



STATE OF INDIANA
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April 12, 2023

To: The Officials of the North Miami Community Schools
North Miami Community Schools
394 E 900 N
Denver, IN 46926

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of North Miami Community Schools. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period July 1, 2020 to June 30, 2022. Per the *Independent Auditor's Report*, the financial statement referred to above presents fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2022, and its cash receipts, cash disbursements, and other financing sources (uses) for the period of July 1, 2020 to June 30, 2022 in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

We call your attention to the findings included in the report on pages 40 through 43. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on page 44.

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 North Miami Community Schools was prepared in accordance with the guidelines established by the State Board of Accounts.

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

Tammy R. White, CPA
Deputy State Examiner

NORTH MIAMI COMMUNITY SCHOOLS
Miami County, Indiana

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

NORTH MIAMI COMMUNITY SCHOOLS
Miami 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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NORTH MIAMI COMMUNITY SCHOOLS
SCHEDULE OF OFFICIALS (Unaudited)
For the period July 1, 2020 to June 30, 2022

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Serena Francis	07-01-20 to 06-30-22
Superintendent of Schools	Kenneth Hanson	07-01-20 to 06-30-22
President of the School Board	William C Deeds, II	07-01-20 to 06-30-22

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
North Miami Community Schools
Miami 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 North Miami Community Schools (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
Crowe LLP

Indianapolis, Indiana
March 30, 2023

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

<u>Fund</u>	<u>Cash and Investments</u> <u>07-01-2020</u>		<u>Other Financing Sources (Uses)</u>		<u>Cash and Investments</u> <u>06-30-2021</u>		<u>Other Financing Sources (Uses)</u>		<u>Cash and Investments</u> <u>06-30-2022</u>	
	<u>Receipts</u>	<u>Disbursements</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Receipts</u>	<u>Disbursements</u>
Education Fund	\$ 487,140	\$ 5,647,464	\$ 4,605,693	\$ (823,496)	\$ 705,415	\$ 5,922,338	\$ 4,940,141	\$ (831,460)	\$ 856,152	
Debt Service Fund	416,743	942,070	939,099	(16,300)	403,414	921,546	915,480	(14,756)	394,724	
Retirement/Severance Bond Dbt	162,610	222,357	359,171	-	25,796	148,347	211,231	-	(37,088)	
Operation Fund	851,250	1,756,036	2,977,182	675,920	306,024	1,846,942	2,563,190	839,911	429,687	
Rainy Day Fund	684,880	-	95	150,000	834,785	-	-	-	834,785	
Construction Fund- Go Bonds 2020	-	-	456,419	1,492,500	1,036,081	51,000	1,065,726	-	21,355	
Const Fund - 2021 Bond	-	-	-	-	-	-	450,000	1,451,000	1,001,000	
School Lunch Fund	145,142	452,217	421,391	-	175,968	607,497	481,396	(91)	301,978	
Curricular Material Rental	58,000	85,791	116,242	20,138	47,687	95,015	96,567	6,322	52,457	
Levy Excess Fund	139	-	-	-	139	-	-	-	139	
Child Care Program	5,192	49,255	47,736	603	7,314	54,278	59,467	35	2,160	
Preschool Tuition Donation	500	1,450	-	(603)	1,347	1,650	-	-	2,997	
Vending	286	129	311	-	104	-	101	-	3	
Donations Gifts And Trusts	4,678	-	397	-	4,281	2,447	489	-	6,239	
Educational License Plates	3,638	19	-	-	3,657	38	-	-	3,695	
Strengthening Families Donation	-	-	-	-	-	1,800	1,800	-	-	
Boomerang Sisterhood Donation	-	1,600	851	-	749	-	94	-	655	
Nicf Grant - Strengthen Families	-	-	-	-	-	5,500	3,411	-	2,089	
Sapc Grants	-	-	-	-	-	500	500	-	-	
United Way Connectivity Grant	-	-	-	-	-	7,325	160	-	7,165	
Mceda Donation	-	25,000	11,858	-	13,142	23,000	22,181	-	13,961	
Student Needs Donation	-	-	-	-	-	1,000	-	-	1,000	
Donations - Music Equipment	2,500	2,600	-	-	5,100	5,234	10,334	-	-	
Donation-Band Uniforms	-	-	-	-	-	2,400	-	-	2,400	
Reading Donations - Elementary	-	-	-	-	-	2,744	90	-	2,654	
Scholarships	1,500	250	1,750	-	-	500	500	-	-	
More For Miami Grant	-	1,500	-	-	1,500	-	-	-	1,500	
Formative Assessment Grant	-	8,054	7,189	-	865	9,932	3,710	-	7,087	
State Medicaid Fund	8,695	54,066	3,602	-	59,159	20,883	11,214	(68,508)	320	
Secured School Safety Grant Cont	(14,584)	22,764	18,420	-	(10,240)	40,108	37,942	-	(8,074)	
Stem Acceleration Grant	-	26,730	27,739	-	(1,009)	22,429	21,420	-	-	
Early Intervention Grant	2,737	-	2,737	-	-	-	-	-	-	
Early Intervention Grant 20-21	-	2,250	8	-	2,242	1	2,243	-	-	
Non-English Speaking Programs	830	-	830	-	-	-	-	-	-	
Non-English Speaking Program 20	75	-	-	-	75	-	-	-	75	
Non-English Speaking Grant 21.22	-	-	-	-	-	7,982	7,045	-	937	
Non-English Speaking Program 21	-	7,288	5,466	-	1,822	59	1,822	-	59	
Career & Tech.Performance Grnt	15,887	-	-	-	15,887	-	12,529	-	3,358	
Teacher Appreciation Grant	-	30,431	30,370	-	61	30,376	30,348	-	89	
Connectivity Grant	9,883	9,180	11,510	-	7,553	9,180	9,378	-	7,355	

