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STATE BOARD OF ACCOUNTS  
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April 12, 2023

To: The Officials of the Northern Wells Community Schools  
Northern Wells Community Schools  
312 N Jefferson St  
Ossian, IN 46777

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

We call your attention to the findings included in the report on pages 45 through 48. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on pages 49 and 50.

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

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

A handwritten signature in black ink that reads 'Tammy R. White'.

Tammy R. White, CPA  
Deputy State Examiner

**NORTHERN WELLS COMMUNITY SCHOOLS**  
Wells County, Indiana

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

NORTHERN WELLS COMMUNITY SCHOOLS  
Wells County, Indiana

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

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

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<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Deborah Adams	07-01-20 to 06-30-22
Superintendent of Schools	Scott Mills Michael Springer	07-01-20 to 07-01-21 07-01-21 to 06-30-22
President of the School Board	Angie Topp	07-01-20 to 06-30-22

## INDEPENDENT AUDITOR'S REPORT

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

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

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

***Unmodified Opinion on Regulatory Basis of Accounting***

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

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

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

***Basis for Opinions***

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

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

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

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(Continued)

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

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

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

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

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

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

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

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

### ***Supplementary Information***

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

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(Continued)

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

#### ***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2023, on our consideration of the School Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

*Crowe LLP*  
Crowe LLP

Indianapolis, Indiana  
March 30, 2023

NORTHERN WELLS 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
Education Fund	\$ 2,546,356	\$ 16,162,502	\$ 13,975,998	\$ (2,200,000)	\$ 2,532,860	\$ 17,117,684	\$ 13,999,178	\$ (2,004,860)	\$ 3,646,506
Debt Service	787,797	2,559,363	2,456,159	-	891,001	2,875,114	3,060,432	(64,834)	640,849
Referendum Fund-Exempt Cpf	598,531	1,014,684	989,000	-	624,215	1,006,715	991,000	-	639,930
Operations Fund	3,841,424	5,125,931	7,756,289	2,144,638	3,355,704	6,202,184	8,898,753	2,012,968	2,672,103
Local Rainy Day	273,629	51,870	55,958	176,371	445,912	-	-	-	445,912
Construction Fund	-	-	-	-	-	-	131	5,000,000	4,999,869
School Lunch	22,999	1,195,126	981,209	-	236,916	1,483,083	1,148,986	(8,050)	562,963
Curricular Materials Rental	487,220	307,823	1,054,157	347,696	88,582	320,601	336,489	64,834	137,528
Levy Excess Fund	121,009	-	-	(121,009)	-	-	-	-	-
Joint Service & Supply - Area Voc School	-	28,408	28,408	-	-	27,147	27,147	-	-
Child Care Program	(24,829)	150,743	147,070	-	(21,156)	160,071	146,270	-	(7,355)
Drivers Ed Program (Was 3900)	(9,062)	45,139	39,211	-	(3,134)	35,704	35,686	-	(3,116)
Educational License Plates	564	75	-	-	639	75	33	-	681
Turn Dreamers Into Makers Grant	-	4,990	4,990	-	-	-	-	-	-
Autism Summer School (Was 2850)	820	1	821	-	-	-	-	-	-
School Lunch Donation	525	1,124	731	-	918	-	-	-	918
Art Exp In Virtual Space Grant	-	-	-	-	-	1,995	1,995	-	-
2021 Teacher Of Year/Valenti	-	150	150	-	-	-	-	-	-
21-22 Tchr Of The Year-H Parker	-	-	-	-	-	500	444	-	56
Donation To Schools For Students	-	602	602	-	-	1,700	1,700	-	-
Nhs Business-Donations	-	3,780	3,780	-	-	-	-	-	-
Differentiated Sensory Room Grnt	-	-	-	-	-	2,500	2,500	-	-
Nms-A Cut Above The Rest Donat	-	4,380	-	-	4,380	-	4,304	-	76
Wells County Soil & Water	300	-	300	-	-	800	800	-	-
Cada Gramt-Drug Screening	1,531	1,499	2,629	-	401	1,915	2,316	-	-
Teacher Of The Year-L Weybright	500	-	500	-	-	-	-	-	-
2019-20 Teacher Of Year-Yonker	51	-	51	-	-	-	-	-	-
Skilled Trade Grant	1,328	-	238	-	1,090	-	1,090	-	-
Staff Appreciation/Recognition	-	4,500	-	-	4,500	3,800	5,300	-	3,000
Alt School Tech (Was 2921)	174	-	77	-	97	-	97	-	-
Extra-Curr -Sports Workers	(6,108)	4,977	15,310	-	(16,441)	27,785	17,820	-	(6,476)
Eca (Trnsp)- Field Trips	-	146	-	-	146	(146)	-	-	-
College Board Rebate	-	250	250	-	-	-	-	-	-
Aquatics Fund	176	958	1,954	-	(820)	4,011	2,995	-	196
Cpr/Aed & Lifeguard Training	738	1,526	1,076	-	1,188	-	460	-	728
Nms Scholarships & Awards	-	-	-	-	-	400	-	-	400
Formative Assessment Grant	16,182	20,135	36,317	-	-	24,987	24,987	-	-
Medicaid Reimbursement Fund	18,353	24,687	540	-	42,500	47,055	2,511	-	87,044
School Safety Grant	(5,697)	56,637	63,675	-	(12,735)	60,205	63,675	-	(16,205)
Alternative School Grant	-	7,566	7,566	-	-	-	-	-	-
Early Intervention Grant	-	6,745	6,745	-	-	7,891	7,891	-	-

(Continued)

NORTHERN WELLS 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
Non-English Speaking Program	\$ 10,234	\$ 13,420	\$ 12,163	\$ -	\$ 11,491	\$ 12,818	\$ 18,359	\$ -	\$ 5,950
Teacher Appreciation Grant	8	90,781	90,789	-	-	90,927	90,911	-	16
High Ability 2019-20	8,789	29,717	31,274	-	7,232	34,059	31,513	-	9,778
State Connectivity Grant	13,977	15,818	26,100	-	3,695	12,760	4,615	-	11,840
Title I 2019-20 School Year	(15,993)	33,913	17,920	-	-	-	-	-	-
Title I 2020-21 School Year	-	208,895	227,093	-	(18,198)	50,227	32,029	-	-
Title 1 2021-2022	-	-	-	-	-	198,914	219,545	-	(20,631)
Title Iv - Project Year 2018	-	2,671	2,671	-	-	-	-	-	-
Title Iv - Project Year 2019	-	21,829	21,829	-	-	-	-	-	-
Title Iv Project 20-22	-	9,947	15,077	-	(5,130)	8,688	3,558	-	-
Title 4 21-23	-	-	-	-	-	3,494	3,494	-	-
Title Ii Part A	(6,091)	73,032	80,521	-	(13,580)	107,996	94,709	-	(293)
ESSER III	-	-	-	-	-	455,607	496,634	-	(41,027)
ESSER II	-	-	145,247	-	(145,247)	407,592	289,719	-	(27,374)
ESSER I	-	207,856	226,124	-	(18,268)	25,498	7,836	-	(606)
Fema-Do Not Use	-	-	121,158	-	(121,158)	-	(121,158)	-	-
Federal Taxes	-	1,048,144	1,048,144	-	-	1,039,804	1,039,810	6	-
Teachers Oasi	-	687,991	687,991	-	-	691,459	691,478	19	-
Non Certified Oasi	-	332,218	332,218	-	-	335,644	335,644	-	-
State Taxes	-	409,826	409,826	-	-	421,541	421,541	-	-
County Taxes	-	238,280	238,280	-	-	241,805	241,805	-	-
Corp. Share Of Perf (6.50%)	-	422	-	-	422	2,007	-	-	2,429
Group Insurance-Health	41,916	483,988	469,133	-	56,771	504,653	516,792	(9,437)	35,195
Group Insurance - Dental	(4,317)	62,683	64,606	-	(6,240)	61,538	67,180	11,882	-
Group Insurance - Vision	(31)	23,279	23,067	-	181	16,629	18,466	1,656	-
Group Insurance-Ltd	266	20,369	21,064	-	(429)	18,216	17,625	-	162
Group Insurance-Life	(148)	28,581	28,110	-	323	27,631	27,064	(536)	354
Group Insurance-Retiree Health	6,482	79,861	79,020	-	7,323	85,965	89,521	289	4,056
Group Insurance-Retiree Life	1,348	4,776	4,768	-	1,356	3,864	3,867	36	1,389
Group Insurance - Cancer	54	1,608	1,280	-	382	1,052	671	(763)	-
Group Insurance - Retiree Vision Ins	491	3,165	3,092	-	564	3,141	2,564	(876)	265
Retiree Dental Insurance	617	8,841	8,783	-	675	7,559	8,176	(674)	(616)
Annuities	-	212,596	216,519	-	(3,923)	145,222	141,299	-	-
Af Accident Ins - Dc 557	802	26,406	27,099	-	109	25,725	25,881	47	-
Af Cancer Ins/Deduction Codes 558 & 559	1,006	41,437	41,966	-	477	45,685	45,296	(866)	-
Af Critical Illness Ins/Ded Code 560	642	5,495	5,550	-	587	4,882	4,682	(787)	-
Af Short Term Disability/Ded Code 561	788	14,791	14,350	-	1,229	18,053	17,466	(1,816)	-
Af Life Insurance/Ded Code 562	(654)	23,253	24,183	-	(1,584)	24,850	25,110	1,844	-
A/F Hsa Accounts	-	36,380	36,380	-	-	42,771	42,771	-	-
Child Support-Wells County	-	7,010	7,010	-	-	-	-	-	-
Garnishment-Taylor	-	1,423	1,423	-	-	-	-	-	-

