



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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April 12, 2023

To: The Officials of the Northeast Dubois County School Corporation
Northeast Dubois County School Corporation
5379 E Main St.
Dubois, IN 47527

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Northeast Dubois County School Corporation. 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 35 through 38. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on page 39.

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 Northeast Dubois County School Corporation 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 cursive script that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
Dubois County, Indiana

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

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
Dubois County, Indiana

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

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NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
SCHEDULE OF OFFICIALS (Unaudited)
For the period July 1, 2020 to June 30, 2022

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	DeAnn Meyer	07-01-20 to 06-30-22
Superintendent of Schools	William G Hochesang	07-01-20 to 06-30-22
President of the School Board	Kelly Knies	07-01-20 to 06-30-22

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Northeast Dubois County School Corporation
Dubois County, Indiana

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

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

Unmodified Opinion on Regulatory Basis of Accounting

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Basis for Opinions

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

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

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

(Continued)

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

Responsibilities of Management for the Financial Statement

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

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

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

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

(Continued)

Supplementary Information

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

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

Other Information

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

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

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 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 31, 2023

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
As of June 30, 2022 and for the period of July 1, 2020 through June 30, 2022

<u>Fund</u>	<u>Cash and Investments 07-01-2020</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Other Financing Sources (Uses)</u>	<u>Cash and Investments 06-30-2021</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Other Financing Sources (Uses)</u>	<u>Cash and Investments 06-30-2022</u>
Education	\$ 1,062,870	\$ 5,570,517	\$ 4,997,754	\$ (600,000)	\$ 1,035,633	\$ 6,137,289	\$ 5,386,605	\$ (600,000)	\$ 1,186,317
Operating Referendum Tax Levy	87,683	647,945	520,852	-	214,776	649,859	665,074	-	199,561
Debt Service	141,996	814,482	728,250	-	228,228	794,350	787,575	-	235,003
Retirement/Severance Bond Debt Service	46,383	353,007	345,130	-	54,260	345,201	347,754	-	51,707
Operations	501,357	2,021,637	2,331,913	600,000	791,081	2,189,318	2,977,786	616,119	618,732
Local Rainy Day	280,789	365	144,681	-	136,473	-	13,489	-	122,984
School Lunch	(49,872)	497,968	356,900	-	91,196	677,391	577,386	-	191,201
Curricular Materials Rental	136,023	171,089	96,528	-	210,584	167,378	162,352	-	215,610
Self Insurance	217,086	641,461	773,621	-	84,926	956,197	981,121	-	60,002
Levy Excess	16,119	-	-	-	16,119	-	-	(16,119)	-
Construction Project S Hs 2019	1,988,751	767	1,988,028	-	1,490	2	-	-	1,492
Construction Project S Hs 2020	(90,062)	1,919,731	198,409	-	1,631,260	307,094	1,305,465	-	632,889
Construction Project 2015	-	10,300	10,300	-	-	-	524	-	(524)
Ndis Flood Damage Repair/Construction	-	-	-	-	-	2,006,934	686,681	-	1,320,253
Ndis Flood Debt	-	-	-	-	-	-	48,147	-	(48,147)
Educational License Plates	20	37	-	-	57	38	-	-	95
Donations Gifts & Trusts	13,776	11,365	8,000	-	17,141	4,424	2,582	-	18,983
Donations - Food Distribution Covid-19	2,597	-	1,183	-	1,414	-	6	-	1,408
Donations - Jeep Spark	-	3,000	-	-	3,000	-	-	-	3,000
Donations - Stem Classroom	-	-	-	-	-	20,000	24,596	-	(4,596)
Donations - Ndis Flood Damages	-	-	-	-	-	145,707	-	-	145,707
Scholarships And Awards	-	8,000	8,000	-	-	8,000	8,000	-	-
Formative Assessment	-	7,968	7,216	-	752	12,269	3,324	-	9,697
State Medicaid	19,841	4,280	746	-	23,375	5,087	826	-	27,636
Secured Schools Safety Grant	(35,000)	35,000	35,000	-	(35,000)	35,000	35,000	-	(35,000)
Early Intervention Grant	307	2,192	2,496	-	3	2,452	2,316	-	139
Non English Speaking Program	388	75	-	-	463	-	-	-	463
Career And Technical Performance Grant	16,521	-	16,061	-	460	462	382	-	540
Performance Based Awards	(43)	28,956	28,959	-	(46)	29,871	29,851	-	(26)
High Ability Students	15,435	22,506	17,385	-	20,556	24,705	31,863	-	13,398
State Connectivity Grant	12,897	14,400	7,620	-	19,677	10,200	14,450	-	15,427
Cafeteria State Grants	-	-	-	-	-	3,400	3,400	-	-
Dubois County Community Foundation Grant	4,485	9,000	10,117	-	3,368	-	-	-	3,368
Dc Ready School Cons - Grant	7,112	144,897	149,699	-	2,310	144,738	161,729	-	(14,681)
Title I S	(8,862)	61,962	61,373	-	(8,273)	66,964	63,783	-	(5,092)
Student Support Title Iv - Part A	(1,300)	7,299	5,999	-	-	12,262	13,912	-	(1,650)
Federal Medicaid	39,734	11,025	-	-	50,759	16,351	-	-	67,110
Title li Part A Supporting Effective I	-	10,410	11,410	-	(1,000)	24,041	28,689	-	(5,648)
ESSER III	-	-	-	-	-	-	1,060	-	(1,060)
ESSER II	-	-	44,950	-	(44,950)	103,388	171,205	-	(112,767)