(Continued)

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

Fund	Cash and Investments 07-01-2020		Other Financing Sources (Uses)		Cash and Investments 06-30-2021		Other Financing Sources (Uses)		Cash and Investments 06-30-2022	
	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements
Ista Settlement (2013)	\$ 26,978	\$ 1	\$ -	\$ -	\$ 26,979	\$ -	\$ -	\$ -	\$ 26,979	
Project Lead The Way	2,200	1,200	3,400	-	-	-	-	-	-	
Title I 2020-2021	-	95,259	106,065	-	(10,806)	25,312	14,506	-	-	
Title I Fy22	-	-	-	-	-	75,993	97,709	-	(21,716)	
Title I	(8,961)	29,785	20,824	-	-	-	-	-	-	
Title Iv Student Support	-	269	269	-	-	-	-	-	-	
Title Iv 19.20	-	10,649	11,844	-	(1,195)	1,195	-	-	-	
Title Iv Fy 20	-	998	2,309	-	(1,311)	4,902	3,591	-	-	
Federal Medicaid Fund	-	-	-	-	-	1,070	954	65,811	65,927	
Title Ii Part A Fy 18	(890)	11,194	10,304	-	-	29,596	38,584	-	(8,988)	
Title Ii	-	19,762	20,666	-	(904)	7,933	7,029	-	-	
ESSER III	-	-	-	-	-	138,572	172,368	-	(33,796)	
ESSER II	-	-	-	-	-	181,965	220,450	-	(38,485)	
ESSER I	-	109,464	113,515	-	(4,051)	18,035	13,984	-	-	
Prepaid Lunches	3,602	5,859	264	-	9,197	(309)	57	-	8,831	
Angel Donation- Lunch	200	622	-	-	822	-	-	-	822	
Federal Taxes - Withheld	8,188	276,686	284,874	-	-	287,042	287,042	-	-	
Fica - Certified Staff	-	210,417	210,422	-	(5)	228,908	228,908	-	(5)	
Fica - Non Cert Staff	-	122,200	122,194	-	6	142,249	138,449	-	3,806	
State Tax Withholdings	10,499	134,852	134,235	-	11,116	148,178	151,936	-	7,358	
County Tax Withholdings	8,083	102,251	102,056	-	8,278	112,015	111,860	-	8,433	
Teacher Retirement - Corp Paid	23	-	-	-	23	-	-	-	23	
Perf Withholdings	-	14,223	14,223	-	-	18,787	18,787	-	-	
American Fidelity - Hsa	-	3,030	3,335	-	(305)	5,555	5,470	-	(220)	
Health Insurance Withholdings	16,821	209,184	213,159	-	12,846	193,482	196,635	-	9,693	
Vision Insurance Withholdings	398	5,102	5,362	-	138	4,703	4,544	-	297	
Dental Insurance Withholdings	407	12,982	12,009	-	1,380	12,998	13,308	-	1,070	
American Fid Life Insurance	22	18,556	18,251	-	327	21,448	20,908	-	867	
Flexible Spending	22	5,655	5,655	-	22	6,733	6,506	-	249	
United Way	2	1,174	1,129	-	47	1,365	1,365	-	47	
Short Term Disability	-	3,802	3,802	-	-	4,533	4,533	-	-	
Texas Life Insurance Withhold	-	11,026	11,026	-	-	9,787	9,613	-	174	
Garnishment Withholdings	-	5,620	5,620	-	-	4,012	4,012	-	-	
Garnishment - Child Support	-	4,212	4,212	-	-	3,363	3,363	-	-	
Textbook Rental Withholding	-	-	-	-	-	1,783	1,783	-	-	
Met Life 403(B) Withholdings	-	420	420	-	-	1,280	1,220	-	60	
Valic 403(B) Withholdings	-	87,533	87,533	-	-	91,037	91,097	-	(60)	
Totals	\$ 2,915,315	\$ 10,876,167	\$ 11,588,722	\$ 1,498,762	\$ 3,701,522	\$ 11,646,683	\$ 12,852,749	\$ 1,448,264	\$ 3,943,720	

See notes to financial statement.

NORTH MIAMI COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period July 1, 2020 to 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)

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)

NORTH MIAMI COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period July 1, 2020 to 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 \$44,665 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:

Angel Donation- Lunch	\$ 200
Federal Taxes - Withheld	8,188
State Tax Withholdings	10,499
County Tax Withholdings	8,083
Teacher Retirement - Corp Paid	23
Health Insurance Withholdings	16,821
Vision Insurance Withholdings	398
Dental Insurance Withholdings	407
American Fid Life Insurance	22
Flexible Spending	22
United Way	2
	<hr/>
	\$ 44,665

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.

(Continued)

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.

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 two capital leases with the North Miami School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments for the period July 1, 2020 to June 30, 2021 totaled \$348,000. Lease payments for the period July 1, 2021 to June 30, 2022 totaled \$553,000.

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.

NOTE 9 - PENSION PLANS (Continued)

Teachers' Retirement Fund

Plan Descriptions

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

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

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

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

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

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

Financial Report

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

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

(Continued)

NOTE 9 - PENSION PLANS (Continued)

Contributions

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

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

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

NOTE 10 - SUBSEQUENT EVENTS

In October 2022, the School Corporation signed a new lease with the North Miami School Building Corporation in the amount of \$2,500,000 for the purpose of funding the renovation of and improvements to school facilities including the purchase of equipment and technology.