(Continued)

NORTHERN WELLS 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
Garnishments	\$ -	\$ 50	\$ 50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Section 125 Flex Benefits	-	66,244	66,244	-	-	58,628	58,628	-	-
Child Support - Wells County	-	-	-	-	-	9,540	9,540	-	-
School Lunch Clearing Account	-	66,218	20,844	-	45,374	86,494	81,364	-	50,504
Garnishment Allen Cty	-	-	-	-	-	435	435	-	-
Staff Services/Clearing	-	585	-	-	585	1,627	1,710	-	502
School Apparel	556	-	-	-	556	-	-	-	556
Walk The Halls	560	-	-	-	560	-	-	-	560
Nwcs Be Fit	50	-	-	-	50	-	-	-	50
Eca Clearing Account	-	190	190	-	-	20	20	-	-
Federal Tax Holding Fund	-	177	-	-	177	-	-	(24)	153
Void Checks	-	142	142	-	-	-	93	-	(93)
Ipad Repair Reimbursements	19,624	4,825	23,958	-	491	5,882	932	-	5,441
Ipad Repair Parts-Covers/Cases	41,229	108	2,779	-	38,558	149	33,081	-	5,626
Online Payments For Eca Accts	-	-	-	-	-	7,653	-	-	7,653
In-House Workshops	320	-	-	-	320	-	-	-	320
Fringe Bene-Vehicle Deduction	8,963	3,069	11,379	-	653	3,051	3,249	-	455
<b>Totals</b>	<b>\$ 8,805,999</b>	<b>\$ 31,438,627</b>	<b>\$ 32,569,175</b>	<b>\$ 347,696</b>	<b>\$ 8,023,147</b>	<b>\$ 34,765,531</b>	<b>\$ 33,930,515</b>	<b>\$ 5,000,058</b>	<b>\$ 13,858,221</b>

See notes to financial statement.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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(Continued)

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

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

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

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

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

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

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

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

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

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

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

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

*Proceeds of long-term debt.* Amounts received in relation to the issuance of bonds or other long-term debt issues.

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

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

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

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(Continued)

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

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

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 Depositary Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

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

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

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(Continued)

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

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

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

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

The financial statement contain some funds with deficits in cash. This is a result of certain funds being set up for reimbursable grants, but for which reimbursement was not yet received by June 30, 2021, and 2022. Deficits in other fund balances, including the Group Insurance – Dental, Group Insurance – Limited, Retiree Dental Insurance, Annuities, AF Life Insurance/Deductible Code 562, and Void Checks 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 capital leases with the Northern Wells Multi-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 during fiscal years 2020-2021 and 2021-2022 totaled \$3,673,733 and \$4,694,098, respectively.

#### **NOTE 8 - PENSION PLANS**

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

###### *Plan Description*

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

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

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(Continued)

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

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**NOTE 8 - PENSION PLANS** (Continued)

*Financial Report*

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

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

*Contributions*

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

**Teachers' Retirement Fund**

*Plan Descriptions*

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

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

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

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

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

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

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(Continued)

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

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**NOTE 8 - PENSION PLANS** (Continued)

*Financial Report*

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

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

*Contributions*

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

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

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

**NOTE 9 - SUBSEQUENT EVENTS**

In August 2022, the Holding Corporation closed on the Ad Valorem Property Tax First Mortgage Bond, Series 2022, in the amount of \$4,125,000. The proceeds will be used for renovation, improvements and construction of facilities throughout the School Corporation.

In February 2023, the Holding Corporation closed on the Ad Valorem Property Tax First Mortgage Refunding Bond, Series 2023, in the amount of \$7,490,000. The Series 2023 bond was used to refund the Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2012.

**SUPPLEMENTARY INFORMATION**

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

	Education Fund	Debt Service	Referendum Fund-Exempt Cpf	Operations Fund	Local Rainy Day	Construction Fund	School Lunch	Curricular Materials Rental	Levy Excess Fund	Joint Service & Supply - Area Voc School	Child Care Program
Cash and investments - beginning	\$ 2,546,356	\$ 787,797	\$ 598,531	\$ 3,841,424	\$ 273,629	\$ -	\$ 22,999	\$ 487,220	\$ 121,009	\$ -	\$ (24,829)
Receipts:											
Local sources	196,142	2,559,363	1,014,684	5,125,931	51,870	-	194,570	253,286	-	-	150,743
Intermediate sources	12	-	-	-	-	-	-	-	-	-	-
State sources	15,966,348	-	-	-	-	-	13,448	54,537	-	-	-
Federal sources	-	-	-	-	-	-	986,296	-	-	28,408	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	812	-	-	-	-
Total receipts	16,162,502	2,559,363	1,014,684	5,125,931	51,870	-	1,195,126	307,823	-	28,408	150,743
Disbursements:											
Instruction	10,831,916	-	-	-	-	-	-	-	-	28,408	-
Support services	2,851,340	-	-	6,602,854	-	-	-	1,054,157	-	-	-
Noninstructional services	292,742	-	-	-	-	-	981,209	-	-	-	147,070
Facilities acquisition and construction	-	-	-	1,153,435	-	-	-	-	-	-	-
Debt services	-	2,456,159	989,000	-	55,958	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	13,975,998	2,456,159	989,000	7,756,289	55,958	-	981,209	1,054,157	-	28,408	147,070
Excess (deficiency) of receipts over disbursements	2,186,504	103,204	25,684	(2,630,358)	(4,088)	-	213,917	(746,334)	-	-	3,673
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	347,696	-	-	-
Transfers in	337,388	-	-	2,968,241	450,000	-	57,503	-	-	-	42,010
Transfers out	(2,537,388)	-	-	(823,603)	(273,629)	-	(57,503)	-	(121,009)	-	(42,010)
Total other financing sources (uses)	(2,200,000)	-	-	2,144,638	176,371	-	-	347,696	(121,009)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(13,496)	103,204	25,684	(485,720)	172,283	-	213,917	(398,638)	(121,009)	-	3,673
Cash and investments - ending	\$ 2,532,860	\$ 891,001	\$ 624,215	\$ 3,355,704	\$ 445,912	\$ -	\$ 236,916	\$ 88,582	\$ -	\$ -	\$ (21,156)

(Continued)