(Continued)

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
As of June 30, 2022 and for the period of July 1, 2020 through June 30, 2022

<u>Fund</u>	<u>Cash and Investments 07-01-2020</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Other Financing Sources (Uses)</u>	<u>Cash and Investments 06-30-2021</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Other Financing Sources (Uses)</u>	<u>Cash and Investments 06-30-2022</u>
Elementary And Secondary School Emergenc	\$ -	\$ -	\$ 1,513	\$ -	\$ (1,513)	\$ -	\$ -	\$ -	\$ (1,513)
Governor's Emergency Education Relief (GEER)	-	38,693	85,658	-	(46,965)	57,988	14,342	-	(3,319)
ESSER I	(21,891)	61,143	39,254	-	(2)	2	-	-	-
Covid Paycheck Protection Program	-	-	1,347	-	(1,347)	-	-	-	(1,347)
Fema - Covid-19	(1,717)	70	60,665	-	(62,312)	19,990	(25)	-	(42,297)
TC Energy Foundation Build Strong Grant	-	-	-	-	-	15,000	-	-	15,000
Prepaid School Lunch Accounts	25,859	96,234	97,982	-	24,111	93,289	1,817	(99,375)	16,208
Payroll Withholdings	(184,002)	1,620,749	1,631,154	-	(194,407)	1,407,710	1,351,407	-	(138,104)
Totals	\$ 4,245,280	\$ 14,848,530	\$ 14,826,153	\$ -	\$ 4,267,657	\$ 16,494,351	\$ 15,904,474	\$ (99,375)	\$ 4,758,159

See notes to financial statement.

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period July 1, 2020 to June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period July 1, 2020 to June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period July 1, 2020 to June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

NOTE 2- BUDGETS

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

NOTE 3- PROPERTY TAXES

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

(Continued)

NOTE 5 - RISK MANAGEMENT

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

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

NOTE 6 - CASH BALANCE DEFICITS

The financial statement contain some funds with deficits in cash. This is a result of certain funds being set up for reimbursable grants, but for which reimbursement was not yet received by June 30, 2021, and 2022. Deficits in the Construction Project of 2015, NDIS Flood Debt, and Payroll Withholdings funds were the result of disbursements exceeding receipts due to under-estimating current requirements for some funds. These deficits are to be repaid from future receipts.

NOTE 7 - HOLDING CORPORATION

The School Corporation has entered into a capital lease with the Northeast Dubois County Middle School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments for the period July 1, 2020 to June 30, 2021 totaled \$735,000. Lease payments for the period July 1, 2021 to June 30, 2022 totaled \$765,000.

NOTE 8 - PENSION PLANS

Public Employees' Retirement Fund

Plan Description

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

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

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.

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period July 1, 2020 to June 30, 2022

NOTE 8 - PENSION PLANS (Continued)

