



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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April 12, 2023

To: The Officials of the Wabash City Schools
Wabash City Schools
189 W. Market Street
Wabash, IN 46992

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Wabash City Schools. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period July 1, 2019 to June 30, 2021. Per the *Independent Auditor's Report*, the financial statements referred to above present fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2021, and its cash receipts, cash disbursements, and other financing sources (uses) for the period of July 1, 2019 to June 30, 2021, 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 38 through 43. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on pages 44 through 47.

In our opinion, Crowe LLP prepared the audit report in accordance with the guidelines established by the Indiana State Board of Accounts.

In addition to the report presented herein, a Supplemental Report for Wabash City Schools was prepared in accordance with the guidelines established by the Indiana 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

WABASH CITY SCHOOLS
Wabash County, Indiana

FINANCIAL STATEMENT
As of June 30, 2021, and for the
period of July 1, 2019 to June 30, 2021

WABASH CITY SCHOOLS
Wabash County, Indiana

FINANCIAL STATEMENT
As of June 30, 2021, and for the
period of July 1, 2019 to June 30, 2021

CONTENTS

| | |
|---|----|
| SCHEDULE OF OFFICIALS (Unaudited) | 1 |
| INDEPENDENT AUDITOR'S REPORT | 2 |
| FINANCIAL STATEMENT | |
| STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS | 4 |
| NOTES TO FINANCIAL STATEMENT | 6 |
| SUPPLEMENTARY INFORMATION | |
| COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS (Unaudited) | 13 |
| SCHEDULE OF PAYABLES AND RECEIVABLES (Unaudited) | 26 |
| SCHEDULE OF LEASES AND DEBT (Unaudited) | 27 |
| SCHEDULE OF CAPITAL ASSETS (Unaudited) | 28 |
| STATE REPORTING INFORMATION (Unaudited) | 29 |
| SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS | 30 |
| NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS | 32 |
| 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 <i>GOVERNMENT AUDITING STANDARDS</i> | 33 |
| INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE | 35 |
| SCHEDULE OF FINDINGS AND QUESTIONED COSTS | 37 |

WABASH CITY SCHOOLS
SCHEDULE OF OFFICIALS (Unaudited)
For the period July 1, 2019 to June 30, 2021

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|-------------------------------|---------------------------------|--|
| Treasurer | Michele Hough | 07-01-19 to 06-30-21 |
| Chief Financial Officer | Matthew Stone | 07-01-19 to 06-30-21 |
| Superintendent of Schools | Jason Callahan Matthew Stone | 07-01-19 to 01-10-21 01-11-21 to 06-30-21 |
| President of the School Board | Tony Pulley Rod Kelsheimer | 01-01-19 to 12-31-19 01-01-20 to 12-31-21 |

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Wabash City Schools
Wabash County, Indiana

Report on the Financial Statement

We have audited the accompanying statement of receipts, disbursements, other financing sources (uses) and cash and investment balances of the Wabash City Schools (the School Corporation) as of June 30, 2021 and for the period of July 1, 2019 to June 30, 2021, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this 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. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of this financial statement that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

As discussed in Note 1 to the financial statement, the School Corporation prepares its financial statement 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.

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, 2021, or changes in net position for the period of July 1, 2019 to June 30, 2021.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2021, and its cash receipts, cash disbursements, and other financing sources (uses) for the period of July 1, 2019 to June 30, 2021 in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. 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*, Schedule of Officials, Supplementary Information Schedules, and State Reporting Information are 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. Such 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.

The Schedule of Officials, Supplementary Information Schedules, and State Reporting Information, marked as unaudited on the table of contents, have not been subjected to the auditing procedures applied in the audit of the financial statement, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 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 27, 2023

WABASH CITY SCHOOLS
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
As of June 30, 2021 and for the period July 1, 2019 through June 30, 2021

| Fund | Cash and Investments 07-01-2019 | Receipts | Disbursements | Other Financing Sources (Uses) | Cash and Investments 06-30-2020 | Receipts | Disbursements | Other Financing Sources (Uses) | Cash and Investments 06-30-2021 |
|--|---------------------------------------|---------------|---------------|--------------------------------------|---------------------------------------|---------------|---------------|--------------------------------------|---------------------------------------|
| Education | \$ 942,557 | \$ 11,482,567 | \$ 9,875,797 | \$ (1,847,825) | \$ 701,502 | \$ 11,367,762 | \$ 10,167,362 | \$ (1,596,000) | \$ 305,902 |
| Debt Service | 269,483 | 1,461,926 | 1,470,364 | - | 261,045 | 1,900,835 | 1,818,161 | - | 343,719 |
| Operations | 271,793 | 2,176,109 | 4,526,394 | 2,251,367 | 172,875 | 1,607,975 | 3,873,329 | 1,641,755 | (450,724) |
| Local Rainy Day | 506,409 | - | 3,551 | (400,000) | 102,858 | - | - | - | 102,858 |
| Post-Retirement/Severance Future Benefit | 3,928 | 2,738 | 103 | - | 6,563 | 4,673 | - | - | 11,236 |
| Construction | - | 30,218 | 78,604 | 7,857,043 | 7,808,657 | 1,430 | 5,868,881 | - | 1,941,206 |
| School Lunch | 154,426 | 1,030,847 | 1,103,473 | 100 | 81,900 | 1,234,880 | 1,061,275 | 2,100 | 257,605 |
| Curricular Materials Rental | 265,342 | 281,944 | 464,554 | 202,025 | 284,757 | 205,791 | 375,813 | - | 114,735 |
| Joint Operations-Special Ed Coop | 453,286 | 273,232 | 254,754 | - | 471,764 | 227,801 | 182,672 | - | 516,893 |
| Protected Fund | - | 2,165 | - | 362,853 | 365,018 | 391 | - | - | 365,409 |
| Dli Summer Camp | - | - | - | - | - | 8,100 | - | - | 8,100 |
| Early Intervention Grant | 12 | - | - | (12) | - | - | - | - | - |
| Ford Meter Box | 6,880 | 15,000 | 9,263 | - | 12,617 | 15,000 | 11,092 | - | 16,525 |
| Lh: Come Back Stronger Grant | - | - | - | - | - | 18,000 | - | - | 18,000 |
| Lh Carpenter | - | 681 | - | - | 681 | - | 681 | - | - |
| Indiana Audubon Society | - | - | - | - | - | 1,000 | 1,000 | - | - |
| Wms Garden: Wcf | - | - | - | - | - | 5,000 | 4,957 | - | 43 |
| Wabash Learning Center | 2,079 | 8,000 | 2,960 | - | 7,119 | 38,626 | 8,159 | - | 37,586 |
| Wlc : Pauline Barker Donation | - | - | - | - | - | 31,805 | 20,496 | - | 11,309 |
| Lilly: Math Instructor | - | 8,000 | - | - | 8,000 | - | 8,000 | - | - |
| Lilly: Comm. Instructor | - | 8,000 | - | - | 8,000 | - | 8,000 | - | - |
| Lilly: Cdl Instructor | - | 6,000 | - | - | 6,000 | - | 4,000 | - | 2,000 |
| Lilly: Hcc Dual Credit | - | - | - | - | - | 16,000 | - | - | 16,000 |
| Cape Endowment: Wcf | - | 5,000 | 4,858 | - | 142 | 8 | 150 | - | - |
| Daymude Tutoring | (3,563) | 28,500 | 24,937 | - | - | 20,260 | 20,260 | - | - |
| Tea Exchange Community Foundat | - | 5,230 | 5,230 | - | - | - | - | - | - |
| Lhc Playground | 10,000 | 15,000 | 9,974 | - | 15,026 | - | 14,967 | - | 59 |
| Japan Exchange: Yamate Gukin | - | 18,310 | 1,249 | - | 17,061 | (1,850) | 4,150 | - | 11,061 |
| O'Ahui Hawaii - Whs Trip | - | - | - | - | - | 27,537 | 22,545 | - | 4,992 |
| Elevation Prep: F1 Students | - | - | - | - | - | 24,645 | 605 | - | 24,040 |
| Anthony Wayne Foundation | - | - | - | - | - | 7,250 | 4,579 | - | 2,671 |
| Alt Ed Grant Fy 20 | - | 9,511 | - | - | 9,511 | - | 9,511 | - | - |
| Alt Ed Grant Fy 21 | - | - | - | - | - | 7,558 | 7,558 | - | - |
| Scholarships And Awards | 1,989 | - | 141 | - | 1,848 | 1,000 | 204 | - | 2,644 |
| Bond Series 2019 | - | 16,424 | 779,381 | 762,957 | - | - | - | - | - |
| Dental Fund | 436 | - | - | (436) | - | - | - | - | - |
| Protected Fund | 359,775 | 3,078 | - | (362,853) | - | - | - | - | - |
| State Instructional Support | - | - | - | - | - | 19,522 | 19,522 | - | - |
| Formative Assessment | 124 | 26,610 | 13,857 | - | 12,877 | 9,509 | 22,386 | - | - |
| Dual Immersion Grant | (13,424) | 13,424 | - | - | - | - | - | - | - |
| Medicaid Reimbursement | - | 16,143 | 16,143 | - | - | - | - | - | - |
| Secured Schools Safety Grant | 21,138 | 15,000 | 33,571 | - | 2,567 | 20,250 | 32,623 | - | (9,806) |
| Early Intervention Grant Fy 19 | - | 5,238 | 5,084 | - | 154 | - | 154 | - | - |

