
Medicaid		93.778	FY2021, FY2022	25,787	22,914	48,701
Total - Department of Homeland Security				<u>25,787</u>	<u>22,914</u>	<u>48,701</u>
<u>Department of Homeland Security</u>						
Disaster Grants - Public Assistance (Presidentially Declared Disasters) FEMA	Indiana Department of Homeland Security	97.036	385PA4515000000	-	59,914	59,914
Total - Department of Homeland Security				<u>-</u>	<u>59,914</u>	<u>59,914</u>
Total federal awards expended				<u>\$ 716,106</u>	<u>\$ 1,449,821</u>	<u>\$ 2,165,927</u>

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

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

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

B. Other Significant Accounting Policies

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

NOTE 2 - INDIRECT COST RATE

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

NOTE 3 - OTHER INFORMATION

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

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
Metropolitan School District of New Durham Township
LaPorte County, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of the Metropolitan School District of New Durham Township ("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 30, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 material weakness.

(Continued)

Report on Compliance and Other Matters

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

School Corporation's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the School Corporation's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. 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
Crowe LLP

Indianapolis, Indiana
March 30, 2023

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

Those Charged with Governance
Metropolitan School District of New Durham Township
LaPorte County, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Metropolitan School District of New Durham Township (School Corporation) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the School Corporation's major federal programs for the period of July 1, 2020 to June 30, 2022. The School Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on 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.

(Continued)

Auditor's Responsibilities for the Audit of Compliance

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

(Continued)

Report on Internal Control Over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-004 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-002 and 2022-003 to be significant deficiencies.

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.

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

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 30, 2023

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 July 1, 2020 to 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?	<u> X </u>	Yes	_____ No
Significant deficiencies identified not considered to be material weaknesses?	_____	Yes	<u> X </u> None Reported
Noncompliance material to financial statement noted?	_____	Yes	<u> X </u> No

Federal Awards

Internal control over major programs			
Material weakness(es) identified?	<u> X </u>	Yes	_____ No
Significant deficiencies identified not considered to be material weaknesses?	<u> X </u>	Yes	_____ None Reported
Type of auditor’s report issued on compliance for major programs	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	<u> X </u>	Yes	_____ No

Identification of major programs

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555, 10.559	Child Nutrition Cluster
84.425D, 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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(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

Section II – Financial Statement Findings

FINDING 2022-001

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

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

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

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

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

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

2 CFR 200.508 states in part:

"The auditee must: . . .

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

2 CFR 200.510(b) states:

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

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

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

Section II – Financial Statement Findings (Continued)

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

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

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

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

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

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

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

Context: The federal grant information entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the SEFA. The SEFA was not reviewed prior to submission, resulting in the following errors, that resulted in the gross overstatement on the SEFA of \$11,405, the gross understatement of \$686,876, and the net understatement of the total federal awards expended on the SEFA by \$675,471 for the period July 1, 2020, through June 30, 2022:

1. The Child Nutrition Cluster (10.553, 10.555, 10.559) expenditures were understated by \$4,816
2. The Special Education Cluster (84.027, 84.173) expenditures were understated by \$4,113
3. The Title II- Supporting Effective Instruction State Grants (84.367) expenditures were overstated by \$11,405
4. The Education Stabilization Fund (84.425) expenditures were understated by \$569,332
5. The Medicaid Cluster (93.778) expenditures were understated by \$48,701
6. The Disaster Grants - Public Assistance (Presidentially Declared Disasters, 97.036) expenditures were understated by \$59,914

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 Context section.

Identification as a repeat finding, if applicable: No.

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

Section II – Financial Statement Findings (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.

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

Section III – Federal Award Findings and Questioned Costs

FINDING 2022-002

Information on the federal program:

Subject: Education Stabilization Fund (ESSER) – Internal Controls
Federal Agency: Department of Education
Federal Program: COVID-19 – Education Stabilization Fund
Assistance Listing Number: 84.425
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Activities Allowed or Unallowed, Allowable Costs- Cost Principles
Audit Finding: Significant Deficiency

Criteria: 2 CFR section 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal awards in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

Condition: An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Activities Allowed or Unallowed, Allowable Costs- Cost Principles compliance requirements.

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

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

Questioned Costs: There were no questioned costs identified.

Context: During testing of 20 vouchers for allowability, we noted 1 instance where there the School Corporation was unable to provide the approval of the selected voucher. The School Corporation was able to provide the voucher to support the amount paid and allowability of the voucher.