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

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

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

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

Financial Report

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

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

Contributions

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

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

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

SUPPLEMENTARY INFORMATION

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Education	Operating Referendum Tax Levy	Debt Service	Retirement/Severance Bond Debt Service	Operations	Local Rainy Day	School Lunch	Curricular Materials Rental	Self Insurance	Levy Excess	Construction Project S Hs 2019
Cash and investments - beginning	\$ 1,062,870	\$ 87,683	\$ 141,996	\$ 46,383	\$ 501,357	\$ 280,789	\$ (49,872)	\$ 136,023	\$ 217,086	\$ 16,119	\$ 1,988,751
Receipts:											
Local sources	136,856	647,945	814,482	353,007	2,021,637	365	497,968	-	-	-	767
Intermediate sources	232	-	-	-	-	-	-	-	-	-	-
State sources	5,433,429	-	-	-	-	-	-	171,089	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	641,461	-	-
Total receipts	5,570,517	647,945	814,482	353,007	2,021,637	365	497,968	171,089	641,461	-	767
Disbursements:											
Instruction	4,111,269	235,335	-	-	-	-	-	-	-	-	-
Support services	886,485	99,059	-	-	2,245,323	87,957	-	96,528	-	-	6,610
Noninstructional services	-	186,458	-	-	-	-	356,900	-	-	-	-
Facilities acquisition and construction	-	-	-	-	86,590	56,724	-	-	-	-	1,981,418
Debt services	-	-	728,250	345,130	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	773,621	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	4,997,754	520,852	728,250	345,130	2,331,913	144,681	356,900	96,528	773,621	-	1,988,028
Excess (deficiency) of receipts over disbursements	572,763	127,093	86,232	7,877	(310,276)	(144,316)	141,068	74,561	(132,160)	-	(1,987,261)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	600,000	-	-	-	-	-	-
Transfers out	(600,000)	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(600,000)	-	-	-	600,000	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(27,237)	127,093	86,232	7,877	289,724	(144,316)	141,068	74,561	(132,160)	-	(1,987,261)
Cash and investments - ending	\$ 1,035,633	\$ 214,776	\$ 228,228	\$ 54,260	\$ 791,081	\$ 136,473	\$ 91,196	\$ 210,584	\$ 84,926	\$ 16,119	\$ 1,490

(Continued)

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Construction Project S Hs 2020	Construction Project 2015	Educational License Plates	Donations Gifts & Trusts	Donations - Food Distribution Covid-19	Donations - Jeep Spark	Scholarships And Awards	Formative Assessment	State Medicaid	Secured Schools Safety Grant	Early Intervention Grant
Cash and investments - beginning	\$ (90,062)	\$ -	\$ 20	\$ 13,776	\$ 2,597	\$ -	\$ -	\$ -	\$ 19,841	\$ (35,000)	\$ 307
Receipts:											
Local sources	1,919,731	10,300	-	11,365	-	3,000	8,000	-	-	-	-
Intermediate sources	-	-	37	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	7,968	4,280	35,000	2,192
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	1,919,731	10,300	37	11,365	-	3,000	8,000	7,968	4,280	35,000	2,192
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	7,182	10,300	-	-	-	-	-	7,216	746	35,000	-
Noninstructional services	-	-	-	-	1,183	-	-	-	-	-	-
Facilities acquisition and construction	191,227	-	-	8,000	-	-	-	-	-	-	2,496
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	8,000	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	198,409	10,300	-	8,000	1,183	-	8,000	7,216	746	35,000	2,496
Excess (deficiency) of receipts over disbursements	1,721,322	-	37	3,365	(1,183)	3,000	-	752	3,534	-	(304)
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	1,721,322	-	37	3,365	(1,183)	3,000	-	752	3,534	-	(304)
Cash and investments - ending	\$ 1,631,260	\$ -	\$ 57	\$ 17,141	\$ 1,414	\$ 3,000	\$ -	\$ 752	\$ 23,375	\$ (35,000)	\$ 3

(Continued)

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Non English Speaking Program	Career And Technical Performance Grant	Performance Based Awards	High Ability Students	State Connectivity Grant	Dubois County Community Foundation Grant	Dc Ready School Cons - Grant	Title I S	Student Support Title Iv - Part A	Federal Medicaid	Title Ii Part A Supporting Effective I
Cash and investments - beginning	\$ 388	\$ 16,521	\$ (43)	\$ 15,435	\$ 12,897	\$ 4,485	\$ 7,112	\$ (8,862)	\$ (1,300)	\$ 39,734	\$ -
Receipts:											
Local sources	-	-	-	-	-	9,000	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	75	-	28,956	22,506	14,400	-	144,897	-	-	-	-
Federal sources	-	-	-	-	-	-	-	61,962	7,299	11,025	10,410
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	75	-	28,956	22,506	14,400	9,000	144,897	61,962	7,299	11,025	10,410
Disbursements:											
Instruction	-	16,061	28,959	9,347	-	805	1,789	61,373	3,811	-	5,415
Support services	-	-	-	8,038	7,620	-	-	-	2,188	-	5,995
Noninstructional services	-	-	-	-	-	-	146,149	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	9,312	1,761	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	16,061	28,959	17,385	7,620	10,117	149,699	61,373	5,999	-	11,410
Excess (deficiency) of receipts over disbursements	75	(16,061)	(3)	5,121	6,780	(1,117)	(4,802)	589	1,300	11,025	(1,000)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	75	(16,061)	(3)	5,121	6,780	(1,117)	(4,802)	589	1,300	11,025	(1,000)
Cash and investments - ending	\$ 463	\$ 460	\$ (46)	\$ 20,556	\$ 19,677	\$ 3,368	\$ 2,310	\$ (8,273)	\$ -	\$ 50,759	\$ (1,000)