(Continued)

WABASH CITY SCHOOLS
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
As of June 30, 2021 and for the period July 1, 2019 through June 30, 2021

| Fund | Cash and Investments 07-01-2019 | Receipts | Disbursements | Other Financing Sources (Uses) | Cash and Investments 06-30-2020 | Receipts | Disbursements | Other Financing Sources (Uses) | Cash and Investments 06-30-2021 |
|---|---------------------------------------|----------------------|----------------------|--------------------------------------|---------------------------------------|----------------------|----------------------|--------------------------------------|---------------------------------------|
| Early Intervention Grant Fy 20 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,338 | \$ 4,047 | \$ - | \$ 291 |
| Non-English Speaking Program | 129 | - | - | (129) | - | - | - | - | - |
| Career And Technical Performance Grant | 16,340 | - | - | - | 16,340 | - | - | - | 16,340 |
| Teacher Appreciation Grant | (3) | 55,781 | 55,778 | - | - | 54,951 | 54,951 | - | - |
| High Ability Students | 16,282 | 30,838 | 33,452 | - | 13,668 | 25,750 | 33,494 | - | 5,924 |
| State Connectivity Grant | 5,358 | - | 5,358 | - | - | 9,887 | 1,782 | - | 8,105 |
| C.L.A.S.S. Grant | 34 | - | - | (34) | - | - | - | - | - |
| Project Lead The Way | - | 2,400 | 2,400 | - | - | 2,400 | 2,400 | - | - |
| PI 107-110 Ecia Title 1 | (53,218) | 112,065 | 58,847 | - | - | - | - | - | - |
| Title I Fy 19-20 | - | 240,095 | 270,244 | - | (30,149) | 66,178 | 36,029 | - | - |
| Title I Fy 20-21 | - | - | - | - | - | 282,396 | 339,020 | - | (56,624) |
| Title Iv Fy 19 | - | 21,450 | - | (21,450) | - | - | - | - | - |
| Federal Child Care And Development Progr | - | 23,743 | 23,743 | - | - | 30,148 | 27,521 | - | 2,627 |
| Medicaid Reimbursement-Federal | - | - | - | - | - | 62,135 | 55,994 | - | 6,141 |
| Improving Teacher Quality Grnt | (28,215) | 52,462 | 24,247 | - | - | - | - | - | - |
| Title 11 A 2019 | - | 24,234 | 24,234 | - | - | 21,380 | 25,876 | - | (4,496) |
| Title 11 Fy 2020 | - | - | - | - | - | 6,705 | 12,596 | - | (5,891) |
| Rural Schools And Low Income P | - | 29,597 | 29,597 | - | - | - | - | - | - |
| Rural And Low Income Fy19 | - | 8,388 | 29,838 | 21,450 | - | 17,511 | 17,511 | - | - |
| Rural And Low Income Fy 20 | - | - | - | - | - | 17,313 | 24,232 | - | (6,919) |
| Governor's Emergency Education Relief (GEER II) | - | - | - | - | - | 47,878 | 49,295 | - | (1,417) |
| ESSER I | - | - | - | - | - | 242,317 | 242,605 | - | (288) |
| Federal Stimulus - 18003 Supplemental | - | - | - | - | - | 322,534 | 381,133 | - | (58,599) |
| Other Federal | - | 11,085 | 10,814 | - | 271 | 5,115 | 33,078 | - | (27,692) |
| Prepaid Meals | 19,031 | 275,994 | 262,080 | - | 32,946 | 82,879 | 89,789 | - | 26,036 |
| Cafeteria Payroll Clearing Fund | 2,121 | 95,175 | 95,989 | - | 1,307 | 90,875 | 91,136 | - | 1,046 |
| Federal Tax W/H | - | 639,994 | 639,994 | - | - | 673,898 | 673,898 | - | - |
| Social Security - T & Nt | - | 590,515 | 590,515 | - | - | 627,563 | 627,563 | - | - |
| State Tax W/H | 16,957 | 242,529 | 259,486 | - | - | 259,274 | 240,072 | - | 19,202 |
| Co Adj Gross Inc Tax (Cagit) | 14,462 | 206,724 | 221,186 | - | - | 220,349 | 204,050 | - | 16,299 |
| Group Insurance - All | 37,483 | 268,344 | 272,735 | - | 33,093 | 268,575 | 248,432 | - | 53,236 |
| Annuities | 1,358 | 212,525 | 213,883 | - | - | 221,690 | 219,151 | - | 2,539 |
| Health Saving Accounts (Hsa) | 500 | 92,344 | 92,844 | - | - | 110,729 | 110,729 | - | - |
| Wage Garnishment | - | 26,713 | 26,713 | - | - | 11,999 | 11,999 | - | - |
| United Fund | - | - | - | - | - | 1,700 | 1,700 | - | - |
| Teacher Dues-Ista & Wcta | 10,725 | 12,192 | 22,917 | - | - | 11,250 | 11,250 | - | - |
| Ymca Payroll Deductions | 1,662 | 18,647 | 18,548 | - | 1,761 | 19,249 | 19,409 | - | 1,601 |
| Fringe Benefit | - | 843 | 843 | - | - | 927 | 927 | - | - |
| Donation Turnaround | - | 777,774 | 777,774 | - | - | 1,186,232 | 1,186,232 | - | - |
| Totals | \$ 3,313,676 | \$ 21,037,347 | \$ 22,748,301 | \$ 8,825,056 | \$ 10,427,778 | \$ 21,826,883 | \$ 28,650,993 | \$ 47,855 | \$ 3,651,523 |

See notes to financial statement.