SUPPLEMENTARY INFORMATION

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

	Education Fund	Debt Service Fund	Retirement/Severance Bond Dbt	Operation Fund	Rainy Day Fund	Construction Fund- Go Bonds 2020	School Lunch Fund	Curricular Material Rental	Levy Excess Fund	Child Care Program	Preschool Tuition Donation
Cash and investments - beginning	\$ 487,140	\$ 416,743	\$ 162,610	\$ 851,250	\$ 684,880	\$ -	\$ 145,142	\$ 58,000	\$ 139	\$ 5,192	\$ 500
Receipts:											
Local sources	18,856	936,891	222,357	1,748,301	-	-	97,014	83,666	-	49,255	1,450
Intermediate sources	491	-	-	-	-	-	-	-	-	-	-
State sources	5,613,831	-	-	-	-	-	5,482	1,330	-	-	-
Federal sources	-	-	-	-	-	-	349,721	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	14,286	5,179	-	7,735	-	-	-	795	-	-	-
Total receipts	5,647,464	942,070	222,357	1,756,036	-	-	452,217	85,791	-	49,255	1,450
Disbursements:											
Instruction	3,563,599	-	-	-	-	-	-	-	-	47,736	-
Support services	902,130	-	-	2,234,845	95	-	11,065	116,242	-	-	-
Noninstructional services	139,964	-	-	-	-	-	410,326	-	-	-	-
Facilities acquisition and construction	-	-	-	190,498	-	456,419	-	-	-	-	-
Debt services	-	939,099	359,171	551,839	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	4,605,693	939,099	359,171	2,977,182	95	456,419	421,391	116,242	-	47,736	-
Excess (deficiency) of receipts over disbursements	1,041,771	2,971	(136,814)	(1,221,146)	(95)	(456,419)	30,826	(30,451)	-	1,519	1,450
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	1,492,500	-	-	-	-	-
Sale of capital assets	-	-	-	2,424	-	-	-	3,838	-	-	-
Transfers in	29,538	-	-	823,496	150,000	-	-	16,300	-	603	-
Transfers out	(853,034)	(16,300)	-	(150,000)	-	-	-	-	-	-	(603)
Total other financing sources (uses)	(823,496)	(16,300)	-	675,920	150,000	1,492,500	-	20,138	-	603	(603)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	218,275	(13,329)	(136,814)	(545,226)	149,905	1,036,081	30,826	(10,313)	-	2,122	847
Cash and investments - ending	\$ 705,415	\$ 403,414	\$ 25,796	\$ 306,024	\$ 834,785	\$ 1,036,081	\$ 175,968	\$ 47,687	\$ 139	\$ 7,314	\$ 1,347

(Continued)

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

	Vending	Educational License Plates	Donations Gifts And Trusts	Boomerang Sisterhood Donation	Mceda Donation	Donations - Music Equipment	Angel Donation- Lunch	Scholarships	More For Miami Grant	Formative Assessment Grant	State Medicaid Fund
Cash and investments - beginning	\$ 286	\$ 3,638	\$ 4,678	\$ -	\$ -	\$ 2,500	\$ 200	\$ 1,500	\$ -	\$ -	\$ 8,695
Receipts:											
Local sources	129	-	-	1,600	25,000	2,600	622	250	1,500	-	-
Intermediate sources	-	19	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	8,054	-
Federal sources	-	-	-	-	-	-	-	-	-	-	54,066
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	129	19	-	1,600	25,000	2,600	622	250	1,500	8,054	54,066
Disbursements:											
Instruction	-	-	397	-	-	-	-	-	-	-	2,731
Support services	-	-	-	-	-	-	-	-	-	7,189	871
Noninstructional services	311	-	-	851	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	11,858	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	1,750	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	311	-	397	851	11,858	-	-	1,750	-	7,189	3,602
Excess (deficiency) of receipts over disbursements	(182)	19	(397)	749	13,142	2,600	622	(1,500)	1,500	865	50,464
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	(182)	19	(397)	749	13,142	2,600	622	(1,500)	1,500	865	50,464
Cash and investments - ending	\$ 104	\$ 3,657	\$ 4,281	\$ 749	\$ 13,142	\$ 5,100	\$ 822	\$ -	\$ 1,500	\$ 865	\$ 59,159

(Continued)

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

	Secured School Safety Grant Cont	Stem Acceleration Grant	Early Intervention Grant	Early Intervention Grant 20-21	Non-English Speaking Programs	Non-English Speaking Program 20	Non-English Speaking Program 21	Career & Tech.Performanc e Grnt	Teacher Appreciation Grant	Connectivity Grant	Ista Settlement (2013)
Cash and investments - beginning	\$ (14,584)	\$ -	\$ 2,737	\$ -	\$ 830	\$ 75	\$ -	\$ 15,887	\$ -	\$ 9,883	\$ 26,978
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	1
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	22,764	26,730	-	2,250	-	-	7,288	-	30,431	9,180	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	22,764	26,730	-	2,250	-	-	7,288	-	30,431	9,180	1
Disbursements:											
Instruction	-	26,400	2,737	8	830	-	5,466	-	30,370	-	-
Support services	18,420	1,339	-	-	-	-	-	-	-	11,510	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	18,420	27,739	2,737	8	830	-	5,466	-	30,370	11,510	-
Excess (deficiency) of receipts over disbursements	4,344	(1,009)	(2,737)	2,242	(830)	-	1,822	-	61	(2,330)	1
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,344	(1,009)	(2,737)	2,242	(830)	-	1,822	-	61	(2,330)	1
Cash and investments - ending	\$ (10,240)	\$ (1,009)	\$ -	\$ 2,242	\$ -	\$ 75	\$ 1,822	\$ 15,887	\$ 61	\$ 7,553	\$ 26,979

(Continued)