(Continued)

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	ESSER II	Elementary And Secondary School Emergenc	Governor's Emergency Education Relief (GEER)	ESSER I	Covid Paycheck Protection Program	Fema - Covid-19	Prepaid School Lunch Accounts	Payroll Withholdings	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (21,891)	\$ -	\$ (1,717)	\$ 25,859	\$ (184,002)	\$ 4,245,280
Receipts:									
Local sources	-	-	38,693	-	-	70	-	-	6,473,186
Intermediate sources	-	-	-	-	-	-	-	-	269
State sources	-	-	-	-	-	-	-	-	5,864,792
Federal sources	-	-	-	61,143	-	-	-	-	151,839
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	96,234	1,620,749	2,358,444
Total receipts	-	-	38,693	61,143	-	70	96,234	1,620,749	14,848,530
Disbursements:									
Instruction	9,893	1,513	-	9,695	-	4,443	-	-	4,499,708
Support services	9,204	-	2,078	29,559	1,277	51,226	-	-	3,599,591
Noninstructional services	-	-	-	-	-	-	-	-	690,690
Facilities acquisition and construction	25,853	-	83,580	-	70	4,996	-	-	2,452,027
Debt services	-	-	-	-	-	-	-	-	1,073,380
Nonprogrammed charges	-	-	-	-	-	-	97,982	1,631,154	2,510,757
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	44,950	1,513	85,658	39,254	1,347	60,665	97,982	1,631,154	14,826,153
Excess (deficiency) of receipts over disbursements	(44,950)	(1,513)	(46,965)	21,889	(1,347)	(60,595)	(1,748)	(10,405)	22,377
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	600,000
Transfers out	-	-	-	-	-	-	-	-	(600,000)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(44,950)	(1,513)	(46,965)	21,889	(1,347)	(60,595)	(1,748)	(10,405)	22,377
Cash and investments - ending	\$ (44,950)	\$ (1,513)	\$ (46,965)	\$ (2)	\$ (1,347)	\$ (62,312)	\$ 24,111	\$ (194,407)	\$ 4,267,657

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Education	Operating Referendum Tax Levy	Debt Service	Retirement/Severance Bond Debt Service	Operations	Local Rainy Day	School Lunch	Curricular Materials Rental	Self Insurance	Levy Excess
Cash and investments - beginning	\$ 1,035,633	\$ 214,776	\$ 228,228	\$ 54,260	\$ 791,081	\$ 136,473	\$ 91,196	\$ 210,584	\$ 84,926	\$ 16,119
Receipts:										
Local sources	150,690	649,859	794,350	345,201	2,189,318	-	677,391	-	-	-
Intermediate sources	232	-	-	-	-	-	-	-	-	-
State sources	5,986,367	-	-	-	-	-	-	167,378	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	956,197	-
Total receipts	6,137,289	649,859	794,350	345,201	2,189,318	-	677,391	167,378	956,197	-
Disbursements:										
Instruction	4,496,053	385,527	-	-	-	-	-	-	-	-
Support services	890,552	81,963	-	-	2,796,905	-	1,188	162,352	-	-
Noninstructional services	-	197,584	-	-	-	-	508,754	-	-	-
Facilities acquisition and construction	-	-	-	-	180,881	13,489	67,444	-	-	-
Debt services	-	-	787,575	347,754	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	981,121	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	5,386,605	665,074	787,575	347,754	2,977,786	13,489	577,386	162,352	981,121	-
Excess (deficiency) of receipts over disbursements	750,684	(15,215)	6,775	(2,553)	(788,468)	(13,489)	100,005	5,026	(24,924)	-
Other financing sources (uses)										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	616,119	-	-	-	-	-
Transfers out	(600,000)	-	-	-	-	-	-	-	-	(16,119)
Total other financing sources (uses)	(600,000)	-	-	-	616,119	-	-	-	-	(16,119)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	150,684	(15,215)	6,775	(2,553)	(172,349)	(13,489)	100,005	5,026	(24,924)	(16,119)
Cash and investments - ending	\$ 1,186,317	\$ 199,561	\$ 235,003	\$ 51,707	\$ 618,732	\$ 122,984	\$ 191,201	\$ 215,610	\$ 60,002	\$ -