NORTHERN WELLS 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

	Drivers Ed Program (Was 3900)	Educational License Plates	Turn Dreamers Into Makers Grant	Autism Summer School (Was 2850)	School Lunch Donation	Art Exp In Virtual Space Grant	2021 Teacher Of Year/Valenti	21-22 Tchr Of The Year-H Parker	Donation To Schools For Students	Nhs Business- Donations	Differentiated Sensory Room Grnt
Cash and investments - beginning	\$ (9,062)	\$ 564	\$ -	\$ 820	\$ 525	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:											
Local sources	45,139	-	4,990	1	1,124	-	150	-	602	3,780	-
Intermediate sources	-	75	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	45,139	75	4,990	1	1,124	-	150	-	602	3,780	-
Disbursements:											
Instruction	-	-	-	821	-	-	-	-	-	-	-
Support services	-	-	4,990	-	731	-	150	-	602	3,780	-
Noninstructional services	39,211	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	39,211	-	4,990	821	731	-	150	-	602	3,780	-
Excess (deficiency) of receipts over disbursements	5,928	75	-	(820)	393	-	-	-	-	-	-
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,928	75	-	(820)	393	-	-	-	-	-	-
Cash and investments - ending	\$ (3,134)	\$ 639	\$ -	\$ -	\$ 918	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

NORTHERN WELLS 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

	Nms-A Cut Above The Rest Donat	Wells County Soil & Water	Cada Grant- Drug Screening	Teacher Of The Year-L Weybright	2019-20 Teacher Of Year- Yonker	Skilled Trade Grant	Staff Appreciation/Rec ognition	Alt School Tech (Was 2921)	Extra-Curr - Sports Workers	Eca (Trnsp)- Field Trips	College Board Rebate
Cash and investments - beginning	\$ -	\$ 300	\$ 1,531	\$ 500	\$ 51	\$ 1,328	\$ -	\$ 174	\$ (6,108)	\$ -	\$ -
Receipts:											
Local sources	4,380	-	1,499	-	-	-	4,500	-	4,977	146	250
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	4,380	-	1,499	-	-	-	4,500	-	4,977	146	250
Disbursements:											
Instruction	-	-	-	-	-	-	-	77	-	-	-
Support services	-	300	2,629	500	51	238	-	-	15,310	-	250
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	300	2,629	500	51	238	-	77	15,310	-	250
Excess (deficiency) of receipts over disbursements	4,380	(300)	(1,130)	(500)	(51)	(238)	4,500	(77)	(10,333)	146	-
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	4,380	(300)	(1,130)	(500)	(51)	(238)	4,500	(77)	(10,333)	146	-
Cash and investments - ending	\$ 4,380	\$ -	\$ 401	\$ -	\$ -	\$ 1,090	\$ 4,500	\$ 97	\$ (16,441)	\$ 146	\$ -

(Continued)

NORTHERN WELLS 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

	Aquatics Fund	Cpr/Aed & Lifeguard Training	Nms Scholarships & Awards	Formative Assessment Grant	Medicaid Reimbursement Fund	School Safety Grant	Alternative School Grant	Early Intervention Grant	Non-English Speaking Program	Teacher Appreciation Grant	High Ability 2019-20	State Connectivity Grant
Cash and investments - beginning	\$ 176	\$ 738	\$ -	\$ 16,182	\$ 18,353	\$ (5,697)	\$ -	\$ -	\$ 10,234	\$ 8	\$ 8,789	\$ 13,977
Receipts:												
Local sources	958	1,526	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	20,135	24,687	56,637	7,566	6,745	13,420	90,781	29,717	15,818
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	958	1,526	-	20,135	24,687	56,637	7,566	6,745	13,420	90,781	29,717	15,818
Disbursements:												
Instruction	-	-	-	-	-	-	7,566	-	-	-	31,274	-
Support services	1,204	-	-	36,317	540	63,675	-	6,745	11,064	90,789	-	26,100
Noninstructional services	750	1,076	-	-	-	-	-	-	1,099	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,954	1,076	-	36,317	540	63,675	7,566	6,745	12,163	90,789	31,274	26,100
Excess (deficiency) of receipts over disbursements	(996)	450	-	(16,182)	24,147	(7,038)	-	-	1,257	(8)	(1,557)	(10,282)
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	(996)	450	-	(16,182)	24,147	(7,038)	-	-	1,257	(8)	(1,557)	(10,282)
Cash and investments - ending	\$ (820)	\$ 1,188	\$ -	\$ -	\$ 42,500	\$ (12,735)	\$ -	\$ -	\$ 11,491	\$ -	\$ 7,232	\$ 3,695

(Continued)

NORTHERN WELLS 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 I 2019-20 School Year	Title I 2020-21 School Year	Title I 2021- 2022	Title Iv - Project Year 2018	Title Iv - Project Year 2019	Title Iv Project 20-22	Title 4 21-23	Title li Part A	ESSER III	ESSER II	ESSER I
Cash and investments - beginning	\$ (15,993)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (6,091)	\$ -	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	33,913	208,895	-	2,671	21,829	9,947	-	73,032	-	-	207,856
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	33,913	208,895	-	2,671	21,829	9,947	-	73,032	-	-	207,856
Disbursements:											
Instruction	9,986	128,735	-	-	-	-	-	41,879	-	101,098	50,631
Support services	7,824	98,358	-	2,671	21,829	15,077	-	38,642	-	4,149	122,738
Noninstructional services	110	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	40,000	52,755
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	17,920	227,093	-	2,671	21,829	15,077	-	80,521	-	145,247	226,124
Excess (deficiency) of receipts over disbursements	15,993	(18,198)	-	-	-	(5,130)	-	(7,489)	-	(145,247)	(18,268)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	7,975	-	-	-	-	-	-	-	-	-	-
Transfers out	(7,975)	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	15,993	(18,198)	-	-	-	(5,130)	-	(7,489)	-	(145,247)	(18,268)
Cash and investments - ending	\$ -	\$ (18,198)	\$ -	\$ -	\$ -	\$ (5,130)	\$ -	\$ (13,580)	\$ -	\$ (145,247)	\$ (18,268)

(Continued)

NORTHERN WELLS 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

	Fema-Do Not Use	Federal Taxes	Teachers Oasi	Non Certified Oasi	State Taxes	County Taxes	Corp. Share Of Perf (6.50%)	Group Insurance- Health	Group Insurance - Dental	Group Insurance - Vision	Group Insurance- Ltd
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,916	\$ (4,317)	\$ (31)	\$ 266
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	1,048,144	687,991	332,218	409,826	238,280	422	483,988	62,683	23,279	20,369
Total receipts	-	1,048,144	687,991	332,218	409,826	238,280	422	483,988	62,683	23,279	20,369
Disbursements:											
Instruction	101,735	-	-	-	-	-	-	-	-	-	-
Support services	19,423	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	1,048,144	687,991	332,218	409,826	238,280	-	469,133	64,606	23,067	21,064
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	121,158	1,048,144	687,991	332,218	409,826	238,280	-	469,133	64,606	23,067	21,064
Excess (deficiency) of receipts over disbursements	(121,158)	-	-	-	-	-	422	14,855	(1,923)	212	(695)
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	(121,158)	-	-	-	-	-	422	14,855	(1,923)	212	(695)
Cash and investments - ending	\$ (121,158)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 422	\$ 56,771	\$ (6,240)	\$ 181	\$ (429)

(Continued)

NORTHERN WELLS 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

	Group Insurance- Life	Group Insurance- Retiree Health	Group Insurance- Retiree Life	Group Insurance - Cancer	Group Insurance - Retiree Vision Ins	Retiree Dental Insurance	Annuities	Af Accident Ins - Dc 557	Af Cancer Ins/Deduction Codes 558 & 559	Af Critical Illness Ins/Ded Code 560	Af Short Term Disability/Ded Code 561
Cash and investments - beginning	\$ (148)	\$ 6,482	\$ 1,348	\$ 54	\$ 491	\$ 617	\$ -	\$ 802	\$ 1,006	\$ 642	\$ 788
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	28,581	79,861	4,776	1,608	3,165	8,841	212,596	26,406	41,437	5,495	14,791
Total receipts	28,581	79,861	4,776	1,608	3,165	8,841	212,596	26,406	41,437	5,495	14,791
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	28,110	79,020	4,768	1,280	3,092	8,783	216,519	27,099	41,966	5,550	14,350
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	28,110	79,020	4,768	1,280	3,092	8,783	216,519	27,099	41,966	5,550	14,350
Excess (deficiency) of receipts over disbursements	471	841	8	328	73	58	(3,923)	(693)	(529)	(55)	441
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	471	841	8	328	73	58	(3,923)	(693)	(529)	(55)	441
Cash and investments - ending	\$ 323	\$ 7,323	\$ 1,356	\$ 382	\$ 564	\$ 675	\$ (3,923)	\$ 109	\$ 477	\$ 587	\$ 1,229

