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April 12, 2023

To: The Officials of the Orleans Community Schools
Orleans Community Schools
173 West Marley Street
Orleans, IN 47452

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Orleans 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 present fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2022, and its cash receipts, cash disbursements, and other financing sources (uses) for the period of July 1, 2020 to June 30, 2022 in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

We call your attention to the finding included in the report on pages 37 and 38. Please see the Schedule of Findings and Questioned Costs for complete details related to the finding. Management's Corrective Action Plan appears on page 40.

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 Orleans 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.

A handwritten signature in black ink that reads "Tammy R. White". The signature is written in a cursive style.

Tammy R. White, CPA
Deputy State Examiner

ORLEANS COMMUNITY SCHOOLS
Orange County, Indiana

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

ORLEANS COMMUNITY SCHOOLS
Orange 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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ORLEANS 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	Theresa Robbins	07-01-20 to 06-30-22
Superintendent of Schools	James Ellis	07-01-20 to 06-30-22
President of the School Board	Steven Johnson	07-01-20 to 12-31-20
	Barry Bishop	01-01-21 to 12-31-21
	Carl Anderson	01-01-22 to 06-30-22

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Orleans Community Schools
Orange 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 Orleans 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.

Supplementary Information

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

(Continued)

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

Other Information

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

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

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2023 on our consideration of the School Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.


Crowe LLP

Indianapolis, Indiana
March 16, 2023

ORLEANS 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 of July 1, 2020 through June 30, 2022

Fund	Cash and Investments		Other Financing		Cash and Investments		Other Financing		Cash and Investments	
	07-01-2020	Receipts	Disbursements	Sources (Uses)	06-30-2021	Receipts	Disbursements	Sources (Uses)	06-30-2022	
Education	\$ 2,360,473	\$ 6,393,250	\$ 5,119,727	\$ (794,781)	\$ 2,839,215	\$ 6,864,441	\$ 5,347,929	\$ (840,398)	\$ 3,515,329	
Debt Service	535,139	1,062,125	1,120,100	179,355	656,519	1,047,214	1,128,500	178,443	753,676	
Retirement/Severance Bond Debt Service	154,295	345,672	306,500	-	193,467	307,180	304,263	-	196,384	
Operations	552,095	1,451,687	1,807,903	745,759	941,638	1,403,503	1,903,689	594,871	1,036,323	
Local Rainy Day	604,096	-	-	50,000	654,096	-	-	250,000	904,096	
Retirement/Severance Bond	62,795	87,856	96,575	-	54,076	84,744	117,125	-	21,695	
Construction	1,166,440	-	863,434	-	303,006	-	290,926	-	12,080	
School Lunch	112,063	461,662	411,891	-	161,834	526,679	484,942	-	203,571	
Curricular Materials Rental	229,807	68,788	92,462	83,858	289,991	72,818	81,945	76,021	356,885	
Levy Excess	89	-	-	-	89	-	-	-	89	
Other Local-Riverboat	577,095	175,474	-	(263,213)	489,356	174,735	-	(254,464)	409,627	
Other Local-Lawr Co Econo Growth-Fab Lab	-	2,500	-	-	2,500	-	506	-	1,994	
Other Local 2	-	3,749	3,749	-	-	-	-	-	-	
Other Local-United Way Duke Energy Grant	-	-	-	-	-	5,000	-	-	5,000	
Other Local-Siec Career Grant	-	-	-	-	-	-	2,220	-	(2,220)	
Educational License Plates	225	56	-	-	281	94	-	-	375	
Formative Assessment	-	7,834	7,834	-	-	9,887	7,680	-	2,207	
Indiana Preschool Grants	-	26,292	29,486	-	(3,194)	48,950	20,063	-	25,693	
Medicaid Reimbursement-State	-	-	-	-	-	2,101	-	-	2,101	
Secured Schools Safety Grant	-	50,000	50,000	-	-	50,000	50,000	-	-	
Science Technology Engineering And Mat	-	-	11,563	-	(11,563)	49,999	38,436	-	-	
Stem K-6	(21,467)	28,500	7,033	-	-	-	-	-	-	
Early Intervention Grant	-	2,422	2,422	-	-	3,106	3,106	-	-	
School Intervention And Counseling	30,701	-	21,373	-	9,328	-	4,409	-	4,919	
Non-English Speaking Program	137	-	-	-	137	-	-	-	137	
Career And Technical Performance Grant	354	-	-	-	354	-	-	-	354	
Teacher Appreciation Grant	-	-	-	-	-	32,541	32,541	-	-	
High Ability Students	-	22,706	22,706	-	-	25,028	25,028	-	-	
State Connectivity Grant	6,960	6,960	3,480	-	10,440	8,160	6,960	-	11,640	
Title I 2021-2022	-	-	-	-	-	64,455	169,003	-	(104,548)	
Title I 2019-2020	(80,413)	117,277	36,864	-	-	-	-	-	-	
Title I 2020-2021	-	168,729	196,887	-	(28,158)	65,094	36,936	-	-	
Idea Special Education Grant Fy2021	-	90,844	152,377	-	(61,533)	109,126	47,593	-	-	
Idea Special Education Grant Fy2022	-	-	-	-	-	69,164	153,913	-	(84,749)	
Preschool Handicap	-	4,164	4,164	-	-	-	-	-	-	
Preschool Handicap	-	-	-	-	-	4,267	4,267	-	-	
Student Support Title Iv-2019	(13,869)	-	8,953	-	(22,822)	31,411	8,589	-	-	
Student Support Title Iv-2020	-	-	-	-	-	-	12,645	-	(12,645)	
Medicaid Reimbursement-Federal	-	-	-	-	-	5,410	-	-	5,410	
Title Ii Part A 2020-2022	-	-	19,019	-	(19,019)	35,112	16,093	-	-	
Title Ii Part A 2019-2021	(16,413)	32,826	16,413	-	-	-	-	-	-	