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

	Project Lead The Way	Title I 2020-2021	Title I	Title Iv Student Support	Title Iv 19.20	Title Iv Fy 20	Title li Part A Fy 18	Title li	ESSER I	Prepaid Lunches	Federal Taxes - Withheld
Cash and investments - beginning	\$ 2,200	\$ -	\$ (8,961)	\$ -	\$ -	\$ -	\$ (890)	\$ -	\$ -	\$ 3,602	\$ 8,188
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	5,859	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	1,200	-	-	-	-	-	-	-	-	-	-
Federal sources	-	95,259	29,785	269	10,649	998	11,194	19,762	109,464	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	276,686
Total receipts	1,200	95,259	29,785	269	10,649	998	11,194	19,762	109,464	5,859	276,686
Disbursements:											
Instruction	-	105,865	20,824	-	-	-	8,063	-	34,542	-	-
Support services	3,400	-	-	269	11,844	2,309	2,241	20,666	78,973	-	-
Noninstructional services	-	200	-	-	-	-	-	-	-	264	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	284,874
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	3,400	106,065	20,824	269	11,844	2,309	10,304	20,666	113,515	264	284,874
Excess (deficiency) of receipts over disbursements	(2,200)	(10,806)	8,961	-	(1,195)	(1,311)	890	(904)	(4,051)	5,595	(8,188)
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	(2,200)	(10,806)	8,961	-	(1,195)	(1,311)	890	(904)	(4,051)	5,595	(8,188)
Cash and investments - ending	\$ -	\$ (10,806)	\$ -	\$ -	\$ (1,195)	\$ (1,311)	\$ -	\$ (904)	\$ (4,051)	\$ 9,197	\$ -

(Continued)

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

	Fica - Certified Staff	Fica - Non Cert Staff	State Tax Withholdings	County Tax Withholdings	Teacher Retirement - Corp Paid	Perf Withholdings	American Fidelity - Hsa	Health Insurance Withholdings	Vision Insurance Withholdings	Dental Insurance Withholdings	American Fid Life Insurance
Cash and investments - beginning	\$ -	\$ -	\$ 10,499	\$ 8,083	\$ 23	\$ -	\$ -	\$ 16,821	\$ 398	\$ 407	\$ 22
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	210,417	122,200	134,852	102,251	-	14,223	3,030	209,184	5,102	12,982	18,556
Total receipts	210,417	122,200	134,852	102,251	-	14,223	3,030	209,184	5,102	12,982	18,556
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	210,422	122,194	134,235	102,056	-	14,223	3,335	213,159	5,362	12,009	18,251
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	210,422	122,194	134,235	102,056	-	14,223	3,335	213,159	5,362	12,009	18,251
Excess (deficiency) of receipts over disbursements	(5)	6	617	195	-	-	(305)	(3,975)	(260)	973	305
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5)	6	617	195	-	-	(305)	(3,975)	(260)	973	305
Cash and investments - ending	\$ (5)	\$ 6	\$ 11,116	\$ 8,278	\$ 23	\$ -	\$ (305)	\$ 12,846	\$ 138	\$ 1,380	\$ 327

(Continued)

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

	American Fid Cancer	Flexible Spending	United Way	Short Term Disability	Texas Life Insurance Withhold	Garnishment Withholdings	Garnishment - Child Support	Met Life 403(B) Withholdings	Valic 403(B) Withholdings	Totals
Cash and investments - beginning	\$ -	\$ 22	\$ 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,915,315
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	3,195,351
Intermediate sources	-	-	-	-	-	-	-	-	-	510
State sources	-	-	-	-	-	-	-	-	-	5,728,540
Federal sources	-	-	-	-	-	-	-	-	-	681,167
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	13,679	5,655	1,174	3,802	11,026	5,620	4,212	420	87,533	1,270,599
Total receipts	13,679	5,655	1,174	3,802	11,026	5,620	4,212	420	87,533	10,876,167
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	3,849,568
Support services	-	-	-	-	-	-	-	-	-	3,423,408
Noninstructional services	-	-	-	-	-	-	-	-	-	551,916
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	658,775
Debt services	-	-	-	-	-	-	-	-	-	1,850,109
Nonprogrammed charges	13,679	5,655	1,129	3,802	11,026	5,620	4,212	420	87,533	1,254,946
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	13,679	5,655	1,129	3,802	11,026	5,620	4,212	420	87,533	11,588,722
Excess (deficiency) of receipts over disbursements	-	-	45	-	-	-	-	-	-	(712,555)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	1,492,500
Sale of capital assets	-	-	-	-	-	-	-	-	-	6,262
Transfers in	-	-	-	-	-	-	-	-	-	1,019,937
Transfers out	-	-	-	-	-	-	-	-	-	(1,019,937)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	1,498,762
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	45	-	-	-	-	-	-	786,207
Cash and investments - ending	\$ -	\$ 22	\$ 47	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,701,522