(Continued)

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Construction Project S Hs 2019	Construction Project S Hs 2020	Construction Project 2015	Ndis Flood Damage Repair/Constructio n	Ndis Flood Debt	Educational License Plates	Donations Gifts & Trusts	Donations - Food Distribution Covid- 19	Donations - Jeep Spark	Donations - Stem Classroom
Cash and investments - beginning	\$ 1,490	\$ 1,631,260	\$ -	\$ -	\$ -	\$ 57	\$ 17,141	\$ 1,414	\$ 3,000	\$ -
Receipts:										
Local sources	2	307,094	-	2,006,934	-	-	4,424	-	-	20,000
Intermediate sources	-	-	-	-	-	38	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	2	307,094	-	2,006,934	-	38	4,424	-	-	20,000
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	2,490
Support services	-	14,850	524	425,707	-	-	2,558	-	-	5,764
Noninstructional services	-	-	-	-	-	-	-	6	-	-
Facilities acquisition and construction	-	1,290,615	-	260,974	48,147	-	24	-	-	16,342
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	1,305,465	524	686,681	48,147	-	2,582	6	-	24,596
Excess (deficiency) of receipts over disbursements	2	(998,371)	(524)	1,320,253	(48,147)	38	1,842	(6)	-	(4,596)
Other financing sources (uses)										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2	(998,371)	(524)	1,320,253	(48,147)	38	1,842	(6)	-	(4,596)
Cash and investments - ending	\$ 1,492	\$ 632,889	\$ (524)	\$ 1,320,253	\$ (48,147)	\$ 95	\$ 18,983	\$ 1,408	\$ 3,000	\$ (4,596)

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NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Donations - Ndis Flood Damages	Scholarships And Awards	Formative Assessment	State Medicaid	Secured Schools Safety Grant	Early Intervention Grant	Non English Speaking Program	Career And Technical Performance Grant	Performance Based Awards	High Ability Students
Cash and investments - beginning	\$ -	\$ -	\$ 752	\$ 23,375	\$ (35,000)	\$ 3	\$ 463	\$ 460	\$ (46)	\$ 20,556
Receipts:										
Local sources	145,707	8,000	-	-	-	-	-	462	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	12,269	5,087	35,000	2,452	-	-	29,871	24,705
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	145,707	8,000	12,269	5,087	35,000	2,452	-	462	29,871	24,705
Disbursements:										
Instruction	-	-	-	-	-	688	-	382	29,851	12,711
Support services	-	-	3,324	826	35,000	-	-	-	-	14,033
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	1,628	-	-	-	5,119
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	8,000	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	8,000	3,324	826	35,000	2,316	-	382	29,851	31,863
Excess (deficiency) of receipts over disbursements	145,707	-	8,945	4,261	-	136	-	80	20	(7,158)
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	145,707	-	8,945	4,261	-	136	-	80	20	(7,158)
Cash and investments - ending	\$ 145,707	\$ -	\$ 9,697	\$ 27,636	\$ (35,000)	\$ 139	\$ 463	\$ 540	\$ (26)	\$ 13,398

(Continued)

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	State Connectivity Grant	Cafeteria State Grants	Dubois County Community Foundation Grant	Dc Ready School Cons - Grant	Title I S	Student Support Title Iv - Part A	Federal Medicaid	Title II Part A Supporting Effective I	ESSER III	ESSER II
Cash and investments - beginning	\$ 19,677	\$ -	\$ 3,368	\$ 2,310	\$ (8,273)	\$ -	\$ 50,759	\$ (1,000)	\$ -	\$ (44,950)
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	10,200	3,400	-	144,738	-	-	-	-	-	-
Federal sources	-	-	-	-	66,964	12,262	16,351	24,041	-	103,388
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	10,200	3,400	-	144,738	66,964	12,262	16,351	24,041	-	103,388
Disbursements:										
Instruction	-	-	-	39,367	63,783	13,912	-	20,005	1,060	43,235
Support services	14,450	-	-	-	-	-	-	8,684	-	99,300
Noninstructional services	-	3,400	-	122,362	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	28,670
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	14,450	3,400	-	161,729	63,783	13,912	-	28,689	1,060	171,205
Excess (deficiency) of receipts over disbursements	(4,250)	-	-	(16,991)	3,181	(1,650)	16,351	(4,648)	(1,060)	(67,817)
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	(4,250)	-	-	(16,991)	3,181	(1,650)	16,351	(4,648)	(1,060)	(67,817)
Cash and investments - ending	\$ 15,427	\$ -	\$ 3,368	\$ (14,681)	\$ (5,092)	\$ (1,650)	\$ 67,110	\$ (5,648)	\$ (1,060)	\$ (112,767)