(Continued)

ORLEANS 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 of July 1, 2020 through June 30, 2022

Fund	Cash and Investments 07-01-2020	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2021	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2022
Title Ii Part A Pbl 11/30/20	-	1,000	1,000	-	-	-	-	-	-
Title Ii Part A Pbl 7/2021	-	-	1,000	-	(1,000)	1,000	-	-	-
Rural Schools And Low Income Program 201	(5,765)	-	10,943	-	(16,708)	17,160	452	-	-
Rural Schools And Low Income Program 202	(13,207)	16,960	4,753	-	(1,000)	-	18,622	-	(19,622)
Unassigned Federal-Idea(Arpa 84.027X)	-	-	-	-	-	-	6,584	-	(6,584)
Unassigned Federal-Idea(Arpa 84.173X)	-	-	-	-	-	-	2,600	-	(2,600)
ESSER III	-	-	-	-	-	278,103	441,903	-	(163,800)
ESSER II	-	-	-	-	-	-	428,613	-	(428,613)
ESSER I	-	104,772	115,157	-	(10,385)	56,821	64,713	-	(18,277)
Other Federal Stimulus	-	-	12,000	-	(12,000)	-	38,000	-	(50,000)
Other Federal	-	-	-	-	-	-	8,000	-	(8,000)
Prepaid Lunch	8,758	26,450	20,772	-	14,436	32,171	36,055	-	10,552
Payroll Withholdings-Federal Tax	-	316,209	316,209	-	-	342,727	342,727	-	-
Payroll Withholdings-Social Security	-	331,519	331,519	-	-	379,538	379,538	-	-
Payroll Withholdings-State Tax	-	139,562	139,562	-	-	158,762	158,762	-	-
Payroll Withholdings-County Tax	-	72,060	72,060	-	-	83,332	83,332	-	-
Payroll Withholdings-Voluntary Additiona	-	628	628	-	-	648	648	-	-
Payroll Withholdings-American Fidelity I	1,263	346,472	346,589	-	1,146	392,593	392,352	-	1,387
Payroll Withholdings-Annuities	-	103,007	103,007	-	-	112,845	112,845	-	-
Payroll Withholdings-Medical Reimburseme	71	7,983	7,934	-	120	6,745	6,785	-	80
Payroll Withholdings-High School Certifi	-	343	470	-	(127)	502	375	-	-
Payroll Withholdings-Elementary Pay	-	533	533	-	-	388	388	-	-
Payroll Withholdings-High School Non-Cer	-	2,400	3,644	-	(1,244)	1,449	205	-	-
Other Clearing-Fringe Benefit	-	12,462	12,462	-	-	12,946	12,946	-	-
Other Clearing-Credit Card Expense	(288)	1,025	737	-	-	839	839	-	-
Totals	\$ 6,251,434	\$ 12,094,758	\$ 11,913,894	\$ 978	\$ 6,433,276	\$ 12,978,788	\$ 12,836,591	\$ 4,473	\$ 6,579,946

See notes to financial statement.

ORLEANS 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)

ORLEANS 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)

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)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

NOTE 2 - BUDGETS

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

NOTE 3 - PROPERTY TAXES

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

(Continued)

NOTE 5 - RISK MANAGEMENT

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

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

NOTE 6 - CASH BALANCE DEFICITS

The financial statement contain some funds with deficits in cash. This is a result of certain funds being set up for reimbursable grants, but for which reimbursement was not yet received by June 30, 2021. Deficits in other fund balances, including the Payroll Withholding-High School Certified and Payroll Withholding-High School Non-Certified funds, were the result of disbursements exceeding receipts due to under-estimating current requirements for some funds. These deficits are to be prepaid from future receipts.

NOTE 7 - HOLDING CORPORATION

The School Corporation has entered into a series of capital leases with the Orleans Community 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 \$600,250. Lease payments for the period July 1, 2021 to June 30, 2022 totaled \$605,750.

The School Corporation has entered into a series of capital leases with the Orleans Elementary 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 \$517,750. Lease payments for the period July 1, 2021 to June 30, 2022 totaled \$520,250.

NOTE 8 - PENSION PLANS

Public Employees' Retirement Fund

Plan Description

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

(Continued)

NOTE 8 - PENSION PLANS (Continued)

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

Financial Report

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

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

Contributions

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

Teachers' Retirement Fund

Plan Descriptions

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

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

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.