NORTH MIAMI COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Education Fund	Debt Service Fund	Retirement/Severance Bond Dbt	Operation Fund	Rainy Day Fund	Construction Fund- Go Bonds 2020	Const Fund - 2021 Bond	School Lunch Fund	Curricular Material Rental	Levy Excess Fund	Child Care Program
Cash and investments - beginning	\$ 705,415	\$ 403,414	\$ 25,796	\$ 306,024	\$ 834,785	\$ 1,036,081	\$ -	\$ 175,968	\$ 47,687	\$ 139	\$ 7,314
Receipts:											
Local sources	3,730	921,546	148,347	1,837,177	-	-	-	106,628	65,985	-	54,278
Intermediate sources	427	-	-	-	-	-	-	-	-	-	-
State sources	5,878,795	-	-	-	-	-	-	4,093	28,775	-	-
Federal sources	-	-	-	-	-	-	-	496,776	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	39,386	-	-	9,765	-	51,000	-	-	255	-	-
Total receipts	5,922,338	921,546	148,347	1,846,942	-	51,000	-	607,497	95,015	-	54,278
Disbursements:											
Instruction	3,895,162	-	-	-	-	-	-	-	-	-	58,718
Support services	934,118	-	-	2,309,956	-	-	-	-	96,567	-	749
Noninstructional services	110,861	-	-	-	-	-	-	481,396	-	-	-
Facilities acquisition and construction	-	-	-	253,234	-	1,065,726	450,000	-	-	-	-
Debt services	-	915,480	211,231	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	4,940,141	915,480	211,231	2,563,190	-	1,065,726	450,000	481,396	96,567	-	59,467
Excess (deficiency) of receipts over disbursements	982,197	6,066	(62,884)	(716,248)	-	(1,014,726)	(450,000)	126,101	(1,552)	-	(5,189)
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	1,451,000	-	-	-	-
Sale of capital assets	-	-	-	5,755	-	-	-	-	6,266	-	-
Transfers in	2,752	-	-	834,156	-	-	-	-	56	-	35
Transfers out	(834,212)	(14,756)	-	-	-	-	-	(91)	-	-	-
Total other financing sources (uses)	(831,460)	(14,756)	-	839,911	-	-	1,451,000	(91)	6,322	-	35
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	150,737	(8,690)	(62,884)	123,663	-	(1,014,726)	1,001,000	126,010	4,770	-	(5,154)
Cash and investments - ending	\$ 856,152	\$ 394,724	\$ (37,088)	\$ 429,687	\$ 834,785	\$ 21,355	\$ 1,001,000	\$ 301,978	\$ 52,457	\$ 139	\$ 2,160

(Continued)

NORTH MIAMI COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Preschool Tuition Donation	Vending	Educational License Plates	Donations Gifts And Trusts	Strengthening Families Donation	Boomerang Sisterhood Donation	Nicf Grant - Strengthen Families	Sapc Grants	United Way Connectivity Grant	Mceda Donation	Student Needs Donation
Cash and investments - beginning	\$ 1,347	\$ 104	\$ 3,657	\$ 4,281	\$ -	\$ 749	\$ -	\$ -	\$ -	\$ 13,142	\$ -
Receipts:											
Local sources	1,650	-	-	2,447	1,800	-	5,500	-	7,325	23,000	1,000
Intermediate sources	-	-	38	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	500	-	-	-
Total receipts	1,650	-	38	2,447	1,800	-	5,500	500	7,325	23,000	1,000
Disbursements:											
Instruction	-	-	-	489	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	160	-	-
Noninstructional services	-	101	-	-	1,800	94	3,411	500	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	22,181	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	101	-	489	1,800	94	3,411	500	160	22,181	-
Excess (deficiency) of receipts over disbursements	1,650	(101)	38	1,958	-	(94)	2,089	-	7,165	819	1,000
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	1,650	(101)	38	1,958	-	(94)	2,089	-	7,165	819	1,000
Cash and investments - ending	\$ 2,997	\$ 3	\$ 3,695	\$ 6,239	\$ -	\$ 655	\$ 2,089	\$ -	\$ 7,165	\$ 13,961	\$ 1,000

(Continued)

NORTH MIAMI COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Donations - Music Equipment	Donation-Band Uniforms	Reading Donations - Elementary	Angel Donation- Lunch	Scholarships	More For Miami Grant	Formative Assessment Grant	State Medicaid Fund	Secured School Safety Grant Cont	Stem Acceleration Grant	Early Intervention Grant 20-21
Cash and investments - beginning	\$ 5,100	\$ -	\$ -	\$ 822	\$ -	\$ 1,500	\$ 865	\$ 59,159	\$ (10,240)	\$ (1,009)	\$ 2,242
Receipts:											
Local sources	5,234	2,400	2,744	-	500	-	-	-	-	-	1
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	9,932	321	40,108	22,429	-
Federal sources	-	-	-	-	-	-	-	20,562	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	5,234	2,400	2,744	-	500	-	9,932	20,883	40,108	22,429	1
Disbursements:											
Instruction	-	-	90	-	-	-	-	10,849	-	17,624	2,243
Support services	-	-	-	-	-	-	3,710	365	37,942	3,796	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	10,334	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	500	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	10,334	-	90	-	500	-	3,710	11,214	37,942	21,420	2,243
Excess (deficiency) of receipts over disbursements	(5,100)	2,400	2,654	-	-	-	6,222	9,669	2,166	1,009	(2,242)
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	(68,508)	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	(68,508)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,100)	2,400	2,654	-	-	-	6,222	(58,839)	2,166	1,009	(2,242)
Cash and investments - ending	\$ -	\$ 2,400	\$ 2,654	\$ 822	\$ -	\$ 1,500	\$ 7,087	\$ 320	\$ (8,074)	\$ -	\$ -

(Continued)

NORTH MIAMI COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Non-English Speaking Program 20	Non-English Speaking Grant 21.22	Non-English Speaking Program 21	Career & Tech.Performanc e Grnt	Teacher Appreciation Grant	Connectivity Grant	Ista Settlement (2013)	Project Lead The Way	Title I 2020-2021	Title I Fy22	Title Iv 19.20
Cash and investments - beginning	\$ 75	\$ -	\$ 1,822	\$ 15,887	\$ 61	\$ 7,553	\$ 26,979	\$ -	\$ (10,806)	\$ -	\$ (1,195)
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	7,982	59	-	30,376	9,180	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	25,312	75,993	1,195
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	7,982	59	-	30,376	9,180	-	-	25,312	75,993	1,195
Disbursements:											
Instruction	-	7,045	1,822	12,529	30,348	-	-	2,400	14,506	97,709	-
Support services	-	-	-	-	-	9,378	-	(2,400)	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	7,045	1,822	12,529	30,348	9,378	-	-	14,506	97,709	-
Excess (deficiency) of receipts over disbursements	-	937	(1,763)	(12,529)	28	(198)	-	-	10,806	(21,716)	1,195
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	-	937	(1,763)	(12,529)	28	(198)	-	-	10,806	(21,716)	1,195
Cash and investments - ending	\$ 75	\$ 937	\$ 59	\$ 3,358	\$ 89	\$ 7,355	\$ 26,979	\$ -	\$ -	\$ (21,716)	\$ -