(Continued)

NORTHERN WELLS 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

	Af Life Insurance/Ded Code 562	A/F Hsa Accounts	Child Support- Wells County	Garnishment- Taylor	Garnishment- Garnishments	Section 125 Flex Benefits	Child Support - Wells County	School Lunch Clearing Account	Garnishment Allen Cty	Staff Services/Clearing	School Apparel
Cash and investments - beginning	\$ (654)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 556
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	23,253	36,380	7,010	1,423	50	66,244	-	66,218	-	585	-
Total receipts	23,253	36,380	7,010	1,423	50	66,244	-	66,218	-	585	-
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	1,442	-	-	-
Noninstructional services	-	-	-	-	-	-	-	19,402	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	24,183	36,380	7,010	1,423	50	66,244	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	24,183	36,380	7,010	1,423	50	66,244	-	20,844	-	-	-
Excess (deficiency) of receipts over disbursements	(930)	-	-	-	-	-	-	45,374	-	585	-
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	(930)	-	-	-	-	-	-	45,374	-	585	-
Cash and investments - ending	\$ (1,584)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,374	\$ -	\$ 585	\$ 556

(Continued)

NORTHERN WELLS 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

	Walk The Halls	Nwcs Be Fit	Eca Clearing Account	Federal Tax Holding Fund	Void Checks	Ipad Repair Reimbursements	Ipad Repair Parts-Covers/Cases	Online Payments For Eca Accts	In-House Workshops	Fringe Bene-Vehicle Deduction	Totals
Cash and investments - beginning	\$ 560	\$ 50	\$ -	\$ -	\$ -	\$ 19,624	\$ 41,229	\$ -	\$ 320	\$ 8,963	\$ 8,805,999
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	9,620,611
Intermediate sources	-	-	-	-	-	-	-	-	-	-	87
State sources	-	-	-	-	-	-	-	-	-	-	16,299,839
Federal sources	-	-	-	-	-	-	-	-	-	-	1,572,847
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	190	177	142	4,825	108	-	-	3,069	3,945,243
Total receipts	-	-	190	177	142	4,825	108	-	-	3,069	31,438,627
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	11,334,126
Support services	-	-	-	-	-	-	-	-	-	-	11,106,469
Noninstructional services	-	-	-	-	-	-	-	-	-	-	1,482,669
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	1,246,190
Debt services	-	-	-	-	-	-	-	-	-	-	3,501,117
Nonprogrammed charges	-	-	190	-	142	23,958	2,779	-	-	11,379	3,898,604
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	190	-	142	23,958	2,779	-	-	11,379	32,569,175
Excess (deficiency) of receipts over disbursements	-	-	-	177	-	(19,133)	(2,671)	-	-	(8,310)	(1,130,548)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	347,696
Transfers in	-	-	-	-	-	-	-	-	-	-	3,863,117
Transfers out	-	-	-	-	-	-	-	-	-	-	(3,863,117)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	347,696
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	177	-	(19,133)	(2,671)	-	-	(8,310)	(782,852)
Cash and investments - ending	\$ 560	\$ 50	\$ -	\$ 177	\$ -	\$ 491	\$ 38,558	\$ -	\$ 320	\$ 653	\$ 8,023,147

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

	Education Fund	Debt Service	Referendum Fund-Exempt Cpf	Operations Fund	Local Rainy Day	Construction Fund	School Lunch	Curricular Materials Rental	Levy Excess Fund	Joint Service & Supply - Area Voc School	Child Care Program
Cash and investments - beginning	\$ 2,532,860	\$ 891,001	\$ 624,215	\$ 3,355,704	\$ 445,912	\$ -	\$ 236,916	\$ 88,582	\$ -	\$ -	\$ (21,156)
Receipts:											
Local sources	377,338	2,875,114	1,006,715	6,136,484	-	-	92,496	265,265	-	-	160,071
Intermediate sources	5	-	-	-	-	-	-	-	-	-	-
State sources	16,740,341	-	-	-	-	-	16,253	55,336	-	-	-
Federal sources	-	-	-	65,700	-	-	1,373,514	-	-	27,147	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	820	-	-	-	-
Total receipts	17,117,684	2,875,114	1,006,715	6,202,184	-	-	1,483,083	320,601	-	27,147	160,071
Disbursements:											
Instruction	11,002,363	-	-	-	-	-	-	-	-	27,147	-
Support services	2,678,294	-	-	8,254,749	-	-	-	336,489	-	-	-
Noninstructional services	318,521	-	-	130	-	-	1,148,986	-	-	-	146,270
Facilities acquisition and construction	-	-	-	643,874	-	131	-	-	-	-	-
Debt services	-	3,060,432	991,000	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	13,999,178	3,060,432	991,000	8,898,753	-	131	1,148,986	336,489	-	27,147	146,270
Excess (deficiency) of receipts over disbursements	3,118,506	(185,318)	15,715	(2,696,569)	-	(131)	334,097	(15,888)	-	-	13,801
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	5,000,000	-	-	-	-	-
Sale of capital assets	-	-	-	58	-	-	-	-	-	-	-
Transfers in	8,300	-	-	2,013,160	-	-	250	64,834	-	-	-
Transfers out	(2,013,160)	(64,834)	-	(250)	-	-	(8,300)	-	-	-	-
Total other financing sources (uses)	(2,004,860)	(64,834)	-	2,012,968	-	5,000,000	(8,050)	64,834	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,113,646	(250,152)	15,715	(683,601)	-	4,999,869	326,047	48,946	-	-	13,801
Cash and investments - ending	\$ 3,646,506	\$ 640,849	\$ 639,930	\$ 2,672,103	\$ 445,912	\$ 4,999,869	\$ 562,963	\$ 137,528	\$ -	\$ -	\$ (7,355)

(Continued)

NORTHERN WELLS 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

	Drivers Ed Program (Was 3900)	Educational License Plates	Turn Dreamers Into Makers Grant	Autism Summer School (Was 2850)	School Lunch Donation	Art Exp In Virtual Space Grant	2021 Teacher Of Year/Valenti	21-22 Tchr Of The Year-H Parker	Donation To Schools For Students	Nhs Business- Donations	Differentiated Sensory Room Grnt
Cash and investments - beginning	\$ (3,134)	\$ 639	\$ -	\$ -	\$ 918	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:											
Local sources	35,704	-	-	-	-	1,995	-	500	1,700	-	2,500
Intermediate sources	-	75	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	35,704	75	-	-	-	1,995	-	500	1,700	-	2,500
Disbursements:											
Instruction	-	-	-	-	-	1,995	-	-	-	-	2,500
Support services	152	33	-	-	-	-	-	444	1,700	-	-
Noninstructional services	35,534	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	35,686	33	-	-	-	1,995	-	444	1,700	-	2,500
Excess (deficiency) of receipts over disbursements	18	42	-	-	-	-	-	56	-	-	-
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	18	42	-	-	-	-	-	56	-	-	-
Cash and investments - ending	\$ (3,116)	\$ 681	\$ -	\$ -	\$ 918	\$ -	\$ -	\$ 56	\$ -	\$ -	\$ -

(Continued)