(Continued)

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

NOTE 8 - PENSION PLANS (Continued)

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

Financial Report

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

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

Contributions

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

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

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

SUPPLEMENTARY INFORMATION

ORLEANS 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	Debt Service	Retirement/Severance Bond Debt Service	Operations	Local Rainy Day	Retirement/Severance Bond	Construction	School Lunch	Curricular Materials Rental	Levy Excess	Other Local-Riverboat
Cash and investments - beginning	\$ 2,360,473	\$ 535,139	\$ 154,295	\$ 552,095	\$ 604,096	\$ 62,795	\$ 1,166,440	\$ 112,063	\$ 229,807	\$ 89	\$ 577,095
Receipts:											
Local sources	69,601	978,792	345,672	1,451,687	-	87,856	-	20,771	30,791	-	-
Intermediate sources	730	83,333	-	-	-	-	-	-	-	-	175,474
State sources	6,322,919	-	-	-	-	-	-	3,463	37,997	-	-
Federal sources	-	-	-	-	-	-	-	437,378	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	50	-	-	-
Total receipts	6,393,250	1,062,125	345,672	1,451,687	-	87,856	-	461,662	68,788	-	175,474
Disbursements:											
Instruction	4,092,996	-	-	-	-	52,464	-	-	-	-	-
Support services	912,470	-	-	1,542,900	-	44,111	-	22,742	92,462	-	-
Noninstructional services	114,261	-	-	-	-	-	-	389,149	-	-	-
Facilities acquisition and construction	-	-	-	265,003	-	-	863,434	-	-	-	-
Debt services	-	1,120,100	306,500	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	5,119,727	1,120,100	306,500	1,807,903	-	96,575	863,434	411,891	92,462	-	-
Excess (deficiency) of receipts over disbursements	1,273,523	(57,975)	39,172	(356,216)	-	(8,719)	(863,434)	49,771	(23,674)	-	175,474
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	978	-	-	-	-	-	-	-
Transfers in	-	200,000	-	794,781	50,000	-	-	-	83,858	-	-
Transfers out	(794,781)	(20,645)	-	(50,000)	-	-	-	-	-	-	(263,213)
Total other financing sources (uses)	(794,781)	179,355	-	745,759	50,000	-	-	-	83,858	-	(263,213)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	478,742	121,380	39,172	389,543	50,000	(8,719)	(863,434)	49,771	60,184	-	(87,739)
Cash and investments - ending	\$ 2,839,215	\$ 656,519	\$ 193,467	\$ 941,638	\$ 654,096	\$ 54,076	\$ 303,006	\$ 161,834	\$ 289,991	\$ 89	\$ 489,356

(Continued)

ORLEANS 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

	Other Local- Lawr Co Econo Growth-Fab Lab	Other Local 2	Educational License Plates	Formative Assessment	Indiana Preschool Grants	Secured Schools Safety Grant	Science Technology Engineering And Mat	Stem K-6	Early Intervention Grant	School Intervention And Counseling	Non-English Speaking Program
Cash and investments - beginning	\$ -	\$ -	\$ 225	\$ -	\$ -	\$ -	\$ -	\$ (21,467)	\$ -	\$ 30,701	\$ 137
Receipts:											
Local sources	2,500	3,749	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	56	-	-	-	-	-	-	-	-
State sources	-	-	-	7,834	26,292	50,000	-	28,500	2,422	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	2,500	3,749	56	7,834	26,292	50,000	-	28,500	2,422	-	-
Disbursements:											
Instruction	-	-	-	7,834	29,486	-	11,563	-	2,422	-	-
Support services	-	3,749	-	-	-	50,000	-	7,033	-	21,373	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	3,749	-	7,834	29,486	50,000	11,563	7,033	2,422	21,373	-
Excess (deficiency) of receipts over disbursements	2,500	-	56	-	(3,194)	-	(11,563)	21,467	-	(21,373)	-
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	2,500	-	56	-	(3,194)	-	(11,563)	21,467	-	(21,373)	-
Cash and investments - ending	\$ 2,500	\$ -	\$ 281	\$ -	\$ (3,194)	\$ -	\$ (11,563)	\$ -	\$ -	\$ 9,328	\$ 137

(Continued)

ORLEANS 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

	Career And Technical Performance Grant	High Ability Students	State Connectivity Grant	Title I 2019-2020	Title I 2020-2021	Idea Special Education Grant Fy2021	Preschool Handicap	Student Support Title Iv-2019	Title li Part A 2020-2022	Title li Part A 2019-2021	Title li Part A Pbl 11/30/20
Cash and investments - beginning	\$ 354	\$ -	\$ 6,960	\$ (80,413)	\$ -	\$ -	\$ -	\$ (13,869)	\$ -	\$ (16,413)	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	22,706	6,960	-	-	-	-	-	-	-	-
Federal sources	-	-	-	117,277	168,729	90,844	4,164	-	-	32,826	1,000
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	22,706	6,960	117,277	168,729	90,844	4,164	-	-	32,826	1,000
Disbursements:											
Instruction	-	22,706	-	35,957	196,887	151,213	3,035	2,769	19,019	16,413	1,000
Support services	-	-	3,480	-	-	1,164	1,129	6,184	-	-	-
Noninstructional services	-	-	-	907	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	22,706	3,480	36,864	196,887	152,377	4,164	8,953	19,019	16,413	1,000
Excess (deficiency) of receipts over disbursements	-	-	3,480	80,413	(28,158)	(61,533)	-	(8,953)	(19,019)	16,413	-
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	-	-	3,480	80,413	(28,158)	(61,533)	-	(8,953)	(19,019)	16,413	-
Cash and investments - ending	\$ 354	\$ -	\$ 10,440	\$ -	\$ (28,158)	\$ (61,533)	\$ -	\$ (22,822)	\$ (19,019)	\$ -	\$ -