(Continued)

NORTH MIAMI COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Title Iv Fy 20	Federal Medicaid Fund	Title li Part A Fy 18	Title li	ESSER III	ESSER II	ESSER I	Prepaid Lunches	Federal Taxes - Withheld	Fica - Certified Staff	Fica - Non Cert Staff
Cash and investments - beginning	\$ (1,311)	\$ -	\$ -	\$ (904)	\$ -	\$ -	\$ (4,051)	\$ 9,197	\$ -	\$ (5)	\$ 6
Receipts:											
Local sources	-	-	-	-	-	-	-	(309)	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	4,902	1,070	29,596	7,933	138,572	181,965	18,035	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	287,042	228,908	142,249
Total receipts	4,902	1,070	29,596	7,933	138,572	181,965	18,035	(309)	287,042	228,908	142,249
Disbursements:											
Instruction	-	455	7,269	7,029	100,956	108,444	12,880	-	-	-	-
Support services	3,591	499	31,315	-	58,239	56,492	-	-	-	-	-
Noninstructional services	-	-	-	-	-	10,227	-	57	-	-	-
Facilities acquisition and construction	-	-	-	-	13,173	45,287	1,104	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	287,042	228,908	138,449
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	3,591	954	38,584	7,029	172,368	220,450	13,984	57	287,042	228,908	138,449
Excess (deficiency) of receipts over disbursements	1,311	116	(8,988)	904	(33,796)	(38,485)	4,051	(366)	-	-	3,800
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	65,811	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	65,811	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,311	65,927	(8,988)	904	(33,796)	(38,485)	4,051	(366)	-	-	3,800
Cash and investments - ending	\$ -	\$ 65,927	\$ (8,988)	\$ -	\$ (33,796)	\$ (38,485)	\$ -	\$ 8,831	\$ -	\$ (5)	\$ 3,806

(Continued)

NORTH MIAMI COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	State Tax Withholdings	County Tax Withholdings	Teacher Retirement - Corp Paid	Perf Withholdings	American Fidelity - Hsa	Health Insurance Withholdings	Vision Insurance Withholdings	Dental Insurance Withholdings	American Fid Life Insurance	American Fid Cancer	Flexible Spending
Cash and investments - beginning	\$ 11,116	\$ 8,278	\$ 23	\$ -	\$ (305)	\$ 12,846	\$ 138	\$ 1,380	\$ 327	\$ -	\$ 22
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	148,178	112,015	-	18,787	5,555	193,482	4,703	12,998	21,448	21,110	6,733
Total receipts	148,178	112,015	-	18,787	5,555	193,482	4,703	12,998	21,448	21,110	6,733
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	151,936	111,860	-	18,787	5,470	196,635	4,544	13,308	20,908	21,669	6,506
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	151,936	111,860	-	18,787	5,470	196,635	4,544	13,308	20,908	21,669	6,506
Excess (deficiency) of receipts over disbursements	(3,758)	155	-	-	85	(3,153)	159	(310)	540	(559)	227
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	(3,758)	155	-	-	85	(3,153)	159	(310)	540	(559)	227
Cash and investments - ending	\$ 7,358	\$ 8,433	\$ 23	\$ -	\$ (220)	\$ 9,693	\$ 297	\$ 1,070	\$ 867	\$ (559)	\$ 249

(Continued)

NORTH MIAMI COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	United Way	Short Term Disability	Texas Life Insurance Withhold	Garnishment Withholdings	Garnishment - Child Support	Textbook Rental Withholding	Met Life 403(B) Withholdings	Valic 403(B) Withholdings	Totals
Cash and investments - beginning	\$ 47	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,701,522
Receipts:									
Local sources	-	-	-	-	-	-	-	-	3,190,983
Intermediate sources	-	-	-	-	-	-	-	-	465
State sources	-	-	-	-	-	-	-	-	6,032,050
Federal sources	-	-	-	-	-	-	-	-	1,001,911
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other receipts	1,365	4,533	9,787	4,012	3,363	1,783	1,280	91,037	1,421,274
Total receipts	1,365	4,533	9,787	4,012	3,363	1,783	1,280	91,037	11,646,683
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	4,388,567
Support services	-	-	-	-	-	-	-	-	3,544,477
Noninstructional services	-	-	-	-	-	-	-	-	608,447
Facilities acquisition and construction	-	-	-	-	-	-	-	-	1,861,039
Debt services	-	-	-	-	-	-	-	-	1,126,711
Nonprogrammed charges	1,365	4,533	9,613	4,012	3,363	1,783	1,220	91,097	1,323,508
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	1,365	4,533	9,613	4,012	3,363	1,783	1,220	91,097	12,852,749
Excess (deficiency) of receipts over disbursements	-	-	174	-	-	-	60	(60)	(1,206,066)
Other financing sources (uses)									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	1,451,000
Sale of capital assets	-	-	-	-	-	-	-	-	12,021
Transfers in	-	-	-	-	-	-	-	-	902,810
Transfers out	-	-	-	-	-	-	-	-	(917,567)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	1,448,264
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	174	-	-	-	60	(60)	242,198
Cash and investments - ending	\$ 47	\$ -	\$ 174	\$ -	\$ -	\$ -	\$ 60	\$ (60)	\$ 3,943,720

NORTH MIAMI COMMUNITY SCHOOLS
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2022