(Continued)

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Elementary And Secondary School Emergenc	Governor's Emergency Education Relief (GEER)	ESSER I	Covid Paycheck Protection Program	Fema - Covid-19	TC Energy Foundation Build Strong Grant	Prepaid School Lunch Accounts	Payroll Withholdings	Totals
Cash and investments - beginning	\$ (1,513)	\$ (46,965)	\$ (2)	\$ (1,347)	\$ (62,312)	\$ -	\$ 24,111	\$ (194,407)	\$ 4,267,657
Receipts:									
Local sources	-	57,988	-	-	19,990	-	-	-	7,377,410
Intermediate sources	-	-	-	-	-	-	-	-	270
State sources	-	-	-	-	-	-	-	-	6,421,467
Federal sources	-	-	2	-	-	-	-	-	223,008
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	15,000	93,289	1,407,710	2,472,196
Total receipts	-	57,988	2	-	19,990	15,000	93,289	1,407,710	16,494,351
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	5,109,064
Support services	-	6,267	-	-	(25)	-	-	-	4,564,222
Noninstructional services	-	-	-	-	-	-	-	-	832,106
Facilities acquisition and construction	-	8,075	-	-	-	-	-	-	1,921,408
Debt services	-	-	-	-	-	-	-	-	1,135,329
Nonprogrammed charges	-	-	-	-	-	-	1,817	1,351,407	2,342,345
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	14,342	-	-	(25)	-	1,817	1,351,407	15,904,474
Excess (deficiency) of receipts over disbursements	-	43,646	2	-	20,015	15,000	91,472	56,303	589,877
Other financing sources (uses)									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	616,119
Transfers out	-	-	-	-	-	-	(99,375)	-	(715,494)
Total other financing sources (uses)	-	-	-	-	-	-	(99,375)	-	(99,375)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	43,646	2	-	20,015	15,000	(7,903)	56,303	490,502
Cash and investments - ending	\$ (1,513)	\$ (3,319)	\$ -	\$ (1,347)	\$ (42,297)	\$ 15,000	\$ 16,208	\$ (138,104)	\$ 4,758,159

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2022

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ <u>576,929</u>	\$ <u>-</u>

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2022

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities:				
Old National Bank/NDC Middle School Buidling Corporation	Construction & Remodeling	\$ 162,200	1/15/2020	7/15/2033
Old National Bank/NDC Middle School Buidling Corporation	Remodeled/building/technology	493,000	7/1/1998	1/15/2024
Old National Bank/NDC Middle School Buidling Corporation	Construction & Remodeling	<u>126,350</u>	7/15/2021	1/15/2039
Total governmental activities		<u>781,550</u>		
Total of annual lease payments		<u>\$ 781,550</u>		

<u>Description of Debt</u>		<u>Ending Principal Balance</u>	<u>Principal and Interest Due Within One Year</u>
<u>Type</u>	<u>Purpose</u>		
Governmental activities:			
Notes and Loans Payable	Pension Bond	<u>\$ 990,000</u>	<u>\$ 352,345</u>
Totals		<u>\$ 990,000</u>	<u>\$ 352,345</u>

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2022

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 143,272
Infrastructure	10
Buildings	13,941,272
Improvements other than buildings	5,687,562
Machinery, equipment, and vehicles	4,662,567
Construction in progress	10
Books and other	<u>1,246,818</u>
 Total governmental activities	 <u>25,681,511</u>
 Total capital assets	 <u>\$ 25,681,511</u>

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
STATE REPORTING INFORMATION
July 1, 2020 - June 30, 2022

Financial Statement and Accompanying Notes:

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

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

Indiana Department of Education Reporting:

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

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

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

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period July 1, 2020 through June 30, 2022