(Continued)

ORLEANS 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

	Title II Part A Pbl 7/2021	Rural Schools And Low Income Program 201	Rural Schools And Low Income Program 202	ESSER I	Other Federal Stimulus	Prepaid Lunch	Payroll Withholdings- Federal Tax	Payroll Withholdings- Social Security	Payroll Withholdings- State Tax	Payroll Withholdings- County Tax	Payroll Withholdings- Voluntary Additional
Cash and investments - beginning	\$ -	\$ (5,765)	\$ (13,207)	\$ -	\$ -	\$ 8,758	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	16,960	104,772	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	26,450	316,209	331,519	139,562	72,060	628
Total receipts	-	-	16,960	104,772	-	26,450	316,209	331,519	139,562	72,060	628
Disbursements:											
Instruction	1,000	9,843	4,753	49,144	-	-	-	-	-	-	-
Support services	-	1,100	-	40,319	12,000	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	25,694	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	20,772	316,209	331,519	139,562	72,060	628
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,000	10,943	4,753	115,157	12,000	20,772	316,209	331,519	139,562	72,060	628
Excess (deficiency) of receipts over disbursements	(1,000)	(10,943)	12,207	(10,385)	(12,000)	5,678	-	-	-	-	-
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	(1,000)	(10,943)	12,207	(10,385)	(12,000)	5,678	-	-	-	-	-
Cash and investments - ending	\$ (1,000)	\$ (16,708)	\$ (1,000)	\$ (10,385)	\$ (12,000)	\$ 14,436	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

ORLEANS 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

	Payroll Withholdings- American Fidelity I	Payroll Withholdings- Annuities	Payroll Withholdings- Medical Reimburseme	Payroll Withholdings- High School Certifi	Payroll Withholdings- Elementary Pay	Payroll Withholdings- High School Non- Cer	Other Clearing- Fringe Benefit	Other Clearing- Credit Card Expense	Totals
Cash and investments - beginning	\$ 1,263	\$ -	\$ 71	\$ -	\$ -	\$ -	\$ -	\$ (288)	\$ 6,251,434
Receipts:									
Local sources	-	-	-	-	-	-	-	-	2,991,419
Intermediate sources	-	-	-	-	-	-	-	-	259,593
State sources	-	-	-	-	-	-	-	-	6,509,093
Federal sources	-	-	-	-	-	-	-	-	973,950
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other receipts	346,472	103,007	7,983	343	533	2,400	12,462	1,025	1,360,703
Total receipts	346,472	103,007	7,983	343	533	2,400	12,462	1,025	12,094,758
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	4,710,504
Support services	-	-	-	-	-	-	-	-	2,762,216
Noninstructional services	-	-	-	-	-	-	-	-	504,317
Facilities acquisition and construction	-	-	-	-	-	-	-	-	1,154,131
Debt services	-	-	-	-	-	-	-	-	1,426,600
Nonprogrammed charges	346,589	103,007	7,934	470	533	3,644	12,462	737	1,356,126
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	346,589	103,007	7,934	470	533	3,644	12,462	737	11,913,894
Excess (deficiency) of receipts over disbursements	(117)	-	49	(127)	-	(1,244)	-	288	180,864
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	978
Transfers in	-	-	-	-	-	-	-	-	1,128,639
Transfers out	-	-	-	-	-	-	-	-	(1,128,639)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	978
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(117)	-	49	(127)	-	(1,244)	-	288	181,842
Cash and investments - ending	\$ 1,146	\$ -	\$ 120	\$ (127)	\$ -	\$ (1,244)	\$ -	\$ -	\$ 6,433,276

ORLEANS 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	Debt Service	Retirement/Severance Bond Debt Service	Operations	Local Rainy Day	Retirement/Severance Bond	Construction	School Lunch	Curricular Materials Rental	Levy Excess	Other Local-Riverboat
Cash and investments - beginning	\$ 2,839,215	\$ 656,519	\$ 193,467	\$ 941,638	\$ 654,096	\$ 54,076	\$ 303,006	\$ 161,834	\$ 289,991	\$ 89	\$ 489,356
Receipts:											
Local sources	103,765	963,881	307,180	1,403,503	-	84,744	-	34,317	29,877	-	-
Intermediate sources	1,529	83,333	-	-	-	-	-	-	-	-	174,735
State sources	6,759,147	-	-	-	-	-	-	3,456	42,941	-	-
Federal sources	-	-	-	-	-	-	-	488,906	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	6,864,441	1,047,214	307,180	1,403,503	-	84,744	-	526,679	72,818	-	174,735
Disbursements:											
Instruction	4,216,024	-	-	-	-	95,631	-	-	-	-	-
Support services	1,016,777	-	-	1,536,431	-	21,494	53,075	23,278	81,945	-	-
Noninstructional services	115,128	-	-	13,158	-	-	-	448,329	-	-	-
Facilities acquisition and construction	-	-	-	354,100	-	-	237,851	13,335	-	-	-
Debt services	-	1,128,500	304,263	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	5,347,929	1,128,500	304,263	1,903,689	-	117,125	290,926	484,942	81,945	-	-
Excess (deficiency) of receipts over disbursements	1,516,512	(81,286)	2,917	(500,186)	-	(32,381)	(290,926)	41,737	(9,127)	-	174,735
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	4,473	-	-	-	-	-	-	-
Transfers in	-	200,000	-	840,398	250,000	-	-	-	76,021	-	-
Transfers out	(840,398)	(21,557)	-	(250,000)	-	-	-	-	-	-	(254,464)
Total other financing sources (uses)	(840,398)	178,443	-	594,871	250,000	-	-	-	76,021	-	(254,464)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	676,114	97,157	2,917	94,685	250,000	(32,381)	(290,926)	41,737	66,894	-	(79,729)
Cash and investments - ending	\$ 3,515,329	\$ 753,676	\$ 196,384	\$ 1,036,323	\$ 904,096	\$ 21,695	\$ 12,080	\$ 203,571	\$ 356,885	\$ 89	\$ 409,627