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 480,817	\$ 111,047

NORTH MIAMI COMMUNITY SCHOOLS
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:				
North Miami Community School Building Corporation	2012 Building Project	\$ 420,000	7/15/2013	1/15/2026
North Miami Community Schools	Copy Machine Lease	56,770	7/1/2020	6/30/2024
North Miami Community Schools	Middle & High School student 1:1 devices	46,055	8/1/2019	6/30/2023
North Miami School Building Corporation	2021 Building Improvements	<u>70,000</u>	1/1/2022	12/31/2036
Total governmental activities		<u>592,825</u>		
Total of annual lease payments		<u>\$ 592,825</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	2020 HVAC Improvements	\$ 1,320,000	\$ 120,000
General Obligation Bonds	Severence	-	-
Notes and Loans Payable	Common School Loan A0458	196,000	196,000
Notes and Loans Payable	Elem Energy Savings	<u>231,876</u>	<u>153,155</u>
Total governmental activities		<u>1,747,876</u>	<u>469,155</u>
Totals		<u>\$ 1,747,876</u>	<u>\$ 469,155</u>

NORTH MIAMI COMMUNITY SCHOOLS
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	\$ 244,128
Infrastructure	1,728,897
Buildings	16,290,451
Improvements other than buildings	874,592
Machinery, equipment, and vehicles	8,915,056
Construction in progress	1,500,000
Books and other	<u>251,345</u>
 Total governmental activities	 <u>29,804,469</u>
 Total capital assets	 <u>\$ 29,804,469</u>

NORTH MIAMI COMMUNITY SCHOOLS
STATE REPORTING INFORMATION
July 1, 2020 - June 30, 2022

Financial Statement and Accompanying Notes:

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

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

Indiana Department of Education Reporting:

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

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

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

NORTH MIAMI COMMUNITY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period July 1, 2020 through June 30, 2022

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-2020 to 06-30-22
<u>Department of Agriculture</u>						
Child Nutrition Cluster						
Food & Nutrition Service/ School Breakfast Program	Indiana Department of Education					
School Breakfast Program		10.553	FY2021, FY2022	\$ 62,430	\$ 83,665	\$ 146,095
National School Lunch Program		10.555	FY2021, FY2022	287,290	413,111	700,401
Commodities		10.555	FY2021, FY2022	41,455	50,684	92,139
Total - Child Nutrition Cluster				391,175	547,460	938,635
Total - Department of Agriculture				391,175	547,460	938,635
<u>Department of Education</u>						
Special Education Cluster(IDEA)						
Special Education Grants to States						
Indiana Department of Education						
Special Ed-Part B		84.027	19611-154-PN01	22,429	-	22,429
Special Ed-Part B		84.027	20611-054-PN01	117,854	10,341	128,195
Special Ed-Part B		84.027	21611-054-PN01	69,557	138,221	207,778
Special Ed-Part B		84.027	22611-054-ARP	-	823	823
Special Ed-Part B		84.027	22611-054-PN01	-	55,040	55,040
Total - Special Education Grants to States				209,840	204,425	414,265
Special Education Preschool Grants						
Indiana Department of Education						
Special Ed Preschool		84.173	19619-154-PN01	184	-	184
Special Ed Preschool		84.173	20619-154-PN01	5,587	-	5,587
Special Ed Preschool		84.173	21619-054-PN01	516	5,068	5,584
Special Ed Preschool		84.173	22619-054-PN01	-	1,306	1,306
Total - Special Education Preschool Grants				6,287	6,374	12,661
Total - Special Education Cluster(IDEA)				216,127	210,799	426,926
Title I Grants to Local Education Agencies						
Indiana Department of Education						
Title I, Part A		84.010	S010A180014	95,259	-	95,259
Title I, Part A		84.010	S010A200014	29,785	25,313	55,098
Title I, Part A		84.010	S010A210014	-	75,993	75,993
Total - Title I Grants to Local Educational Agencies				125,044	101,306	226,350

(Continued)

NORTH MIAMI COMMUNITY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period July 1, 2020 through June 30, 2022

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-2020 to 06-30-22
Title II Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367	S367A180013	\$ 11,194	\$ -	\$ 11,194
Title II, Part A		84.367	S367A190013	19,762	-	19,762
Title II, Part A		84.367	S367A190013	-	37,529	37,529
Total - Title II Supporting Effective Instruction State Grants				<u>30,956</u>	<u>37,529</u>	<u>68,485</u>
Title IV Student Support and Academic Enrichment Program	Indiana Department of Education					
Title IV Part A		84.424	S367A190013	10,649	-	10,649
Title IV Part A		84.424	S367A200013	998	-	998
Title IV Part A		84.424	S367A200013	-	4,902	4,902
Title IV Part A		84.424	S424A180015	269	-	269
Title IV Part A		84.424	S424A210015	-	1,195	1,195
Total - Title IV Student Support and Academic Enrichment Program				<u>11,916</u>	<u>6,097</u>	<u>18,013</u>
COVID-19 Education Stabilization Fund	Indiana Department of Education					
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	109,464	18,035	127,499
Elementary and Secondary School Emergency Relief (ESSER II) Fund		84.425D	S425D210013	-	181,965	181,965
American Rescue Plan Elementary and Secondary School School Emergency Relief (ARP ESSER) Fund		84.425U	S425U200013	-	138,572	138,572
Total - COVID-19 Education Stabilization Fund				<u>109,464</u>	<u>338,572</u>	<u>448,036</u>
Total - Department of Education				<u>493,507</u>	<u>694,303</u>	<u>1,187,810</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster	Indiana Department of Education					
Medicaid		93.778	FY2021, FY2022	29,607	17,368	46,975
Total federal awards expended				<u>\$ 914,289</u>	<u>\$ 1,259,131</u>	<u>\$ 2,173,420</u>

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

NORTH MIAMI COMMUNITY SCHOOLS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period of July 1, 2020 to 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
North Miami Community Schools
Miami 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 North Miami Community Schools ("School Corporation"), which comprise the statement of receipts, disbursements, other financing sources (uses), and cash and investment balances of the School Corporation as of June 30, 2022 and for the period July 1, 2020 to June 30, 2022 and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement, and have issued our report thereon dated March 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 2021-001 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 cost. The School Corporation's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 30, 2023

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

Those Charged with Governance
North Miami Community Schools
Miami County, Indiana

Report on Compliance for Major Federal Program

Qualified Opinion on Major Federal Program

We have audited North Miami Community Schools (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 the School Corporation's major federal program for the period of July 1, 2020 to June 30, 2022. The School Corporation's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion section of our report, the School Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Child Nutrition Cluster for the period of July 1, 2020 to June 30, 2022.