Identification as a repeat finding, if applicable: No.

Recommendation: We recommended that the School Corporation's management establish a system of internal controls related to ensure all vouchers are properly reviewed.

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

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

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

FINDING 2022-003

Information on the federal program:

Subject: Education Stabilization Fund (ESSER) – Internal Controls
Federal Agency: Department of Education
Federal Program: COVID-19 – Education Stabilization Fund
Assistance Listing Number: 84.425D, 84.425U
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Finding: Significant Deficiency

Criteria: 2 CFR section 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal awards in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

2 CFR 200.302(b) states in part:

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

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

34 CFR 76.722 states:

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

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

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

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

Questioned Costs: There were no questioned costs identified.

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

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

Context: The School Corporation was required to submit two Annual Data Reports to the Indiana Department of Education (IDOE) to meet federal reporting requirements for ESSER and GEER grant awards. The first report was for the period of March 13, 2020 to September 30, 2020 and was due by January 21, 2021. The second report was for the period of October 1, 2020 to June 30, 2021 and was due by May 13, 2022. We noted the amount reported as expended, \$0 for ESSER I, on the second report did not agree to the amounts expended per the underlying expenditure records, \$28,353 for ESSER I of the School Corporation.

Additionally, we noted the for both reports that were submitted, there was no documented review by someone other than the preparer of the report to ensure the information submitted was complete and accurate.

Identification as a repeat finding: No.

Recommendation: We recommend someone other than the preparer of the report perform a documented review prior to submission to validate the accuracy and completeness of the data submitted.

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

FINDING 2022-004

Information on the federal program:

Subject: Child Nutrition Cluster - Internal Controls
Federal Agency: Department of Agriculture
Federal Program: School Breakfast Program, National School Lunch Program
Assistance Listing Number: 10.553, 10.555, 10.559
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Finding: Material Weakness

Criteria: 2 CFR section 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal awards in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

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

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

(Continued)

METROPOLITAN SCHOOL DISTRICT OF NEW DURHAM TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

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

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

Questioned Costs: There were no questioned costs identified.

Context: We noted that two in a sample of four claims, the Food Service Director prepared the sponsor claim reimbursement summary without a secondary, documented review before the submission of the claim to ensure the accuracy of the sponsor claim reimbursement summary.

Identification as a repeat finding, if applicable: No.

Recommendation: We recommended that the School Corporation implement a documented, formal review of the claims before they are submitted for reimbursement.

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



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CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS
June 30, 2022

Finding 2022-001 – Preparation of the Schedule of Expenditures of Federal Awards

Contact Person Responsible for Corrective Action: Christopher deBruyn
Contact Phone Number: (219) 785-2239

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Moving forward, the corporation will take more time in understanding and completing the Annual SEFA report. This will ensure that the proper Information will be entered. We will also be implementing a process in which the document will be understood and a documented review by another member of the corporation staff, will occur before submission.

Anticipated Completion Date: Next SEFA Report

Finding 2022-002 – Education Stabilization Fund - Allowable Costs- Cost Principles

Contact Person Responsible for Corrective Action: Christopher deBruyn
Contact Phone Number: (219) 785-2239

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: There was a single instance of physical document mismanagement, which is speculated to have occurred during the mandated work from home period. This resulted in a signed voucher being missing and only an unsigned voucher was able to be produced. By following our existing controls process, this will not happen, again.

Anticipated Completion Date: Now

Finding 2022-003 – Education Stabilization Fund - Reporting

Contact Person Responsible for Corrective Action: Christopher deBruyn

Contact Phone Number: (219) 785-2239

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: The ESSER and GEER Grant Awards Annual Report was correctly completed, but did not have a verified review. Moving forward the review will be conducted by forwarding the completed to another member of the corporation team and a response email be sent back, only after the Annual Report has been understood and independently reviewed.

Anticipated Completion Date: The next ESSER and GEER Grant Awards Annual Report

Finding 2022-004 – Child Nutrition Cluster - Reporting

Contact Person Responsible for Corrective Action: Christopher deBruyn
Contact Phone Number: (219) 785-2239

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Moving forward, after the claims report has been processed by the Food Service Director a documented review will be completed by the Food Service Manager or a member of the corporation staff, Signatures will be required for proof of verification, and review.

Anticipated Completion Date: Now