(Continued)

ORLEANS 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

	Other Local- Lawr Co Econo Growth-Fab Lab	Other Local- United Way Duke Energy Grant	Other Local-Siec Career Grant	Educational License Plates	Formative Assessment	Indiana Preschool Grants	Medicaid Reimbursement- State	Secured Schools Safety Grant	Science Technology Engineering And Mat	Early Intervention Grant	School Intervention And Counseling
Cash and investments - beginning	\$ 2,500	\$ -	\$ -	\$ 281	\$ -	\$ (3,194)	\$ -	\$ -	\$ (11,563)	\$ -	\$ 9,328
Receipts:											
Local sources	-	5,000	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	94	-	-	-	-	-	-	-
State sources	-	-	-	-	9,887	48,950	2,101	50,000	49,999	3,106	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	5,000	-	94	9,887	48,950	2,101	50,000	49,999	3,106	-
Disbursements:											
Instruction	506	-	2,220	-	7,680	20,063	-	-	38,436	3,106	-
Support services	-	-	-	-	-	-	-	50,000	-	-	4,409
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	506	-	2,220	-	7,680	20,063	-	50,000	38,436	3,106	4,409
Excess (deficiency) of receipts over disbursements	(506)	5,000	(2,220)	94	2,207	28,887	2,101	-	11,563	-	(4,409)
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	(506)	5,000	(2,220)	94	2,207	28,887	2,101	-	11,563	-	(4,409)
Cash and investments - ending	\$ 1,994	\$ 5,000	\$ (2,220)	\$ 375	\$ 2,207	\$ 25,693	\$ 2,101	\$ -	\$ -	\$ -	\$ 4,919

(Continued)

ORLEANS 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	Career And Technical Performance Grant	Teacher Appreciation Grant	High Ability Students	State Connectivity Grant	Title I 2021-2022	Title I 2020-2021	Idea Special Education Grant Fy2021	Idea Special Education Grant Fy2022	Preschool Handicap	Student Support Title Iv-2019
Cash and investments - beginning	\$ 137	\$ 354	\$ -	\$ -	\$ 10,440	\$ -	\$ (28,158)	\$ (61,533)	\$ -	\$ -	\$ (22,822)
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	32,541	25,028	8,160	-	-	-	-	-	-
Federal sources	-	-	-	-	-	64,455	65,094	109,126	69,164	4,267	31,411
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	32,541	25,028	8,160	64,455	65,094	109,126	69,164	4,267	31,411
Disbursements:											
Instruction	-	-	32,541	25,028	-	168,693	35,990	47,593	153,913	4,267	8,589
Support services	-	-	-	-	6,960	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	310	946	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	32,541	25,028	6,960	169,003	36,936	47,593	153,913	4,267	8,589
Excess (deficiency) of receipts over disbursements	-	-	-	-	1,200	(104,548)	28,158	61,533	(84,749)	-	22,822
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	-	-	-	-	1,200	(104,548)	28,158	61,533	(84,749)	-	22,822
Cash and investments - ending	\$ 137	\$ 354	\$ -	\$ -	\$ 11,640	\$ (104,548)	\$ -	\$ -	\$ (84,749)	\$ -	\$ -

(Continued)

ORLEANS 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

	Student Support Title Iv-2020	Medicaid Reimbursement- Federal	Title li Part A 2020-2022	Title li Part A 2019-2021	Title li Part A Pbl 11/30/20	Title li Part A Pbl 7/2021	Rural Schools And Low Income Program 201	Rural Schools And Low Income Program 202	Unassigned Federal-Idea(Arpa 84.027X)	Unassigned Federal-Idea(Arpa 84.173X)	ESSER III
Cash and investments - beginning	\$ -	\$ -	\$ (19,019)	\$ -	\$ -	\$ (1,000)	\$ (16,708)	\$ (1,000)	\$ -	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	5,410	35,112	-	-	1,000	17,160	-	-	-	278,103
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	5,410	35,112	-	-	1,000	17,160	-	-	-	278,103
Disbursements:											
Instruction	12,645	-	16,093	-	-	-	-	10,982	174	2,600	315,352
Support services	-	-	-	-	-	-	452	7,640	2,265	-	126,551
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	4,145	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	12,645	-	16,093	-	-	-	452	18,622	6,584	2,600	441,903
Excess (deficiency) of receipts over disbursements	(12,645)	5,410	19,019	-	-	1,000	16,708	(18,622)	(6,584)	(2,600)	(163,800)
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	(12,645)	5,410	19,019	-	-	1,000	16,708	(18,622)	(6,584)	(2,600)	(163,800)
Cash and investments - ending	\$ (12,645)	\$ 5,410	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (19,622)	\$ (6,584)	\$ (2,600)	\$ (163,800)