WABASH CITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2021 and the Period of
July 1, 2019 to June 30, 2021

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.

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.

(Continued)

WABASH CITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2021 and the Period of
July 1, 2019 to June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

(Continued)

WABASH CITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2021 and the Period of
July 1, 2019 to June 30, 2021

NOTE 2 - RECLASSIFICATION

Certain prior year balances have been reclassified to conform to the current fiscal year presentation. The reclassifications had no effect on total opening cash balances. The clearing fund which was previously reported in the aggregate amount of \$83,147 at June 30, 2019, has been reclassified to the following individual fund balances at July 1, 2019 to reflect the nature of the clearing fund activity as follows:

| | | |
|------------------------------|----|---------------|
| State Tax W/H | \$ | 16,957 |
| Co Adj Gross Inc Tax (Cagit) | | 14,462 |
| Group Insurance - All | | 37,483 |
| Annuities | | 1,358 |
| Health Saving Accounts (Hsa) | | 500 |
| Teacher Dues-Ista & Wcta | | 10,725 |
| Ymca Payroll Deductions | | 1,662 |
| | | <u>83,147</u> |

NOTE 3 - BUDGETS

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

NOTE 4 - PROPERTY TAXES

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

(Continued)

WABASH CITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2021 and the Period of
July 1, 2019 to June 30, 2021

NOTE 5 - DEPOSITS AND INVESTMENTS

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

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

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

NOTE 6 - RISK MANAGEMENT

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

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

NOTE 7 - CASH BALANCE DEFICITS

The financial statements contains 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, 2020, and 2021. Deficits in other fund balances, including the Operations fund, was the result of disbursements exceeding receipts due to under-estimating current requirements. These deficits are to be prepaid from future receipts.

As of February 28, 2023, the School Corporation had cash balance deficits in the Operations fund and Curricular Materials Rental fund of \$1,674,941 and \$41,574, respectively.

NOTE 8 - HOLDING CORPORATION

The School Corporation has entered into a series of capital leases with the Wabash City Schools 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, 2019 to June 30, 2020 totaled \$1,213,500. Lease payments for the period July 1, 2020 to June 30, 2021 totaled \$1,566,000.

(Continued)

WABASH CITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2021 and the Period of
July 1, 2019 to June 30, 2021

NOTE 9 - PENSION PLANS

Public Employees' Retirement Fund

Plan Description

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

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

Financial Report

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

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

Contributions

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

Teachers' Retirement Fund

Plan Descriptions

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

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

(Continued)

WABASH CITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2021 and the Period of
July 1, 2019 to June 30, 2021

NOTE 9 - PENSION PLANS (Continued)

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

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

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

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

Financial Report

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

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

Contributions

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

(Continued)

WABASH CITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2021 and the Period of
July 1, 2019 to June 30, 2021

NOTE 9 - PENSION PLANS (Continued)

Additional Retirement Plan

The School Corporation also contributes 3 percent of an annual salary on a monthly basis for each certified employee to their 403b plan unique to the School Corporation. The certified employee shall be 75 percent vested in the plan upon completion of 8 years of service and 100 percent vested in the plan upon completion of ten years of service.

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS

The School Corporation provides health insurance to eligible retirees and their spouses. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation.

NOTE 11 - SUBSEQUENT EVENTS

In August 2021, the School Corporation issued General Obligation Bonds in the amount of \$900,000 to finance the renovation and improvements to school facilities throughout the School Corporation.

In August 2021, the School Corporation entered into a capital lease with Wabash City Schools Building Corporation to refund the 2011 and 2011B Bonds. The lease arrangement requires annual lease payments totaling approximately \$466,000 beginning December 31, 2021 through December 31, 2026.

In September 2021, the School Corporation entered into a capital lease with Wabash City Schools Building Corporation to finance renovations and improvements. The lease arrangement requires annual lease payments totaling approximately \$66,000 beginning June 30, 2022 through December 31, 2025.

SUPPLEMENTARY INFORMATION

WABASH CITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2019 through June 30, 2020

| | Education | Debt Service | Operations | Local Rainy Day | Post-Retirement/Severance Future Benefit | Construction | School Lunch | Curricular Materials Rental | Joint Operations-Special Ed Coop | Protected Fund | Early Intervention Grant |
|---|-------------|--------------|-------------|-----------------|--|--------------|--------------|-----------------------------|----------------------------------|----------------|--------------------------|
| Cash and investments - beginning | \$ 942,557 | \$ 269,483 | \$ 271,793 | \$ 506,409 | \$ 3,928 | \$ - | \$ 154,426 | \$ 265,342 | \$ 453,286 | \$ - | \$ 12 |
| Receipts: | | | | | | | | | | | |
| Local sources | 495,453 | 1,461,926 | 2,165,050 | - | 2,738 | 30,218 | 329,423 | 47,673 | 273,232 | 2,165 | - |
| Intermediate sources | 193 | - | 98 | - | - | - | - | - | - | - | - |
| State sources | 10,986,921 | - | 10,961 | - | - | - | 8,264 | 158,628 | - | - | - |
| Federal sources | - | - | - | - | - | - | 693,015 | 75,643 | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | 145 | - | - | - | - |
| Total receipts | 11,482,567 | 1,461,926 | 2,176,109 | - | 2,738 | 30,218 | 1,030,847 | 281,944 | 273,232 | 2,165 | - |
| Disbursements: | | | | | | | | | | | |
| Instruction | 8,124,790 | - | 113,947 | - | - | - | - | 91,975 | 216,779 | - | - |
| Support services | 1,567,234 | - | 3,652,906 | 3,551 | 103 | - | 21,119 | 372,579 | 37,975 | - | - |
| Noninstructional services | 183,773 | - | - | - | - | - | 1,082,354 | - | - | - | - |
| Facilities acquisition and construction | - | - | 643,464 | - | - | 78,604 | - | - | - | - | - |
| Debt services | - | 1,470,364 | 116,077 | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | 9,875,797 | 1,470,364 | 4,526,394 | 3,551 | 103 | 78,604 | 1,103,473 | 464,554 | 254,754 | - | - |
| Excess (deficiency) of receipts over disbursements | 1,606,770 | (8,438) | (2,350,285) | (3,551) | 2,635 | (48,386) | (72,626) | (182,610) | 18,478 | 2,165 | - |
| Other financing sources (uses): | | | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | 2,931 | - | - | - | 100 | 202,025 | - | - | - |
| Transfers in | 175 | - | 2,248,436 | - | - | 7,857,043 | - | - | - | 362,853 | - |
| Transfers out | (1,848,000) | - | - | (400,000) | - | - | - | - | - | - | (12) |
| Total other financing sources (uses) | (1,847,825) | - | 2,251,367 | (400,000) | - | 7,857,043 | 100 | 202,025 | - | 362,853 | (12) |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (241,055) | (8,438) | (98,918) | (403,551) | 2,635 | 7,808,657 | (72,526) | 19,415 | 18,478 | 365,018 | (12) |
| Cash and investments - ending | \$ 701,502 | \$ 261,045 | \$ 172,875 | \$ 102,858 | \$ 6,563 | \$ 7,808,657 | \$ 81,900 | \$ 284,757 | \$ 471,764 | \$ 365,018 | \$ - |