NORTHERN WELLS 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

	Nms-A Cut Above The Rest Donat	Wells County Soil & Water	Cada Grant- Drug Screening	Teacher Of The Year-L Weybright	2019-20 Teacher Of Year- Yonker	Skilled Trade Grant	Staff Appreciation/Rec ognition	Alt School Tech (Was 2921)	Extra-Curr - Sports Workers	Eca (Trnsp)- Field Trips	College Board Rebate
Cash and investments - beginning	\$ 4,380	\$ -	\$ 401	\$ -	\$ -	\$ 1,090	\$ 4,500	\$ 97	\$ (16,441)	\$ 146	\$ -
Receipts:											
Local sources	-	800	1,915	-	-	-	3,800	-	27,785	(146)	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	800	1,915	-	-	-	3,800	-	27,785	(146)	-
Disbursements:											
Instruction	-	-	-	-	-	-	-	97	-	-	-
Support services	4,304	800	2,316	-	-	1,090	5,300	-	17,820	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	4,304	800	2,316	-	-	1,090	5,300	97	17,820	-	-
Excess (deficiency) of receipts over disbursements	(4,304)	-	(401)	-	-	(1,090)	(1,500)	(97)	9,965	(146)	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(4,304)	-	(401)	-	-	(1,090)	(1,500)	(97)	9,965	(146)	-
Cash and investments - ending	\$ 76	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000	\$ -	\$ (6,476)	\$ -	\$ -

(Continued)

NORTHERN WELLS 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

	Aquatics Fund	Cpr/Aed & Lifeguard Training	Nms Scholarships & Awards	Formative Assessment Grant	Medicaid Reimbursement Fund	School Safety Grant	Alternative School Grant	Early Intervention Grant	Non-English Speaking Program	Teacher Appreciation Grant	High Ability 2019- 20
Cash and investments - beginning	\$ (820)	\$ 1,188	\$ -	\$ -	\$ 42,500	\$ (12,735)	\$ -	\$ -	\$ 11,491	\$ -	\$ 7,232
Receipts:											
Local sources	4,011	-	400	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	24,987	47,055	60,205	-	7,891	12,818	90,927	34,059
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	4,011	-	400	24,987	47,055	60,205	-	7,891	12,818	90,927	34,059
Disbursements:											
Instruction	-	-	-	-	-	-	-	7,891	-	-	31,413
Support services	1,359	-	-	24,987	2,511	63,675	-	-	16,813	90,911	100
Noninstructional services	1,636	460	-	-	-	-	-	-	1,546	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	2,995	460	-	24,987	2,511	63,675	-	7,891	18,359	90,911	31,513
Excess (deficiency) of receipts over disbursements	1,016	(460)	400	-	44,544	(3,470)	-	-	(5,541)	16	2,546
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	1,016	(460)	400	-	44,544	(3,470)	-	-	(5,541)	16	2,546
Cash and investments - ending	\$ 196	\$ 728	\$ 400	\$ -	\$ 87,044	\$ (16,205)	\$ -	\$ -	\$ 5,950	\$ 16	\$ 9,778

(Continued)

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

	State Connectivity Grant	Title I 2019-20 School Year	Title I 2020-21 School Year	Title I 2021- 2022	Title Iv - Project Year 2018	Title Iv - Project Year 2019	Title Iv Project 20-22	Title 4 21-23	Title li Part A	ESSER III	ESSER II
Cash and investments - beginning	\$ 3,695	\$ -	\$ (18,198)	\$ -	\$ -	\$ -	\$ (5,130)	\$ -	\$ (13,580)	\$ -	\$ (145,247)
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	12,760	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	50,227	198,914	-	-	8,688	3,494	107,996	455,607	407,592
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	12,760	-	50,227	198,914	-	-	8,688	3,494	107,996	455,607	407,592
Disbursements:											
Instruction	-	-	31,998	142,386	-	-	-	-	31,875	294,098	270,969
Support services	4,615	-	31	77,159	-	-	3,558	3,494	62,834	202,536	3,750
Noninstructional services	-	-	-	-	-	-	-	-	-	-	55,000
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	(40,000)
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	4,615	-	32,029	219,545	-	-	3,558	3,494	94,709	496,634	289,719
Excess (deficiency) of receipts over disbursements	8,145	-	18,198	(20,631)	-	-	5,130	-	13,287	(41,027)	117,873
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	8,145	-	18,198	(20,631)	-	-	5,130	-	13,287	(41,027)	117,873
Cash and investments - ending	\$ 11,840	\$ -	\$ -	\$ (20,631)	\$ -	\$ -	\$ -	\$ -	\$ (293)	\$ (41,027)	\$ (27,374)

(Continued)

NORTHERN WELLS 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 I	Fema-Do Not Use	Federal Taxes	Teachers Oasi	Non Certified Oasi	State Taxes	County Taxes	Corp. Share Of Perf (6.50%)	Group Insurance- Health	Group Insurance - Dental	Group Insurance - Vision
Cash and investments - beginning	\$ (18,268)	\$ (121,158)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 422	\$ 56,771	\$ (6,240)	\$ 181
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	25,498	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	1,039,804	691,459	335,644	421,541	241,805	2,007	504,653	61,538	16,629
Total receipts	25,498	-	1,039,804	691,459	335,644	421,541	241,805	2,007	504,653	61,538	16,629
Disbursements:											
Instruction	3,269	(101,735)	-	-	-	-	-	-	-	-	-
Support services	4,567	(19,423)	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	1,039,810	691,478	335,644	421,541	241,805	-	516,792	67,180	18,466
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	7,836	(121,158)	1,039,810	691,478	335,644	421,541	241,805	-	516,792	67,180	18,466
Excess (deficiency) of receipts over disbursements	17,662	121,158	(6)	(19)	-	-	-	2,007	(12,139)	(5,642)	(1,837)
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	6	19	-	-	-	-	-	11,882	1,656
Transfers out	-	-	-	-	-	-	-	-	(9,437)	-	-
Total other financing sources (uses)	-	-	6	19	-	-	-	-	(9,437)	11,882	1,656
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	17,662	121,158	-	-	-	-	-	2,007	(21,576)	6,240	(181)
Cash and investments - ending	\$ (606)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,429	\$ 35,195	\$ -	\$ -

(Continued)

NORTHERN WELLS 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

	Group Insurance- Ltd	Group Insurance- Life	Group Insurance- Retiree Health	Group Insurance- Retiree Life	Group Insurance - Cancer	Group Insurance - Retiree Vision Ins	Retiree Dental Insurance	Annuities	Af Accident Ins - Dc 557	Af Cancer Ins/Deduction Codes 558 & 559	Af Critical Illness Ins/Ded Code 560
Cash and investments - beginning	\$ (429)	\$ 323	\$ 7,323	\$ 1,356	\$ 382	\$ 564	\$ 675	\$ (3,923)	\$ 109	\$ 477	\$ 587
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	18,216	27,631	85,965	3,864	1,052	3,141	7,559	145,222	25,725	45,685	4,882
Total receipts	18,216	27,631	85,965	3,864	1,052	3,141	7,559	145,222	25,725	45,685	4,882
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	17,625	27,064	89,521	3,867	671	2,564	8,176	141,299	25,881	45,296	4,682
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	17,625	27,064	89,521	3,867	671	2,564	8,176	141,299	25,881	45,296	4,682
Excess (deficiency) of receipts over disbursements	591	567	(3,556)	(3)	381	577	(617)	3,923	(156)	389	200
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	289	36	-	-	-	-	47	-	-
Transfers out	-	(536)	-	-	(763)	(876)	(674)	-	-	(866)	(787)
Total other financing sources (uses)	-	(536)	289	36	(763)	(876)	(674)	-	47	(866)	(787)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	591	31	(3,267)	33	(382)	(299)	(1,291)	3,923	(109)	(477)	(587)
Cash and investments - ending	\$ 162	\$ 354	\$ 4,056	\$ 1,389	\$ -	\$ 265	\$ (616)	\$ -	\$ -	\$ -	\$ -

(Continued)