(Continued)

ORLEANS 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

	ESSER II	ESSER I	Other Federal Stimulus	Other Federal	Prepaid Lunch	Payroll Withholdings- Federal Tax	Payroll Withholdings- Social Security	Payroll Withholdings- State Tax	Payroll Withholdings- County Tax	Payroll Withholdings- Voluntary Additiona
Cash and investments - beginning	\$ -	\$ (10,385)	\$ (12,000)	\$ -	\$ 14,436	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	56,821	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	32,171	342,727	379,538	158,762	83,332	648
Total receipts	-	56,821	-	-	32,171	342,727	379,538	158,762	83,332	648
Disbursements:										
Instruction	305,931	4,140	-	8,000	-	-	-	-	-	-
Support services	64,016	56,580	38,000	-	-	-	-	-	-	-
Noninstructional services	6,675	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	51,991	3,993	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	36,055	342,727	379,538	158,762	83,332	648
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	428,613	64,713	38,000	8,000	36,055	342,727	379,538	158,762	83,332	648
Excess (deficiency) of receipts over disbursements	(428,613)	(7,892)	(38,000)	(8,000)	(3,884)	-	-	-	-	-
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	(428,613)	(7,892)	(38,000)	(8,000)	(3,884)	-	-	-	-	-
Cash and investments - ending	\$ (428,613)	\$ (18,277)	\$ (50,000)	\$ (8,000)	\$ 10,552	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

ORLEANS 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

	Payroll Withholdings- American Fidelity I	Payroll Withholdings- Annuities	Payroll Withholdings- Medical Reimburseme	Payroll Withholdings- High School Certifi	Payroll Withholdings- Elementary Pay	Payroll Withholdings- High School Non- Cer	Other Clearing- Fringe Benefit	Other Clearing- Credit Card Expense	Totals
Cash and investments - beginning	\$ 1,146	\$ -	\$ 120	\$ (127)	\$ -	\$ (1,244)	\$ -	\$ -	\$ 6,433,276
Receipts:									
Local sources	-	-	-	(1)	-	-	-	-	2,932,266
Intermediate sources	-	-	-	-	-	-	-	-	259,691
State sources	-	-	-	-	-	-	-	-	7,035,316
Federal sources	-	-	-	-	-	-	-	-	1,226,029
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other receipts	392,593	112,845	6,745	503	388	1,449	12,946	839	1,525,486
Total receipts	392,593	112,845	6,745	502	388	1,449	12,946	839	12,978,788
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	5,536,197
Support services	-	-	-	-	-	-	-	-	3,089,873
Noninstructional services	-	-	-	-	-	-	-	-	584,546
Facilities acquisition and construction	-	-	-	-	-	-	-	-	665,415
Debt services	-	-	-	-	-	-	-	-	1,432,763
Nonprogrammed charges	392,352	112,845	6,785	375	388	205	12,946	839	1,527,797
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	392,352	112,845	6,785	375	388	205	12,946	839	12,836,591
Excess (deficiency) of receipts over disbursements	241	-	(40)	127	-	1,244	-	-	142,197
Other financing sources (uses)									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	4,473
Transfers in	-	-	-	-	-	-	-	-	1,366,419
Transfers out	-	-	-	-	-	-	-	-	(1,366,419)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	4,473
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	241	-	(40)	127	-	1,244	-	-	146,670
Cash and investments - ending	\$ 1,387	\$ -	\$ 80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,579,946

ORLEANS 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	\$ 48,315	\$ 901,660

ORLEANS 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:				
Orleans Community School Building Corporation	2016 Refunding Bonds - School Improvements	\$ 368,588	7/15/2016	1/15/2031
Orleans Community School Building Corporation	2007 QZAB Lease - School Improvements	55,413	7/15/2008	1/15/2023
Orleans Community School Building Corporation	2019 First Mortgage Bonds - School Improvements	360,000	7/15/2020	1/15/2032
Orleans Elementary School Building Corporation	2014 Refinancing Bond Lease - Elementary School Improvement	<u>344,000</u>	1/15/2015	1/15/2026
Total governmental activities		<u>1,128,001</u>		
Total of annual lease payments		<u>\$1,128,001</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	Installation of Solar Panels	\$2,044,868	\$ 105,375
General Obligation Bonds	To refund taxable general obligation pension bonds of 2003.	<u>445,000</u>	<u>295,000</u>
Total governmental activities		<u>2,489,868</u>	<u>400,375</u>
Totals		<u>\$2,489,868</u>	<u>\$ 400,375</u>

ORLEANS 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	\$ 320,029
Buildings	12,256,382
Improvements other than buildings	2,539,050
Machinery, equipment, and vehicles	<u>1,474,806</u>
Total governmental activities	<u>16,590,267</u>
Total capital assets	<u>\$ 16,590,267</u>

ORLEANS 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.