(Continued)

WABASH CITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2019 through June 30, 2020

| | Ford Meter Box | Lh Carpenter | Wabash Learning Center | Lilly: Math Instructor | Lilly: Comm. Instructor | Lilly: Cdl Instructor | Cape Endowment: Wcf | Daymude Tutoring | Tea Exchange Community Foundat | Lhc Playground | Japan Exchange: Yamate Gukin |
|---|----------------|--------------|------------------------|------------------------|-------------------------|-----------------------|---------------------|------------------|--------------------------------|----------------|------------------------------|
| Cash and investments - beginning | \$ 6,880 | \$ - | \$ 2,079 | \$ - | \$ - | \$ - | \$ - | \$ (3,563) | \$ - | \$ 10,000 | \$ - |
| Receipts: | | | | | | | | | | | |
| Local sources | 15,000 | 681 | 8,000 | 8,000 | 8,000 | 6,000 | 5,000 | 28,500 | 5,230 | 15,000 | 18,310 |
| Intermediate sources | - | - | - | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - | - | - | - | - |
| Total receipts | 15,000 | 681 | 8,000 | 8,000 | 8,000 | 6,000 | 5,000 | 28,500 | 5,230 | 15,000 | 18,310 |
| Disbursements: | | | | | | | | | | | |
| Instruction | 9,263 | - | 2,960 | - | - | - | 4,858 | 24,937 | - | 9,974 | 1,100 |
| Support services | - | - | - | - | - | - | - | - | 5,230 | - | 149 |
| Noninstructional services | - | - | - | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | 9,263 | - | 2,960 | - | - | - | 4,858 | 24,937 | 5,230 | 9,974 | 1,249 |
| Excess (deficiency) of receipts over disbursements | 5,737 | 681 | 5,040 | 8,000 | 8,000 | 6,000 | 142 | 3,563 | - | 5,026 | 17,061 |
| 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 | 5,737 | 681 | 5,040 | 8,000 | 8,000 | 6,000 | 142 | 3,563 | - | 5,026 | 17,061 |
| Cash and investments - ending | \$ 12,617 | \$ 681 | \$ 7,119 | \$ 8,000 | \$ 8,000 | \$ 6,000 | \$ 142 | \$ - | \$ - | \$ 15,026 | \$ 17,061 |

(Continued)

WABASH CITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2019 through June 30, 2020

| | Alt Ed Grant Fy 20 | Scholarships And Awards | Bond Series 2019 | Dental Fund | Protected Fund | Formative Assessment | Dual Immersion Grant | Medicaid Reimbursement | Secured Schools Safety Grant | Early Intervention Grant Fy 19 | Non-English Speaking Program |
|---|-----------------------|----------------------------|---------------------|-------------|----------------|-------------------------|-------------------------|---------------------------|------------------------------------|--------------------------------------|------------------------------------|
| Cash and investments - beginning | \$ - | \$ 1,989 | \$ - | \$ 436 | \$ 359,775 | \$ 124 | \$ (13,424) | \$ - | \$ 21,138 | \$ - | \$ 129 |
| Receipts: | | | | | | | | | | | |
| Local sources | - | - | 16,424 | - | 3,078 | 12,753 | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - | - | - | - |
| State sources | 9,511 | - | - | - | - | 13,857 | 13,424 | 16,143 | 15,000 | 5,238 | - |
| Federal sources | - | - | - | - | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - | - | - | - | - |
| Total receipts | 9,511 | - | 16,424 | - | 3,078 | 26,610 | 13,424 | 16,143 | 15,000 | 5,238 | - |
| Disbursements: | | | | | | | | | | | |
| Instruction | - | 141 | - | - | - | 13,857 | - | - | 9,740 | 5,084 | - |
| Support services | - | - | - | - | - | - | - | 16,143 | 23,831 | - | - |
| Noninstructional services | - | - | - | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | 779,381 | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | - | 141 | 779,381 | - | - | 13,857 | - | 16,143 | 33,571 | 5,084 | - |
| Excess (deficiency) of receipts over disbursements | 9,511 | (141) | (762,957) | - | 3,078 | 12,753 | 13,424 | - | (18,571) | 154 | - |
| Other financing sources (uses): | | | | | | | | | | | |
| Proceeds of long-term debt | - | - | 8,620,000 | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - | - | - | - |
| Transfers out | - | - | (7,857,043) | (436) | (362,853) | - | - | - | - | - | (129) |
| Total other financing sources (uses) | - | - | 762,957 | (436) | (362,853) | - | - | - | - | - | (129) |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 9,511 | (141) | - | (436) | (359,775) | 12,753 | 13,424 | - | (18,571) | 154 | (129) |
| Cash and investments - ending | \$ 9,511 | \$ 1,848 | \$ - | \$ - | \$ - | \$ 12,877 | \$ - | \$ - | \$ 2,567 | \$ 154 | \$ - |

(Continued)

WABASH CITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2019 through June 30, 2020

| | Career And Technical Performance Grant | Teacher Appreciation Grant | High Ability Students | State Connectivity Grant | C.L.A.S.S. Grant | Project Lead The Way | PI 107-110 Ecia Title 1 | Title I Fy 19-20 | Title Iv Fy 19 | Federal Child Care And Development Progr | Improving Teacher Quality Grnt |
|---|---|----------------------------------|--------------------------|--------------------------------|------------------|-------------------------|----------------------------|------------------|----------------|---|--------------------------------------|
| Cash and investments - beginning | \$ 16,340 | \$ (3) | \$ 16,282 | \$ 5,358 | \$ 34 | \$ - | \$ (53,218) | \$ - | \$ - | \$ - | \$ (28,215) |
| Receipts: | | | | | | | | | | | |
| Local sources | - | 21 | - | - | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - | - | 23,743 | - |
| State sources | - | 55,760 | 30,838 | - | - | 2,400 | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | 112,065 | 240,095 | 21,450 | - | 52,462 |
| Temporary loans | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - | - | - | - | - |
| Total receipts | - | 55,781 | 30,838 | - | - | 2,400 | 112,065 | 240,095 | 21,450 | 23,743 | 52,462 |
| Disbursements: | | | | | | | | | | | |
| Instruction | - | 55,778 | 33,452 | - | - | - | 58,847 | 251,289 | - | 23,743 | - |
| Support services | - | - | - | 5,358 | - | 2,400 | - | 18,851 | - | - | 24,247 |
| Noninstructional services | - | - | - | - | - | - | - | 104 | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | - | 55,778 | 33,452 | 5,358 | - | 2,400 | 58,847 | 270,244 | - | 23,743 | 24,247 |
| Excess (deficiency) of receipts over disbursements | - | 3 | (2,614) | (5,358) | - | - | 53,218 | (30,149) | 21,450 | - | 28,215 |
| Other financing sources (uses): | | | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | (34) | - | - | - | (21,450) | - | - |
| Total other financing sources (uses) | - | - | - | - | (34) | - | - | - | (21,450) | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | 3 | (2,614) | (5,358) | (34) | - | 53,218 | (30,149) | - | - | 28,215 |
| Cash and investments - ending | \$ 16,340 | \$ - | \$ 13,668 | \$ - | \$ - | \$ - | \$ - | \$ (30,149) | \$ - | \$ - | \$ - |