NORTHERN WELLS 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

	Af Short Term Disability/Ded Code 561	Af Life Insurance/Ded Code 562	A/F Hsa Accounts	Child Support- Wells County	Garnishment- Taylor	Garnishment- Garnishments	Section 125 Flex Benefits	Child Support - Wells County	School Lunch Clearing Account	Garnishment Allen Cty	Staff Services/Clearing	School Apparel
Cash and investments - beginning	\$ 1,229	\$ (1,584)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,374	\$ -	\$ 585	\$ 556
Receipts:												
Local sources	-	-	-	-	-	-	-	-	86,494	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	18,053	24,850	42,771	-	-	-	58,628	9,540	-	435	1,627	-
Total receipts	18,053	24,850	42,771	-	-	-	58,628	9,540	86,494	435	1,627	-
Disbursements:												
Instruction	-	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	1,608	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	79,825	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	17,466	25,110	42,771	-	-	-	58,628	9,540	(69)	435	1,710	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	17,466	25,110	42,771	-	-	-	58,628	9,540	81,364	435	1,710	-
Excess (deficiency) of receipts over disbursements	587	(260)	-	-	-	-	-	-	5,130	-	(83)	-
Other financing sources (uses)												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	1,844	-	-	-	-	-	-	-	-	-	-
Transfers out	(1,816)	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(1,816)	1,844	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,229)	1,584	-	-	-	-	-	-	5,130	-	(83)	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,504	\$ -	\$ 502	\$ 556

(Continued)

NORTHERN WELLS 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

	Walk The Halls	Nwcs Be Fit	Eca Clearing Account	Federal Tax Holding Fund	Void Checks	Ipad Repair Reimbursements	Ipad Repair Parts-Covers/Cases	Online Payments For Eca Accts	In-House Workshops	Fringe Bene-Vehicle Deduction	Totals
Cash and investments - beginning	\$ 560	\$ 50	\$ -	\$ 177	\$ -	\$ 491	\$ 38,558	\$ -	\$ 320	\$ 653	\$ 8,023,147
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	11,080,941
Intermediate sources	-	-	-	-	-	-	-	-	-	-	80
State sources	-	-	-	-	-	-	-	-	-	-	17,102,632
Federal sources	-	-	-	-	-	-	-	-	-	-	2,724,377
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	20	-	-	5,882	149	7,653	-	3,051	3,857,501
Total receipts	-	-	20	-	-	5,882	149	7,653	-	3,051	34,765,531
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	11,746,266
Support services	-	-	-	-	-	-	-	-	-	-	11,848,576
Noninstructional services	-	-	-	-	-	-	-	-	-	-	1,787,908
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	604,005
Debt services	-	-	-	-	-	-	-	-	-	-	4,051,432
Nonprogrammed charges	-	-	20	-	93	932	33,081	-	-	3,249	3,892,328
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	20	-	93	932	33,081	-	-	3,249	33,930,515
Excess (deficiency) of receipts over disbursements	-	-	-	-	(93)	4,950	(32,932)	7,653	-	(198)	835,016
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	5,000,000
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	58
Transfers in	-	-	-	-	-	-	-	-	-	-	2,102,323
Transfers out	-	-	-	(24)	-	-	-	-	-	-	(2,102,323)
Total other financing sources (uses)	-	-	-	(24)	-	-	-	-	-	-	5,000,058
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	(24)	(93)	4,950	(32,932)	7,653	-	(198)	5,835,074
Cash and investments - ending	\$ 560	\$ 50	\$ -	\$ 153	\$ (93)	\$ 5,441	\$ 5,626	\$ 7,653	\$ 320	\$ 455	\$ 13,858,221

NORTHERN WELLS COMMUNITY SCHOOLS  
SCHEDULE OF PAYABLES AND RECEIVABLES  
June 30, 2022

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Government or Enterprise	Accounts <u>Payable</u>	Accounts <u>Receivable</u>
Governmental activities	\$ <u>1,069,394</u>	\$ <u>213,752</u>

NORTHERN WELLS COMMUNITY SCHOOLS  
SCHEDULE OF LEASES AND DEBT  
June 30, 2022

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<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities:				
Allen Business Machines	Copy Machines	\$ 7,632	8/23/2016	7/30/2023
Apple Inc	Student iPads	313,579	5/22/2020	6/30/2023
Huntington Bank	HS Renovation Lease	991,000	1/9/2013	12/31/2032
Huntington Bank	Multi-Building Renovations-Series 2011	466,599	1/15/2020	12/31/2038
Huntington Bank	Multi-Building Renovation and Construction Series 2022	874,000	8/24/2022	12/31/2041
Huntington Bank	Multi-Building Renovation and Construction Series 2021	1,782,000	12/1/2021	12/31/2030
Pitney Bowes Inc	Postage Machine	672	9/7/2018	9/7/2023
US Bank	Lancaster Refunding 2017 Lease	298,000	8/16/2017	12/31/2022
US Bank	QSCB Lease	<u>253,950</u>	12/9/2010	12/31/2025
Total governmental activities		<u>4,987,432</u>		
Total of annual lease payments		<u>\$ 4,987,432</u>		

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NORTHERN WELLS COMMUNITY SCHOOLS  
SCHEDULE OF CAPITAL ASSETS  
June 30, 2022

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 183,444
Buildings	50,488,956
Improvements other than buildings	6,305,686
Machinery, equipment, and vehicles	<u>8,095,011</u>
Total governmental activities	<u>65,073,097</u>
Total capital assets	<u>\$ 65,073,097</u>

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

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*Financial Statement and Accompanying Notes:*

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

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

*Indiana Department of Education Reporting:*

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

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

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

NORTHERN WELLS COMMUNITY SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Years Ended June 30, 2021 and 2022

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-20 through 06-30-22
<u>Department of Agriculture</u>						
Child Nutrition Cluster						
School Breakfast Program						
Indiana Department of Education						
School Breakfast Program		10.553	FY2021, FY2022	\$ 148,008	\$ 166,509	\$ 314,517
Lunch Program		10.555	FY2021, FY2022	889,916	1,112,898	2,002,814
After School Snacks		10.555	FY2022		12,777	12,777
Summer Food Service Program for Children		10.559	FY2022	-	80,716	80,716
Commodities		10.555	FY2021, FY2022	107,505	135,317	242,822
Total - Child Nutrition Cluster				<u>1,145,429</u>	<u>1,508,217</u>	<u>2,653,646</u>
State Pandemic Electronic Benefit Transfer (P-EBT)						
Administrative Cost Grant						
		10.649	FY2022	-	614	614
Total - State P-EBT Administrative Cost Grant				<u>-</u>	<u>614</u>	<u>614</u>
Total - Department of Agriculture				<u>1,145,429</u>	<u>1,508,831</u>	<u>2,654,260</u>
<u>Department of Education</u>						
Special Education Cluster(IDEA)						
Special Education Grants to States						
Indiana Department of Education						
Special Ed-Part B		84.027	19611-001-PN01	105,040	3	105,043
Special Ed-Part B		84.027	20611-001-PN01	481,507	50,331	531,838
Special Ed-Part B		84.027	21611-001-PN01	16,172	495,835	512,007
Special Ed-Part B		84.027	22611-001-PN01	-	11,118	11,118
Special Ed-Part B		84.027	22611-001-ARP	-	5,943	5,943
Total - Special Education Grants to States				<u>602,719</u>	<u>563,230</u>	<u>1,165,949</u>
Special Education Preschool Grants						
Indiana Department of Education						
Special Ed Preschool		84.173	19619-001-PN01	907	-	907
Special Ed Preschool		84.173	20619-001-PN01	11,051	-	11,051
Special Ed Preschool		84.173	21619-001-PN01	10,713	4,077	14,790
Special Ed Preschool		84.173	22619-001-PN01	-	11,839	11,839
Total - Special Education Preschool Grants				<u>22,671</u>	<u>15,916</u>	<u>38,587</u>
Total - Special Education Cluster(IDEA)				<u>625,390</u>	<u>579,146</u>	<u>1,204,536</u>
Title I Grants to Local Educational Agencies						
Indiana Department of Education						
Title I, Part A		84.010	S010A200014	208,895	50,227	259,122
Title I, Part A		84.010	S010A210014	33,911	198,914	232,825
Total - Title I Grants to Local Education Agencies				<u>242,806</u>	<u>249,141</u>	<u>491,947</u>

(Continued)

NORTHERN WELLS COMMUNITY SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Years Ended June 30, 2021 and 2022