ORLEANS COMMUNITY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period of 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 07-01-20 to 6-30-22
<u>Department of Agriculture</u>						
Child Nutrition Cluster	Indiana Department of Education					
School Breakfast Program		10.553	FY2021, FY2022	\$ -	\$ 118,127	\$ 118,127
National School Lunch Program		10.555	FY2021, FY2022	-	354,095	354,095
School Lunch Commodities		10.555	FY2021, FY2022	36,771	48,917	85,688
Summer Food Service Program for Children		10.559	FY2021, FY2022	<u>437,378</u>	<u>16,070</u>	<u>453,448</u>
Total - Child Nutrition Cluster				<u>474,149</u>	<u>537,209</u>	<u>1,011,358</u>
State Pandemic Electronic Benefit Transfer Administrative Costs Grant	Indiana Department of Education					
State Pandemic Electronic Benefit Transfer Administrative Costs Grant		10.649	FY2021, FY2022	-	614	614
Total - Department of Agriculture				<u>474,149</u>	<u>537,823</u>	<u>1,011,972</u>
<u>Department of Education</u>						
Special Education Cluster (IDEA)						
Special Education Grants to States	Indiana Department of Education					
IDEA, Part B		84.027	19611-047-PN01	16,899	-	16,899
IDEA, Part B		84.027	20611-045-PN01	85,116	-	85,116
IDEA, Part B		84.027	21611-163-PN01	90,844	109,125	199,969
IDEA, Part B		84.027	22611-163-PN01	-	<u>69,164</u>	<u>69,164</u>
Total - Special Education Grants to States				<u>192,859</u>	<u>178,289</u>	<u>371,148</u>
Special Education Preschool Grants	Indiana Department of Education					
IDEA, Preschool		84.173	19619-047-PN01	255	-	255
IDEA, Preschool		84.173	20619-045-PN01	2,395	-	2,395
IDEA, Preschool		84.173	21619-163-PN01	4,164	-	4,164
IDEA, Preschool		84.173	22619-163-PN01	-	<u>4,267</u>	<u>4,267</u>
Total - Special Education Preschool Grants				<u>6,814</u>	<u>4,267</u>	<u>11,081</u>
Total - Special Education Cluster (IDEA)				<u>199,673</u>	<u>182,556</u>	<u>382,229</u>
Title I Grants to Local Educational Agencies	Indiana Department of Education					
Title I, Part A		84.010	S010A190014	117,278	-	117,278
Title I, Part A		84.010	S010A200014	168,729	65,093	233,822
Title I, Part A		84.010	S010A210014	-	<u>64,455</u>	<u>64,455</u>
Total - Title I Grants to Local Educational Agencies				<u>286,007</u>	<u>129,548</u>	<u>415,555</u>

(Continued)

ORLEANS COMMUNITY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period of 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 07-01-20 to 6-30-22
Rural Education	Indiana Department of Education					
REAP 2019-2021		84.358	S424A190015	\$ -	\$ 17,160	\$ 17,160
REAP 2018-2020		84.358	S424A180015	16,960	-	16,960
Total - Rural Education				<u>16,960</u>	<u>17,160</u>	<u>34,120</u>
Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367A	44968	1,000	-	1,000
Title II, Part A		84.367A	46787	-	1,000	1,000
Title II, Part A		84.367	S367A190013	32,826	-	32,826
Title II, Part A		84.367	S367A200013	-	35,111	35,111
Total - Supporting Effective Instruction State Grants				<u>33,826</u>	<u>36,111</u>	<u>69,937</u>
Student Support and Academic Enrichment Program	Indiana Department of Education					
Title IV, Part A		84.424	S424A190015	-	31,411	31,411
COVID-19 - Education Stabilization Fund	Indiana Department of Education					
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	104,772	56,821	161,593
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund		84.425U	S425U210013	-	278,103	278,103
Total - COVID-19 - Education Stabilization Fund				<u>104,772</u>	<u>334,924</u>	<u>439,696</u>
Total - Department of Education				<u>641,238</u>	<u>731,710</u>	<u>1,372,948</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster	Indiana Department of Education					
Medical Assistance Program		93.778	FY2021, FY2022	-	5,410	5,410
Total - Medicaid Cluster				<u>-</u>	<u>5,410</u>	<u>5,410</u>
Total - Department of Health and Human Services				<u>-</u>	<u>5,410</u>	<u>5,410</u>
Total federal awards expended				<u>\$ 1,115,387</u>	<u>\$ 1,274,943</u>	<u>\$ 2,390,330</u>

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

ORLEANS 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 - SPECIAL EDUCATION COOPERATIVE

The School Corporation was a member of the Orange-Lawrence-Jackson-Martin-Greene Joint Services Special Services Special Education Cooperative (Cooperative), which operates the special education program for the School Corporation. As a result, some activity for the Special Education Cluster (IDEA) that is presented on the SEFA is not presented as receipts and disbursements in the financial statement for the School Corporation. This activity is reported on the financial statement of the Cooperative. The Cooperative was dissolved as of June 30, 2021.

NOTE 4 - 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
Orleans Community Schools
Orange 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 Orleans 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 16, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

(Continued)

Report on Compliance and Other Matters

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

Management's Response 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

Indianapolis, Indiana
March 16, 2023

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

Those Charged with Governance
Orleans Community Schools
Orange County, Indiana

Report on Compliance for Major Federal Program

Opinion on Major Federal Program

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

Basis for Opinion on Major Federal Program

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

We are required to be independent of the School Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for 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.