(Continued)

WABASH CITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2019 through June 30, 2020

| | Title 11 A 2019 | Rural Schools And Low Income P | Rural And Low Income Fy19 | Other Federal | Prepaid Meals | Cafeteria Payroll Clearing Fund | Federal Tax W/H | Social Security - T & Nt | State Tax W/H | Co Adj Gross Inc Tax (Cagit) | Group Insurance - All |
|---|-----------------|--------------------------------------|---------------------------------|---------------|---------------|------------------------------------|--------------------|-----------------------------|---------------|---------------------------------|--------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ 19,031 | \$ 2,121 | \$ - | \$ - | \$ 16,957 | \$ 14,462 | \$ 37,483 |
| Receipts: | | | | | | | | | | | |
| Local sources | - | - | - | 11,085 | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - | - | - | - | - |
| Federal sources | 24,234 | 29,597 | 8,388 | - | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | 275,994 | 95,175 | 639,994 | 590,515 | 242,529 | 206,724 | 268,344 |
| Total receipts | 24,234 | 29,597 | 8,388 | 11,085 | 275,994 | 95,175 | 639,994 | 590,515 | 242,529 | 206,724 | 268,344 |
| Disbursements: | | | | | | | | | | | |
| Instruction | - | - | 29,838 | 10,814 | - | - | - | - | - | - | - |
| Support services | 24,234 | 29,597 | - | - | - | - | - | - | - | - | - |
| Noninstructional services | - | - | - | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | 262,080 | 95,989 | 639,994 | 590,515 | 259,486 | 221,186 | 272,735 |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | 24,234 | 29,597 | 29,838 | 10,814 | 262,080 | 95,989 | 639,994 | 590,515 | 259,486 | 221,186 | 272,735 |
| Excess (deficiency) of receipts over disbursements | - | - | (21,450) | 271 | 13,914 | (814) | - | - | (16,957) | (14,462) | (4,390) |
| Other financing sources (uses): | | | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | 21,450 | - | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | 21,450 | - | - | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | - | - | 271 | 13,914 | (814) | - | - | (16,957) | (14,462) | (4,390) |
| Cash and investments - ending | \$ - | \$ - | \$ - | \$ 271 | \$ 32,946 | \$ 1,307 | \$ - | \$ - | \$ - | \$ - | \$ 33,093 |

(Continued)

WABASH CITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2019 through June 30, 2020

| | Annuities | Health Saving Accounts (Hsa) | Wage Garnishment | United Fund | Teacher Dues- Ista & Wcta | Ymca Payroll Deductions | Fringe Benefit | Cafe ACH Turnarounds | Totals |
|---|-----------|---------------------------------|---------------------|-------------|------------------------------|----------------------------|----------------|-------------------------|---------------|
| Cash and investments - beginning | \$ 1,358 | \$ 500 | \$ - | \$ - | \$ 10,725 | \$ 1,662 | \$ - | \$ - | \$ 3,313,676 |
| Receipts: | | | | | | | | | |
| Local sources | - | - | - | - | - | - | - | - | 4,968,960 |
| Intermediate sources | - | - | - | - | - | - | - | - | 24,034 |
| State sources | - | - | - | - | - | - | - | - | 11,326,945 |
| Federal sources | - | - | - | - | - | - | - | - | 1,256,949 |
| Temporary loans | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - |
| Other receipts | 212,525 | 92,344 | 26,713 | - | 12,192 | 18,647 | 843 | 777,774 | 3,460,459 |
| Total receipts | 212,525 | 92,344 | 26,713 | - | 12,192 | 18,647 | 843 | 777,774 | 21,037,347 |
| Disbursements: | | | | | | | | | |
| Instruction | - | - | - | - | - | - | - | - | 9,093,166 |
| Support services | - | - | - | - | - | - | - | - | 5,805,507 |
| Noninstructional services | - | - | - | - | - | - | - | - | 1,266,231 |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | 1,501,449 |
| Debt services | - | - | - | - | - | - | - | - | 1,586,441 |
| Nonprogrammed charges | 213,883 | 92,844 | 26,713 | - | 22,917 | 18,548 | 843 | 777,774 | 3,495,507 |
| Interfund loans | - | - | - | - | - | - | - | - | - |
| Total disbursements | 213,883 | 92,844 | 26,713 | - | 22,917 | 18,548 | 843 | 777,774 | 22,748,301 |
| Excess (deficiency) of receipts over disbursements | (1,358) | (500) | - | - | (10,725) | 99 | - | - | (1,710,954) |
| Other financing sources (uses): | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | 8,620,000 |
| Sale of capital assets | - | - | - | - | - | - | - | - | 205,056 |
| Transfers in | - | - | - | - | - | - | - | - | 10,489,957 |
| Transfers out | - | - | - | - | - | - | - | - | (10,489,957) |
| Total other financing sources (uses) | - | - | - | - | - | - | - | - | 8,825,056 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (1,358) | (500) | - | - | (10,725) | 99 | - | - | 7,114,102 |
| Cash and investments - ending | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,761 | \$ - | \$ - | \$ 10,427,778 |