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-20 through 06-30-22
Title V Career and Technical Education - Basic Grants to State	MSD Bluffton Harrison					
Perkins Grant		84.048	21-0512-8445	\$ 28,408	\$ -	\$ 28,408
Perkins Grant		84.048	22-4700-8445	-	27,147	27,147
Total - Title V Career and Technical Education - Basic Grants to States				<u>28,408</u>	<u>27,147</u>	<u>55,555</u>
Title II Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II Part A		84.367	S367A180013	20,712	-	20,712
Title II Part A		84.367	S367A190013	39,202	41,182	80,384
Title II Part A		84.367	S367A200013	13,117	43,894	57,011
Title II Part A		84.367	S367A210013	-	22,920	22,920
Total - Improving Teacher Quality State Grants				<u>73,031</u>	<u>107,996</u>	<u>181,027</u>
Student Support & Academic Enrichment Grant	Indiana Department of Education					
Title IV, Part A		84.424	S424A180015	2,671	-	2,671
Title IV, Part A		84.424	S424A190015	21,829	-	21,829
Title IV, Part A		84.424	S424A200015	9,947	8,688	18,635
Title IV, Part A		84.424	S424A210015	-	3,494	3,494
Total - Title IV Student Support and Academic Enrichment Program				<u>34,447</u>	<u>12,182</u>	<u>46,629</u>
COVID-19 Education Stabilization Fund	Indiana Department of Education					
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	207,856	25,498	233,354
Elementary and Secondary School Emergency Relief (ESSER II) Fund		84.425D	S425D210013	-	407,592	407,592
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund		84.425U	S425U210013	-	455,607	455,607
Total - COVID-19 Education Stabilization Fund				<u>207,856</u>	<u>888,697</u>	<u>1,096,553</u>
Total - Department of Education				<u>1,211,938</u>	<u>1,864,309</u>	<u>3,076,247</u>
<b>Department of Health and Human Services</b>						
Medicaid Cluster	Indiana Department of Education					
Medical Assistance Program						
Medicaid Reimbursement/Indiana Mac Federal Program		93.778	FY 2021, FY2022	17,801	34,144	51,945
Total - Medicaid Cluster				<u>17,801</u>	<u>34,144</u>	<u>51,945</u>
Total - Department of Health and Human Services				<u>17,801</u>	<u>34,144</u>	<u>51,945</u>
Total federal awards expended				<u>\$ 2,375,168</u>	<u>\$ 3,407,284</u>	<u>\$ 5,782,452</u>

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

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

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**NOTE 1 - BASIS OF PRESENTATION**

*A. Basis of Presentation*

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the period of July 1, 2020 through June 30, 2022. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position of the School Corporation.

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

*B. Other Significant Accounting Policies*

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

**NOTE 2 - INDIRECT COST RATE**

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

**NOTE 3 - OTHER INFORMATION**

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

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

The School Corporation is a member of the Adams Wells Special Services Cooperative (Cooperative), which operates the special education program for the School Corporation. As a result, some activity for the Special Education Cluster (IDEA) that is presented on the SEFA is not presented as receipts and disbursements in the financial statement for the School Corporation. This activity is reported on the financial statement of the Cooperative.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENT PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of Bluffton-Harrison 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 through June 30, 2022 and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement, and have issued our report thereon dated March 30, 2023.

### **Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

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(Continued)

## Report on Compliance and Other Matters

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

### Purpose of this Report

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

  
Crowe LLP

Indianapolis, Indiana  
March 30, 2023

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

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

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

***Opinion on Each Major Federal Program***

We have audited Northern Wells 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 each of the School Corporation's major federal program for the period of July 1, 2020 through June 30, 2022. The School Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

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

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

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

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

***Responsibilities of Management for Compliance***

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

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(Continued)

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

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

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

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

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

### **Report on Internal Control Over Compliance**

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2022-001 to be a material weakness.

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(Continued)

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

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

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

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

*Crowe LLP*  
Crowe LLP

Indianapolis, Indiana  
March 30, 2023

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

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

***Financial Statement***

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

***Federal Awards***

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

Identification of major programs

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555, 10.559	Child Nutrition Cluster
84.027, 84.173	Special Education Cluster
84.425D, 84.425U	COVID-19 - Education Stabilization Fund

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

Auditee qualified as low-risk auditee?	_____ Yes	___X___ No
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**Section II – Financial Statement Findings**

None noted

(Continued)

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

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**Section III – Federal Award Findings and Questioned Costs**

**FINDING 2022-001**

**Information on the federal program:**

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

**Criteria:** 2 CFR section 200.303 states in part:

"The non-Federal entity must:

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

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

**Cause:** The School Corporation's management had not developed a system of internal controls to ensure accurate information was presented in order to be in compliance with the reporting requirements.

**Effect:** The failure to establish an effective internal control system placed the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of effective reviews could have also allowed noncompliance with the compliance requirements and allowed the misuse and mismanagement of federal funds and assets by the review process not ensuring there was accurate reporting of the activities of the programs.

**Questioned Costs:** There were \$39 of known questioned costs identified. The known questioned costs were calculated taking the number of meals (breakfast, lunch, and snack) overclaimed or underclaimed times the IDOE reimbursement rates for breakfast, lunch and snack for the month tested. The net overclaimed reimbursement amount for the four months tested was \$39.

**Context:** We noted that for four claims in a sample of four, the meal counts were over/under claimed for the month. We noted that in October 2020, the School Corporation had underclaimed lunches by 212 meals and overclaimed breakfast by 42 meals. In April 2021, the School Corporation had overclaimed breakfast by 397 meals. In October 2021, the School Corporation had underclaimed lunches by 48 meals and snacks by 36 meals. In April 2022, the School Corporation had overclaimed lunches by two meals, snacks by 45 meals, and underclaimed breakfast by 2 meals.

**Identification as a repeat finding, if applicable:** No.

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(Continued)

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

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

**FINDING 2022-001** (Continued)

**Recommendation:** We recommend that the School Corporation establish an effective review control to verify the sponsor claim reimbursement summaries are correct. This review should be performed by someone other than the individual submitting the claims and we recommend this review be formally documented.

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

**FINDING 2022-002**

**Information on the federal program:**

Subject: Special Education Cluster (IDEA) - Earmarking  
Federal Agency: Department of Education  
Federal Program: Special Education Grants to States  
Assistance Listing Number: 84.027  
Federal Award Number: 20611-001-PN01  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Matching, Level of Effort, Earmarking  
Audit Findings: Significant Deficiency

**Criteria:** 2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 200.403 states in part:

"Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards:...

(g) Be adequately documented.... "

2 CFR 200.208(b) states in part:

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(Continued)

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

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

**FINDING 2022-002** (Continued)

"The Federal awarding agency or pass-through entity may adjust specific Federal award conditions as needed..."

511 IAC 7-34-7(b) states:

"The public agency, in providing special education and related services to students in nonpublic schools must expend at least an amount that is the same proportion of the public agency total subgrant under 20 U.S.C. 1411(f) as the number of nonpublic school students with disabilities, who are enrolled by their parents in nonpublic schools within its boundaries, is to the total number of students with disabilities of the same age range

**Condition:** The School Corporation is a member of the Adams Wells Special Services Cooperative (Cooperative). During fiscal year 2021-2022, the Cooperative operated the special education programs and spent the federal money on behalf of all its member schools. As the grant agreements were between the Indiana Department of Education (IDOE) and each member school, the school corporation was responsible for ensuring and providing oversight of the Cooperative. There was inadequate oversight performed by the School Corporation in order to ensure compliance with the Matching, Level of Effort, Earmarking compliance requirement.

The School Corporation did not have internal controls in place to ensure that the Cooperative complied with the earmarking requirements. The Cooperative did not have adequate procedures in place to ensure that the required level of expenditures for non-public school students with disabilities was met for each member school. The Cooperative did not have effective internal controls to ensure non-public school expenditures were appropriately identified and reported.

**Cause:** The School Corporation's management had not developed an effective system of internal controls that would have ensured compliance with the grant agreements and the earmarking requirements of the Matching, Level of Effort, Earmarking compliance requirement.