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-2020 to 06-30-22
<u>Department of Agriculture</u>						
Child Nutrition Cluster						
Food & Nutrition Service/ School Breakfast Program	Indiana Department of Education					
School Breakfast Program		10.553	FY2021, FY2022	\$ 73,271	\$ 126,354	\$ 199,625
National School Lunch Program		10.555	FY2021, FY2022	313,404	442,748	756,152
Commodities		10.555	FY2021, FY2022	45,650	53,450	99,100
Total - Child Nutrition Cluster				<u>432,325</u>	<u>622,552</u>	<u>1,054,877</u>
Total - Department of Agriculture				<u>432,325</u>	<u>622,552</u>	<u>1,054,877</u>
<u>Department of Education</u>						
Special Education Cluster(IDEA)						
Special Education Grants to States						
Special Ed-Part B	Indiana Department of Education	84.027	20611-009-PN01	90,036	3,319	93,355
Special Ed-Part B		84.027	21611-009-PN01	78,585	100,855	179,440
Special Ed-Part B		84.027	22611-009-ARP	-	12,886	12,886
Special Ed-Part B		84.027	22611-009-PN01	-	91,863	91,863
Total - Special Education Grants to States				<u>168,621</u>	<u>208,923</u>	<u>377,544</u>
Special Education Preschool Grants						
Special Ed Preschool	Indiana Department of Education	84.173	20619-009-PN01	2,089	-	2,089
Special Ed Preschool		84.173	21619-009-PN01	4,515	878	5,393
Special Ed Preschool		84.173	22619-009-ARP	-	364	364
Special Ed Preschool		84.173	22619-009-PN01	-	4,882	4,882
Total - Special Education Preschool Grants				<u>6,604</u>	<u>6,124</u>	<u>12,728</u>
Total - Special Education Cluster(IDEA)				<u>175,225</u>	<u>215,047</u>	<u>390,272</u>
Title I Grants to Local Education Agencies						
Title I, Part A	Indiana Department of Education	84.010	18611-001-PN01	61,462	65,596	127,058
Total - Title I Grants to Local Educational Agencies				<u>61,462</u>	<u>65,596</u>	<u>127,058</u>
Title II Supporting Effective Instruction State Grants						
Title II, Part A	Indiana Department of Education	84.367	S367A200013	10,410	24,041	34,451
Total - Title II Supporting Effective Instruction State Grants				<u>10,410</u>	<u>24,041</u>	<u>34,451</u>

(Continued)

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period July 1, 2020 through June 30, 2022

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-2020 to 06-30-22
Title IV Student Support and Academic Enrichment Program Title IV Part A	Indiana Department of Education	84.424	S424A210015	\$ 5,999	\$ 12,262	\$ 18,261
Total - Title IV Student Support and Academic Enrichment Program				<u>5,999</u>	<u>12,262</u>	<u>18,261</u>
COVID-19 Education Stabilization Fund Elementary and Secondary School Emergency Relief (ESSER II) Fund	Indiana Department of Education	84.425D	S425D210013	58,259	103,388	161,647
Total - COVID-19 Education Stabilization Fund				<u>58,259</u>	<u>103,388</u>	<u>161,647</u>
Total - Department of Education				<u>311,355</u>	<u>420,334</u>	<u>731,689</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster Medical Assistance Program Medicaid Reimbursement	Indiana Department of Education	93.778	FY2021, FY2022	21,499	20,439	41,938
Total - Department of Health and Human Services				<u>21,499</u>	<u>20,439</u>	<u>41,938</u>
Total federal awards expended				<u>\$ 765,179</u>	<u>\$ 1,063,325</u>	<u>\$ 1,828,504</u>

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

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period of July 1, 2020 to June 30, 2022

NOTE 1 - BASIS OF PRESENTATION

A. Basis of Presentation

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

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

B. Other Significant Accounting Policies

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

NOTE 2 - INDIRECT COST RATE

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

NOTE 3 - OTHER INFORMATION

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

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

The School Corporation is a member of The Exceptional Children's 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
Northeast Dubois County School Corporation
Dubois 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 Northeast Dubois County School Corporation ("School Corporation"), which comprise the statement of receipts, disbursements, other financing sources (uses), and cash and investment balances of the School Corporation as of June 30, 2022 and for the period July 1, 2020 to June 30, 2022 and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement, and have issued our report thereon dated March 31, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2022-001 and 2022-002 that we consider to be material weaknesses.

(Continued)

Report on Compliance and Other Matters

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

School Corporation's Responses to Findings

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

Purpose of this Report

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 31, 2023

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

Those Charged with Governance
Northeast Dubois County School Corporation
Dubois County, Indiana

Report on Compliance for Major Federal Program

Opinion on Major Federal Program

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

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

Basis for Opinion on Major Federal Program

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

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

Responsibilities of Management for Compliance

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

(Continued)

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

(Continued)

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

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 31, 2023

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 For the Period of July 1, 2020 to June 30, 2022

Section I – Summary of Auditor’s Results

Financial Statement

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

Federal Awards

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

Identification of major programs

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

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

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

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Period of July 1, 2020 to June 30, 2022

Section II – Financial Statement Findings

FINDING 2022-001

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

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

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

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

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

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

2 CFR 200.508 states in part:

"The auditee must: . . .