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

| | Education | Debt Service | Operations | Local Rainy Day | Post-Retirement/Severance Future Benefit | Construction | School Lunch | Curricular Materials Rental | Joint Operations-Special Ed Coop | Protected Fund |
|---|-------------|--------------|--------------|-----------------|--|--------------|--------------|-----------------------------|----------------------------------|----------------|
| Cash and investments - beginning | \$ 701,502 | \$ 261,045 | \$ 172,875 | \$ 102,858 | \$ 6,563 | \$ 7,808,657 | \$ 81,900 | \$ 284,757 | \$ 471,764 | \$ 365,018 |
| Receipts: | | | | | | | | | | |
| Local sources | 404,594 | 1,900,835 | 1,560,233 | - | 4,673 | 1,430 | 116,656 | 44,519 | 227,801 | 391 |
| Intermediate sources | 101 | - | 101 | - | - | - | - | - | - | - |
| State sources | 10,963,067 | - | 41,129 | - | - | - | 8,583 | 69,054 | - | - |
| Federal sources | - | - | - | - | - | - | 1,109,641 | 92,218 | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | 6,512 | - | - | - | - | - | - | - |
| Total receipts | 11,367,762 | 1,900,835 | 1,607,975 | - | 4,673 | 1,430 | 1,234,880 | 205,791 | 227,801 | 391 |
| Disbursements: | | | | | | | | | | |
| Instruction | 8,399,661 | - | 101,178 | - | - | - | - | 4,891 | 146,624 | - |
| Support services | 1,555,349 | - | 3,551,395 | - | - | - | 13,187 | 370,922 | 36,048 | - |
| Noninstructional services | 212,352 | - | - | - | - | - | 1,048,088 | - | - | - |
| Facilities acquisition and construction | - | - | 87,009 | - | - | 5,868,881 | - | - | - | - |
| Debt services | - | 1,818,161 | 133,747 | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | 10,167,362 | 1,818,161 | 3,873,329 | - | - | 5,868,881 | 1,061,275 | 375,813 | 182,672 | - |
| Excess (deficiency) of receipts over disbursements | 1,200,400 | 82,674 | (2,265,354) | - | 4,673 | (5,867,451) | 173,605 | (170,022) | 45,129 | 391 |
| Other financing sources (uses) | | | | | | | | | | |
| Proceeds of long-term debt | - | - | 32,397 | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | 13,358 | - | - | - | 2,100 | - | - | - |
| Transfers in | - | - | 1,596,000 | - | - | - | - | - | - | - |
| Transfers out | (1,596,000) | - | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | (1,596,000) | - | 1,641,755 | - | - | - | 2,100 | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (395,600) | 82,674 | (623,599) | - | 4,673 | (5,867,451) | 175,705 | (170,022) | 45,129 | 391 |
| Cash and investments - ending | \$ 305,902 | \$ 343,719 | \$ (450,724) | \$ 102,858 | \$ 11,236 | \$ 1,941,206 | \$ 257,605 | \$ 114,735 | \$ 516,893 | \$ 365,409 |

(Continued)

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

| | Dli Summer Camp | Ford Meter Box | Lh: Come Back Stronger Grant | Lh Carpenter | Indiana Audubon Society | Wms Garden: Wcf | Wabash Learning Center | Wlc : Pauline Barker Donation | Lilly: Math Instructor | Lilly: Comm. Instructor |
|---|--------------------|----------------|---------------------------------|--------------|----------------------------|--------------------|---------------------------|----------------------------------|---------------------------|----------------------------|
| Cash and investments - beginning | \$ - | \$ 12,617 | \$ - | \$ 681 | \$ - | \$ - | \$ 7,119 | \$ - | \$ 8,000 | \$ 8,000 |
| Receipts: | | | | | | | | | | |
| Local sources | - | 15,000 | - | - | - | 5,000 | 38,626 | 31,805 | - | - |
| Intermediate sources | - | - | 18,000 | - | 1,000 | - | - | - | - | - |
| State sources | 8,100 | - | - | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - | - | - | - |
| Total receipts | 8,100 | 15,000 | 18,000 | - | 1,000 | 5,000 | 38,626 | 31,805 | - | - |
| Disbursements: | | | | | | | | | | |
| Instruction | - | 11,092 | - | 681 | 1,000 | 4,957 | 8,159 | 20,496 | 8,000 | 8,000 |
| Support services | - | - | - | - | - | - | - | - | - | - |
| Noninstructional services | - | - | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | - | 11,092 | - | 681 | 1,000 | 4,957 | 8,159 | 20,496 | 8,000 | 8,000 |
| Excess (deficiency) of receipts over disbursements | 8,100 | 3,908 | 18,000 | (681) | - | 43 | 30,467 | 11,309 | (8,000) | (8,000) |
| 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 | 8,100 | 3,908 | 18,000 | (681) | - | 43 | 30,467 | 11,309 | (8,000) | (8,000) |
| Cash and investments - ending | \$ 8,100 | \$ 16,525 | \$ 18,000 | \$ - | \$ - | \$ 43 | \$ 37,586 | \$ 11,309 | \$ - | \$ - |

(Continued)

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

| | Lilly: Cdl Instructor | Lilly: Hcc Dual Credit | Cape Endowment: Wcf | Daymude Tutoring | Lhc Playground | Japan Exchange: Yamate Gukin | O'Ahu Hawaii - Whs Trip | Elevation Prep: F1 Students | Anthony Wayne Foundation | Alt Ed Grant Fy 20 | Alt Ed Grant Fy 21 |
|---|--------------------------|---------------------------|------------------------|---------------------|----------------|------------------------------------|----------------------------|--------------------------------|-----------------------------|-----------------------|-----------------------|
| Cash and investments - beginning | \$ 6,000 | \$ - | \$ 142 | \$ - | \$ 15,026 | \$ 17,061 | \$ - | \$ - | \$ - | \$ 9,511 | \$ - |
| Receipts: | | | | | | | | | | | |
| Local sources | - | 16,000 | 8 | 20,260 | - | (1,850) | 27,537 | 24,645 | 7,250 | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - | - | - | - | 7,558 |
| Federal sources | - | - | - | - | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - | - | - | - | - |
| Total receipts | - | 16,000 | 8 | 20,260 | - | (1,850) | 27,537 | 24,645 | 7,250 | - | 7,558 |
| Disbursements: | | | | | | | | | | | |
| Instruction | 4,000 | - | 150 | 20,260 | 14,967 | 4,150 | 22,545 | 605 | 4,579 | 9,511 | 7,558 |
| Support services | - | - | - | - | - | - | - | - | - | - | - |
| Noninstructional services | - | - | - | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | 4,000 | - | 150 | 20,260 | 14,967 | 4,150 | 22,545 | 605 | 4,579 | 9,511 | 7,558 |
| Excess (deficiency) of receipts over disbursements | (4,000) | 16,000 | (142) | - | (14,967) | (6,000) | 4,992 | 24,040 | 2,671 | (9,511) | - |
| 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 | (4,000) | 16,000 | (142) | - | (14,967) | (6,000) | 4,992 | 24,040 | 2,671 | (9,511) | - |
| Cash and investments - ending | \$ 2,000 | \$ 16,000 | \$ - | \$ - | \$ 59 | \$ 11,061 | \$ 4,992 | \$ 24,040 | \$ 2,671 | \$ - | \$ - |

(Continued)

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

| | Scholarships And Awards | State Instructional Support | Formative Assessment | Medicaid Reimbursement | Secured Schools Safety Grant | Early Intervention Grant Fy 19 | Early Intervention Grant Fy 20 | Career And Technical Performance Grant | Teacher Appreciation Grant | High Ability Students | State Connectivity Grant |
|---|----------------------------|-----------------------------------|-------------------------|---------------------------|------------------------------------|--------------------------------------|--------------------------------------|---|----------------------------------|--------------------------|--------------------------------|
| Cash and investments - beginning | \$ 1,848 | \$ - | \$ 12,877 | \$ - | \$ 2,567 | \$ 154 | \$ - | \$ 16,340 | \$ - | \$ 13,668 | \$ - |
| Receipts: | | | | | | | | | | | |
| Local sources | 1,000 | - | 978 | - | 250 | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - | - | - | - |
| State sources | - | 19,522 | 8,531 | - | 20,000 | - | 4,338 | - | 54,951 | 25,750 | 9,887 |
| Federal sources | - | - | - | - | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - | - | - | - | - |
| Total receipts | 1,000 | 19,522 | 9,509 | - | 20,250 | - | 4,338 | - | 54,951 | 25,750 | 9,887 |
| Disbursements: | | | | | | | | | | | |
| Instruction | 204 | 19,522 | 22,386 | - | 5,833 | 154 | 4,047 | - | 54,951 | 33,494 | - |
| Support services | - | - | - | - | 26,790 | - | - | - | - | - | 1,782 |
| Noninstructional services | - | - | - | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | 204 | 19,522 | 22,386 | - | 32,623 | 154 | 4,047 | - | 54,951 | 33,494 | 1,782 |
| Excess (deficiency) of receipts over disbursements | 796 | - | (12,877) | - | (12,373) | (154) | 291 | - | - | (7,744) | 8,105 |
| 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 | 796 | - | (12,877) | - | (12,373) | (154) | 291 | - | - | (7,744) | 8,105 |
| Cash and investments - ending | \$ 2,644 | \$ - | \$ - | \$ - | \$ (9,806) | \$ - | \$ 291 | \$ 16,340 | \$ - | \$ 5,924 | \$ 8,105 |