Basis for Qualified Opinion on Major Federal Program

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

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

Matter Giving Rise to Qualified Opinion on the Child Nutrition Cluster

As described in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with requirements regarding ALN 10.553 and 10.555 Child Nutrition Cluster as described in finding number 2022-002 for Procurement and Suspension and Debarment. Compliance with such requirements is necessary, in our opinion, for the School Corporation to comply with the requirements applicable to that program.

(Continued)

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.

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on the School Corporation's response to the noncompliance 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.

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.

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 2022-002 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.

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

NORTH MIAMI COMMUNITY SCHOOLS
 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?	_____	Yes	<u> X </u> None Reported
Type of auditor’s report issued on compliance for major programs	Qualified		
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	Child Nutrition Cluster

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)

NORTH MIAMI COMMUNITY SCHOOLS
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)

NORTH MIAMI COMMUNITY SCHOOLS
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 formally reviewed prior to submission, resulting in the following error that understand the total federal awards expended on the SEFA by \$155,967 for the period July 1, 2020, through June 30, 2022:

- Special Education Cluster (IDEA) (84.027, 84.173) expenditures were understated by \$155,967

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

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)

NORTH MIAMI COMMUNITY SCHOOLS
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: Child Nutrition Cluster – Procurement and Suspension and Debarment
Federal Agency: Department of Agriculture
Federal Program: School Breakfast Program, National School Lunch Program
Assistance Listing Number: 10.553, 10.555
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Procurement and Suspension and Debarment
Audit Finding: Material Weakness, Modified Opinion, Noncompliance

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 200.318(a) states: "The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part."

2 CFR 200.320 states in part:

"The non-Federal Entity must use one of the following methods of procurement. . . ."

(b) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources. . . ."

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 Procurement 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)

NORTH MIAMI COMMUNITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

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

Context: There were two small purchase method procurements selected for sample testing for the audit period. One procurement was performed by the School's Service Center, Wilson Education Center (Service Center). During the 2020-2021 school year, the Service Center solicited, evaluated, and awarded a bid for the milk on behalf of its members that School Corporation used. The Service Center was not audited for the 2020-2021 school year.

During our testing of procurement and suspension and debarment for 2020-2021, it was noted that the School Corporation was not have a review control in place to monitor that the Service Center performed all necessary procedures to maintain compliance with federal regulations surrounding procurement and suspension and debarment.

For 2020-2021, the School Corporation obtained procurement documents from the Service Center supporting procurements performed during the audit period. There was no documented review control in place at the School Corporation to ensure proper monitoring of the Service Center activities occur to verify federal procurement regulations were followed by the Service Center. There was one vendor that exceeded the \$10,000 threshold for the School Corporation during fiscal year 2020-2021 that would require a procurement check.

The error in the sample procurement performed by the Service Center selected for testing was isolated to fiscal year 2020-2021. The amount paid to the vendor for 2020-2021 was \$22,211. The vendor did not met the suspension and debarment threshold (\$25,000) for fiscal year 2020-2021.

Proper controls over the same vendor selected for procurement and debarment and suspension were in place for the fiscal year 2021-2022

The second procurement selected for testing was a small purchase performed by the School Corporation for food purchases totaling \$103,671 in fiscal year 2020-2021 and \$142,368 in fiscal year 2021-2022. We noted that the School Corporation did not obtain three quotes from separate vendors. Additionally, the School Corporation did not perform a suspension and debarment check on the vendor sampled for fiscal years 2020-2021 and 2021-2022.

Identification as a repeat finding, if applicable: No.

Recommendation: We recommended that the School Corporation's management establish controls to ensure compliance with Procurement and Suspension and Debarment compliance requirement. We recommend that management meet periodically with the Wilson Education Center and review and maintain procurement contract files as evidence of proper periodic monitoring of the Service Center.

Additionally, we recommended that the School Corporation's management establish a system of internal controls related to ensure that 3 quotes are obtained as required for small purchase method procurements and to ensure the vendors are not debarred or suspended for small purchases procurements performed by the School Corporation.

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

North Miami Community Schools



Kenneth Hanson
Superintendent

Serena Francis
Business Manager

Meghan Miller
Deputy Treasurer

Peggy Owens
Secretary

Rich Robins
Transportation Director

Boog Jones
Maintenance Director

Susan Hobson
Technology Director

Judi Keifer
Student Data Specialist

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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: Serena Francis, Business Manager
Contact Phone Number: (765) 226-0603

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: We have added internal controls for the SEFA report to ensure the correct amount for each allocation is entered. Our Superintendent to review all documentation and the entered report data to verify all information prior to submittal.

Anticipated Completion Date: March 24, 2023

Finding 2022-002 – Child Nutrition Cluster – Procurement and Suspension and Debarment

Contact Person Responsible for Corrective Action: Serena Francis, Business Manager
Contact Phone Number: (765) 226-0603

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: We have joined the Food 2 School consortium beginning with 2022-2023 school year. Both our Food Service Director and our Business Manager receive all emails and communication. This will allow internal control and oversight to ensure that the consortium is compliant with all state and federal procedures. We also have moved all of our small purchases into this purchasing consortium system.

Anticipated Completion Date: August 1, 2022

Serena Francis, Business Manager