**Effect:** The failure to establish an effective internal control system, as well as to adequately document federal award costs, prevented the determination of the School Corporation's compliance with the earmarking requirements of the Matching, Level of Effort, Earmarking compliance requirement.

**Questioned Costs:** There were no questioned costs identified.

**Context:** The Non-Public Proportionate Share expenditures for the 20611-001-PN01 grant award could not be verified for the individual member schools. Total non-public expenditures were posted as expended. The member school proportionate share expenditures were then determined by applying a budgeted percentage to the total non-public expenditures. These were the amounts reported to IDOE. As such, we were unable to identify if the minimum amount per member school was expended and properly reported to IDOE as required. The School Corporation's Non-Public Proportionate Share for the 20611-001-PN01 grant application was \$9,319.

**Identification as a repeat finding, if applicable:** Yes. Identified as finding 2020-002 in the prior audit report.

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(Continued)

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

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

**FINDING 2022-002** (Continued)

**Recommendation:** We recommended that the School Corporation's management establish an effective system of internal controls, as well as appropriately document and identify federal award expenditures to ensure compliance with the Matching, Level of Effort, Earmarking compliance requirement.

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



# Northern Wells Community Schools

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Michael J. Springer, Superintendent

Anna Murphy, Assistant Superintendent

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March 31, 2023

## CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS

June 30, 2022

### FINDING 2022-001

#### Information on the federal program:

Subject: Child Nutrition Cluster - Internal Controls

Federal Agency: Department of Agriculture

Federal Program: School Breakfast Program, National School Lunch Program, After School Snacks,  
Summer Food Service Program for Children

Assistance Listing Number: 10.553, 10.555, 10.559

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Reporting

Audit Finding: Material Weakness

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

**Context:** We noted that for four claims in a sample of four, the meal counts were over/under claimed for the month. We noted that in October 2020, the School Corporation had underclaimed lunches by 212 meals and overclaimed breakfast by 42 meals. In April 2021, the School Corporation had overclaimed breakfast by 397 meals. In October 2021, the School Corporation had underclaimed lunches by 48 meals and snacks by 36 meals. In April 2022, the School Corporation had overclaimed lunches by two meals, snacks by 45 meals, and underclaimed breakfast by 2 meals.

**Views of Responsible Officials:** We concur with the finding.

**Description of Corrective Action Plan:** Going forward, we will have multiple people verifying the data before submission to reimbursement for claims to make sure all meals submitted are accurate and meet the criteria and eligibility of the Child Nutrition Cluster.

**Responsible Party and Timeline for Completion:** The Food Service Director and the Corporation Treasurer are the responsible parties for this corrective action. This will be implement 4/1/2023.

**FINDING 2022-002**

**Information on the federal program:**

Subject: Special Education Cluster (IDEA) - Earmarking  
Federal Agency: Department of Education  
Federal Program: Special Education Grants to States  
Assistance Listing Number: 84.027  
Federal Award Number: 20611-001-PN01  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Matching, Level of Effort, Earmarking  
Audit Findings: Significant Deficiency

**Condition:** The School Corporation is a member of the Adams Wells Special Services Cooperative (Cooperative). During fiscal year 2021-2022, the Cooperative operated the special education programs and spent the federal money on behalf of all its member schools. As the grant agreements were between the Indiana Department of Education (IDOE) and each member school, the school corporation was responsible for ensuring and providing oversight of the Cooperative. There was inadequate oversight performed by the School Corporation in order to ensure compliance with the Matching, Level of Effort, Earmarking compliance requirement.

The School Corporation did not have internal controls in place to ensure that the Cooperative complied with the earmarking requirements. The Cooperative did not have adequate procedures in place to ensure that the required level of expenditures for non-public school students with disabilities was met for each member school. The Cooperative did not have effective internal controls to ensure non-public school expenditures were appropriately identified and reported.

**Context:** The Non-Public Proportionate Share expenditures for the 20611-001-PN01 grant award could not be verified for the individual member schools. Total non-public expenditures were posted as expended. The member school proportionate share expenditures were then determined by applying a budgeted percentage to the total non-public expenditures. These were the amounts reported to IDOE. As such, we were unable to identify if the minimum amount per member school was expended and properly reported to IDOE as required. The School Corporation's Non-Public Proportionate Share for the 20611-001-PN01 grant application was \$9,319.

**Views of Responsible Officials:** We concur with the finding.

**Description of Corrective Action Plan:** Our corrective action plan is following the AWSSC plan of: Co-ops cannot combine proportionate share funds. Funds must be spent within each LEA's geographic boundary. We will not receive a repeat finding for FY21. We will correct for FY22 and forward.

Time and Effort Logs are being completed to show how many hours personnel are servicing Non-Pub students with a service plan.

If Materials and Equipment are purchased for a specific student's need, per the service plan, then those expenditures are 100% school specific.

Per the DOE, Materials used by our Speech Language Pathologist for Speech Therapy for all six school corporations, those expenditures are split evenly across all school corporations with a non-pub proportionate share allocation.

**Responsible Party and Timeline for Completion:** The Superintendent and Corporation Treasurer will work with the Adams Wells Special Services Cooperative to monitor and verify those expenditures are allocated appropriately across all school corporations with a non-pub proportionate share allocation.



# Northern Wells Community Schools

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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### FINDING 2020-001

#### Information on the federal program:

Subject: Child Nutrition Cluster - Program Income  
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  
Assistance Listing Numbers: 10.553, 10.555  
Federal Award Number and Year (or Other Identifying Number): FY2020  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Program Income  
Audit Findings: Material Weakness, Other Matters

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

Transfers from the School Lunch Clearing Account (8400), a subsidiary account of the Clearing fund (9000), to the School Lunch fund were determined at the end of the month by the Food Service Director. She compared the month end balance of account 8400 to the Customer List with Accounts from WebSMARTT, the School Corporation's point of sales software. The difference was transferred by issuing a negative receipt.

Classifications of program income, posted to the School Lunch fund, were determined by generating a monthly Sales Report from WebSMARTT and determining the amounts earned for each classification. One individual verified that the monthly Sales Reports matched the amount transferred as program income, but it was ineffective. The Sales Report documentation did not match the amounts transferred during the audit period.

**Status:** Resolved.

### FINDING 2020-002

#### Information on the federal program:

Subject: Special Education Grants to States - Earmarking  
Federal Agency: Department of Education  
Federal Program: Special Education Grants to States  
CFDA Number: 84.027

Federal Award Numbers and Years (or Other Identifying Numbers): 14217-001-PN01, 18611-001-PN01

Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Matching, Level of Effort, Earmarking  
Audit Findings: Material Weakness, Modified Opinion

**Condition and Context:** An effective internal control system was not in place at the School Corporation to ensure compliance with requirements related to the grant agreement and the earmarking requirements of the Matching, Level of Effort, Earmarking compliance requirement.

The School Corporation was a member of the Adam-Wells Special Services Cooperative (Cooperative). The Cooperative operated the special education programs on behalf of the School Corporation and managed the special education grant funds. Because the grant agreements were between the Indiana Department of Education and the School Corporation, the School Corporation is ultimately responsible for compliance with the grant agreement and the earmarking requirements.

The School Corporation did not have adequate procedures in place to ensure that the Cooperative complied with the earmarking requirements. The Cooperative did not have adequate procedures in place to ensure that the required level of expenditures for nonpublic school students with disabilities was met. They also did not have internal controls in place to ensure that documentation to support the calculation of the reported expenditures was maintained and available for audit.

The Non-Public Proportionate Share expenditures reported on the Proportionate Share Quarterly Monitoring Reports for the 14217-001-PN01 and 18611-001-PN01 grant awards could not be verified due to the lack of supporting documentation. Per inquiry, the reported expenditures were calculated by multiplying the applicable monthly reimbursed expenditures by the non-public school usage percentage, which was calculated based on a time study conducted by the prior Director of the Cooperative. The time studies for these grants were not available for audit.

**Status:** Not resolved. Identified as finding 2022-002 in the current year audit report.