(Continued)

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

| | Project Lead The Way | PI 107-110 Ecia Title 1 | Title I Fy 19-20 | Title I Fy 20-21 | Federal Child Care And Development Progr | Medicaid Reimbursement- Federal | Title 11 A 2019 | Title 11 Fy 2020 | Rural And Low Income Fy19 | Rural And Low Income Fy 20 | Governor's Emergency Education Relief (GEER II) |
|---|-------------------------|----------------------------|------------------|------------------|---|---------------------------------------|-----------------|------------------|------------------------------|-------------------------------|--|
| Cash and investments - beginning | \$ - | \$ - | \$ (30,149) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receipts: | | | | | | | | | | | |
| Local sources | - | - | - | - | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | 30,148 | - | - | - | - | - | - |
| State sources | 2,400 | - | - | - | - | - | - | - | - | - | - |
| Federal sources | - | - | 66,178 | 282,396 | - | 62,135 | 21,380 | 6,705 | 17,511 | 17,313 | 47,878 |
| Temporary loans | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - | - | - | - | - |
| Total receipts | 2,400 | - | 66,178 | 282,396 | 30,148 | 62,135 | 21,380 | 6,705 | 17,511 | 17,313 | 47,878 |
| Disbursements: | | | | | | | | | | | |
| Instruction | 2,400 | - | 36,029 | 320,936 | 27,521 | - | - | - | 17,511 | 18,045 | - |
| Support services | - | - | - | 18,084 | - | 55,994 | 25,876 | 12,596 | - | 6,187 | 49,295 |
| Noninstructional services | - | - | - | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | 2,400 | - | 36,029 | 339,020 | 27,521 | 55,994 | 25,876 | 12,596 | 17,511 | 24,232 | 49,295 |
| Excess (deficiency) of receipts over disbursements | - | - | 30,149 | (56,624) | 2,627 | 6,141 | (4,496) | (5,891) | - | (6,919) | (1,417) |
| 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 | - | - | 30,149 | (56,624) | 2,627 | 6,141 | (4,496) | (5,891) | - | (6,919) | (1,417) |
| Cash and investments - ending | \$ - | \$ - | \$ - | \$ (56,624) | \$ 2,627 | \$ 6,141 | \$ (4,496) | \$ (5,891) | \$ - | \$ (6,919) | \$ (1,417) |

(Continued)

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

| | ESSER I | Federal Stimulus - 18003 Supplemental | Other Federal | Prepaid Meals | Cafeteria Payroll Clearing Fund | Federal Tax W/H | Social Security - T & Nt | State Tax W/H | Co Adj Gross Inc Tax (Cagit) | Group Insurance - All |
|---|----------|---|---------------|---------------|------------------------------------|-----------------|-----------------------------|---------------|---------------------------------|--------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ 271 | \$ 32,946 | \$ 1,307 | \$ - | \$ - | \$ - | \$ - | \$ 33,093 |
| Receipts: | | | | | | | | | | |
| Local sources | - | - | - | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - | - | - | - |
| Federal sources | 242,317 | 322,534 | 5,115 | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | 82,879 | 90,875 | 673,898 | 627,563 | 259,274 | 220,349 | 268,575 |
| Total receipts | 242,317 | 322,534 | 5,115 | 82,879 | 90,875 | 673,898 | 627,563 | 259,274 | 220,349 | 268,575 |
| Disbursements: | | | | | | | | | | |
| Instruction | 81,259 | 92,725 | 33,078 | - | - | - | - | - | - | - |
| Support services | 161,346 | 288,408 | - | - | - | - | - | - | - | - |
| Noninstructional services | - | - | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | 89,789 | 91,136 | 673,898 | 627,563 | 240,072 | 204,050 | 248,432 |
| Interfund loans | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | 242,605 | 381,133 | 33,078 | 89,789 | 91,136 | 673,898 | 627,563 | 240,072 | 204,050 | 248,432 |
| Excess (deficiency) of receipts over disbursements | (288) | (58,599) | (27,963) | (6,910) | (261) | - | - | 19,202 | 16,299 | 20,143 |
| 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 | (288) | (58,599) | (27,963) | (6,910) | (261) | - | - | 19,202 | 16,299 | 20,143 |
| Cash and investments - ending | \$ (288) | \$ (58,599) | \$ (27,692) | \$ 26,036 | \$ 1,046 | \$ - | \$ - | \$ 19,202 | \$ 16,299 | \$ 53,236 |

(Continued)

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

| | Annuities | Health Saving Accounts (Hsa) | Wage Garnishment | United Fund | Teacher Dues- Ista & Wcta | Ymca Payroll Deductions | Fringe Benefit | Donation Turnaround | Totals |
|---|----------------|---------------------------------|---------------------|--------------|------------------------------|----------------------------|----------------|------------------------|-------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,761 | \$ - | \$ - | \$ 10,427,778 |
| Receipts: | | | | | | | | | |
| Local sources | - | - | - | - | - | - | 927 | 1,186,232 | 5,634,800 |
| Intermediate sources | - | - | - | - | - | - | - | - | 49,350 |
| State sources | - | - | - | - | - | - | - | - | 11,242,870 |
| Federal sources | - | - | - | - | - | - | - | - | 2,293,321 |
| Temporary loans | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - |
| Other receipts | 221,690 | 110,729 | 11,999 | 1,700 | 11,250 | 19,249 | - | - | 2,606,542 |
| Total receipts | 221,690 | 110,729 | 11,999 | 1,700 | 11,250 | 19,249 | 927 | 1,186,232 | 21,826,883 |
| Disbursements: | | | | | | | | | |
| Instruction | - | - | - | - | - | - | - | - | 9,573,159 |
| Support services | - | - | - | - | - | - | 927 | 1,186,232 | 7,360,418 |
| Noninstructional services | - | - | - | - | - | - | - | - | 1,260,440 |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | 5,955,890 |
| Debt services | - | - | - | - | - | - | - | - | 1,951,908 |
| Nonprogrammed charges | 219,151 | 110,729 | 11,999 | 1,700 | 11,250 | 19,409 | - | - | 2,549,178 |
| Interfund loans | - | - | - | - | - | - | - | - | - |
| Total disbursements | 219,151 | 110,729 | 11,999 | 1,700 | 11,250 | 19,409 | 927 | 1,186,232 | 28,650,993 |
| Excess (deficiency) of receipts over disbursements | 2,539 | - | - | - | - | (160) | - | - | (6,824,110) |
| Other financing sources (uses) | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | 32,397 |
| Sale of capital assets | - | - | - | - | - | - | - | - | 15,458 |
| Transfers in | - | - | - | - | - | - | - | - | 1,596,000 |
| Transfers out | - | - | - | - | - | - | - | - | (1,596,000) |
| Total other financing sources (uses) | - | - | - | - | - | - | - | - | 47,855 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 2,539 | - | - | - | - | (160) | - | - | (6,776,255) |
| Cash and investments - ending | \$ 2,539 | \$ - | \$ - | \$ - | \$ - | \$ 1,601 | \$ - | \$ - | \$ 3,651,523 |