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

2 CFR 200.510(b) states:

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

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

(Continued)

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Period of July 1, 2020 to June 30, 2022

Section II – Financial Statement Findings (Continued)

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

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

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

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

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

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

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

Context: The federal grant information entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the SEFA. The SEFA was not formally reviewed prior to submission, resulting in the following errors, the gross overstatement on the SEFA of \$48,008, the gross understatement of \$108,885, and the net understatement of the total federal awards expended on the SEFA by \$60,877 for the period July 1, 2020, through June 30, 2022:

- The Child Nutrition Cluster (10.553, 10.555, 10.559) expenditures were overstated by \$48,008
- Special Education (84.027, 84.173) expenditures were understated by \$3,001
- Title 1 Grants to local Educational Agencies (84.010) expenditures were understated by \$4,354
- Title II Improving Teacher Quality State Grants (84.367) expenditures were understated by \$5,600
- Title IV (84.424) expenditures were understated by \$5,999
- ESSER I (84.425D) expenditures were understated by \$58,258
- Medicaid Cluster (93.778) expenditures were understated \$31,672

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

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

Identification as a repeat finding, if applicable: No.

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

(Continued)

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Period of July 1, 2020 to June 30, 2022

Section II – Financial Statement Findings (Continued)

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

FINDING 2022-002

Subject: Preparation of the Annual Financial Report
Audit Findings: Material Weakness

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

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

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

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

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

2 CFR 200.508 states in part:

"The auditee must: . . .

(b) Prepare appropriate financial statements, ..."

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

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

(Continued)

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Period of July 1, 2020 to June 30, 2022

Section II – Financial Statement Findings (Continued)

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

- 1) For the period of July 1, 2020 to June 30, 2021, the receipt and disbursement, amounts were understated by \$2,513,629 and \$2,583,375 respectively. The beginning July 1, 2020 balance was understated by \$176,896. The net impact on the ending June 30, 2021 cash balance was an understatement of \$108,950.
- 2) For the period of July 1, 2021 to June 30, 2022, receipt, disbursement, and other financing sources(uses) amounts were understated by \$2,643,641, \$2,464,054, and (\$123,794) respectively. The beginning July 1, 2021 balance was understated by \$108,950. The net impact on the ending June 30, 2022 cash balance was an understatement of \$164,743.

Audit adjustments were proposed, accepted by the School Corporation, and made to the financial statement to correct the errors which primarily related to the missing clearing fund activity and the understatement of the activity in the textbook rental and self-insurance funds.

Effect: Without a proper system of internal control in place that operated effectively, material misstatements of the financial statement remained undetected. The financial statement contained the errors identified in the Context section.

Identification as a repeat finding, if applicable: No.

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

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

Section III – Federal Award Findings and Questioned Costs

None noted.

NORTHEAST DUBOIS COUNTY SCHOOL CORPORATION

Home of the "JEEPS"

Dr. Tara Rasche, Superintendent
Ryan Case, Transportation Director



DeAnn Meyer, Treasurer
Gretchen Brinkman, Deputy Treasurer

5379 E Main Street
Dubois, Indiana 47527

Telephone: 812-678-2781
Fax: 812-678-4418

CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS

June 30, 2022

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

Contact Person Responsible for Corrective Action: DeAnn Meyer, Treasurer
Contact Phone Number: 812-678-2781 Ext 410

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: SEFA guidelines will be reviewed clarified with State Board of Accounts so the correct data is entered on the SEFA report. Data for the SEFA will be reviewed by the Superintendent or the Deputy Treasurer when not available. A coversheet will be created to show who prepared and who verified the data before it is submitted on Gateway.

Anticipated Completion Date: It will be in place by the next AFR/SEFA which is due in August of 2023

Finding 2022-002 – Preparation of the Annual Financial Report

Contact Person Responsible for Corrective Action: DeAnn Meyer
Contact Phone Number: 812-678-2718 Ext 410

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Data for the AFR will be reviewed by the Superintendent or the Deputy Treasurer when not available. A coversheet will be created to show who prepared and who verified the data before it is submitted on Gateway.

Anticipated Completion Date: It will be in place by the next AFR which is due in August of 2023