Responsibilities of Management for Compliance

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

(Continued)

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

(Continued)

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

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 16, 2023

ORLEANS 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	<u> </u>	No
Significant deficiencies identified not considered to be material weaknesses?	<u> </u>	Yes	<u> X </u>	None Reported

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

Internal control over major programs:

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

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

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

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555, 10.559	Child Nutrition Cluster

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

Auditee qualified as low-risk auditee?	<u> </u>	Yes	<u> X </u>	No
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(Continued)

ORLEANS 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 Annual Financial Report
Audit Findings: Material Weakness

Criteria: The Indiana State Board of Accounts 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, ..."

Condition: The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Annual Financial Report (AFR).

Cause: Management had not established a system of internal control that would have ensured proper reporting of the AFR. For fiscal year 2021, it was the first year the AFR was required to be prepared directly by the School Corporation instead of from semi-annual findings with Indiana Department of Education. There was not an appropriate review of the activity posted on the AFR.

Context: The AFR entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and investment Balances – Regulatory Basis (the financial statement). The AFR was reviewed prior to submission. However, it was not reviewed in enough detail to prevent the following errors in the financial statement:

(Continued)

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

Section II – Financial Statement Findings (Continued)

FINDING 2022-001 (Continued)

1. The beginning balance of cash and investments as of June 30, 2020 reported in Gateway was understated by \$33,749.
2. For the period of July 1, 2020 to June 30, 2021, receipts and disbursements were understated by \$26,450 and \$20,772, respectively. The net impact on cash and investment balances reported in Gateway as of June 30, 2021 was an understatement of \$5,678.
3. For the period of July 1, 2021 to June 30, 2022, receipts and disbursements were understated by \$32,171 and \$36,055, respectively. The net impact on cash and investment balances reported in Gateway as of June 30, 2022 was an overstatement of \$3,884.

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

Effect: Without a proper system of internal control in place that operated effectively, material misstatements of the financial statement could remain undetected.

Identification as a repeat finding: No

Recommendation: We recommended that the School Corporation's management establish a formal review over the AFR Financial Statement Submission to ensure amounts reported are accurate and agree to underlying funds ledgers. The School Corporation should establish a documented, secondary review to ensure the amounts reported on the financial statements agree to the supporting ledger fund detail.

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

Section III – Federal Award Findings and Questioned Costs

None noted.

ORLEANS COMMUNITY SCHOOLS

OFFICE OF THE SUPERINTENDENT

James Ellis, Superintendent
Theresa Robbins, Treasurer
Bridget Knight, Deputy Trea.
Chelsie Atchison, Secretary



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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2020-001

Subject: Child Nutrition Cluster – Procurement
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, COVID-19 - School Breakfast Program, National School Lunch Program, COVID-19 - National School Lunch Program, Summer Food Service Program for Children, COVID-19 - Summer Food Service Program for Children
CFDA Numbers: 10.553, 10.555, 10.559
Federal Award Numbers and Years (or Other Identifying Numbers): FY19, FY20
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Procurement and Suspension and Debarment
Audit Findings: Material Weakness

Condition and Context: Procurement

An effective internal control system was not in place at the School Corporation in order to ensure compliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

Procurement

The School Corporation had not established effective internal controls to ensure proper procurement methods and procedures were followed.

The School Corporation established a procurement policy for fiscal year 2017-2018, but the stated procedures were not always followed. An updated procurement policy for 2019-2020 was on file, but not always followed. Procurements made from two vendors during 2018-2019 and three vendors during 2019-2020 fell within the small purchase procedures requirements. There was no evidence presented for audit that an adequate number of quotations were obtained or documentation as to the rationale to limit competition in those cases where competition was limited and that the limitation was justified.

The lack of internal controls and noncompliance were systemic issues, which occurred throughout the audit period.

Status: Resolved.

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CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS

June 30, 2022

Finding 2022-001

Subject: Annual Financial Report
Audit Findings: Material Weakness

Condition: The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Annual Financial Report (AFR).

Context: The AFR entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and investment Balances – Regulatory Basis (the financial statement). The AFR was reviewed prior to submission. However, it was not reviewed in enough detail to prevent the following errors in the financial statement:

- 1) The beginning balance of cash and investments as of June 30, 2020 reported in Gateway was understated by \$33,758. For the period of July 1, 2020 to June 30, 2021, receipts and disbursements were understated by \$26,450 and \$20,772, respectively. The net impact on cash and investment balances reported in Gateway as of June 30, 2021 was an understatement of \$39,436. For the period of July 1, 2021 to June 30, 2022, receipts and disbursements were understated by \$32,171 and \$36,055, respectively. The net impact on cash and investment balances reported in Gateway as of June 30, 2022 was an overstatement of \$3,884.

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

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: The AFR will need to be examined more closely in review before the audit begins to ensure that balances match to fund reports for those time periods and that revenue and expenses have not been added/removed or need added/removed. The most detailed review would need to be of the School Lunch fund and its related Prepaid fund. The Prepaid fund will more than likely need to be added to the AFR prior to an audit.

Responsible Party and Timeline for Completion:

Responsible party is Theresa Robbins, Corporation Treasurer. Timeline for completion is July 2023.