WABASH CITY SCHOOLS
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2021

| <u>Government or Enterprise</u> | <u>Accounts Payable</u> | <u>Accounts Receivable</u> |
|---------------------------------|-----------------------------|--------------------------------|
| Governmental activities | \$ 359,673 | \$ 134,102 |

WABASH CITY SCHOOLS
SCHEDULE OF LEASES AND DEBT
June 30, 2021

| <u>Lessor</u> | <u>Purpose</u> | <u>Annual Lease Payment</u> | <u>Lease Beginning Date</u> | <u>Lease Ending Date</u> |
|--|--|-------------------------------------|-------------------------------------|----------------------------------|
| Governmental activities: | | | | |
| Crossroads Banking Center Wabash City Schools Building Corporation | Bus Lease | \$ 135,399 | 6/22/2011 | 3/1/2024 |
| Wabash City Schools Building Corporation | First Mortgage Bonds-Series 2019 | 669,500 | 7/15/2020 | 7/15/2039 |
| Wabash City Schools Building Corporation | First Mortgage Bonds 2011 B | 213,000 | 1/15/2013 | 1/15/2027 |
| Wabash City Schools Building Corporation | First Mortgage Refunding & Improvement Bonds 2014 | 247,250 | 6/30/2014 | 12/31/2028 |
| Wabash City Schools Building Corporation | First Mortgage Refunding & Improvement Bonds 2014 B | 197,750 | 6/30/2015 | 12/31/2022 |
| Wabash City Schools Building Corporation | First Mortgage Bonds 2011 A | <u>253,500</u> | 7/15/2012 | 1/15/2027 |
| Total governmental activities | | <u>1,716,399</u> | | |
| Total of annual lease payments | | <u>\$ 1,716,399</u> | | |

WABASH CITY SCHOOLS
SCHEDULE OF CAPITAL ASSETS
June 30, 2021

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 | \$ 486,151 |
| Infrastructure | 43,800 |
| Buildings | 13,239,437 |
| Improvements other than buildings | 2,114,641 |
| Machinery, equipment, and vehicles | 3,061,039 |
| Construction in progress | <u>9,485,230</u> |
| Total governmental activities | <u>28,430,298</u> |
| Total capital assets | <u>\$ 28,430,298</u> |

WABASH CITY SCHOOLS
STATE REPORTING INFORMATION
July 1, 2019 - June 30, 2021

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.

WABASH CITY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period July 1, 2019 through June 30, 2021

| 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 06-30-20 | Pass-Through To Subrecipient 06-30-20 | Total Federal Awards Expended 06-30-21 | Pass-Through To Subrecipient 06-30-21 | Total Federal Awards Expended 07-01-19 to 06-30-21 |
|---|--|---------------------------------|--|---|---|---|---|--|
| Department of Agriculture | | | | | | | | |
| Child Nutrition Cluster | Indiana Department of Education | | | | | | | |
| School Breakfast Program | | 10.553 | FY2020, FY2021 | \$ 95,204 | \$ - | \$ 55,738 | \$ - | \$ 150,942 |
| National School Lunch Program | | 10.555 | FY2020, FY2021 | 399,258 | - | 165,057 | - | 564,315 |
| Commodities | | 10.555 | FY2020, FY2021 | 65,573 | - | 90,418 | - | 155,991 |
| Summer Food Service Program for Children | | 10.559 | FY2020, FY2021 | 198,553 | - | 888,846 | - | 1,087,399 |
| Total - Child Nutrition Cluster | | | | 758,588 | - | 1,200,059 | - | 1,958,647 |
| Total - Department of Agriculture | | | | 758,588 | - | 1,200,059 | - | 1,958,647 |
| Department of Education | | | | | | | | |
| Special Education Cluster | | | | | | | | |
| Special Education Grants to States | Indiana Department of Education | | | | | | | |
| IDEA-Part B | | 84.027 | 18611-056-PN01 | 22,391 | - | - | - | 22,391 |
| IDEA-Part B | | 84.027 | 19611-056-PN01 | 53,767 | - | - | - | 53,767 |
| IDEA-Part B | | 84.027 | 19611-154-PN01 | 147,076 | - | 23,314 | - | 170,390 |
| IDEA-Part B | | 84.027 | 20611-054-PN01 | 172,571 | - | 241,988 | - | 414,559 |
| IDEA-Part B | | 84.027 | 21611-054-PN01 | - | - | 145,334 | - | 145,334 |
| Total - Special Education Grants to States | | | | 395,805 | - | 410,636 | - | 806,441 |
| Special Education - Preschool Grants | Indiana Department of Education | | | | | | | |
| IDEA-Preschool | | 84.173 | 18619-056-PN01 | 3,491 | - | - | - | 3,491 |
| IDEA-Preschool | | 84.173 | 19619-056-PN01 | 18,480 | - | 1,091 | - | 19,571 |
| IDEA-Preschool | | 84.173 | 20619-054-PN01 | - | - | 20,003 | - | 20,003 |
| IDEA-Preschool | | 84.173 | 21619-054-PN01 | - | - | 1,856 | - | 1,856 |
| Total - Special Education Preschool Grant | | | | 21,971 | - | 22,950 | - | 44,921 |
| Total - Special Education Cluster(IDEA) | | | | 417,776 | - | 433,586 | - | 851,362 |
| Title I Grants to Local Educational Agencies | Indiana Department of Education | | | | | | | |
| Title I, Part A | | 84.010 | 18611-001-PN01 | 240,095 | 1,000 | - | - | 240,095 |
| Title I, Part A | | 84.010 | 18611-001-PN01 | - | - | 66,178 | 479 | 66,178 |
| Title I, Part A | | 84.010 | S010A120014 | - | - | 282,396 | 3,495 | 282,396 |
| Title I, Part A | | 84.010 | S010A170014 | 112,065 | - | - | - | 112,065 |
| Total - Title I Grants to Local Educational Agencies | | | | 352,160 | 1,000 | 348,574 | 3,974 | 700,734 |
| Rural Education | Indiana Department of Education | | | | | | | |
| Rural and Low Income FY17 | | 84.358 | S358B170014 | 21,841 | - | - | - | 21,841 |
| Rural and Low Income FY 18 | | 84.358 | S358B180014 | 7,756 | - | - | - | 7,756 |
| Rural and Low Income FY19 | | 84.358 | S358B190014 | 8,388 | - | 17,510 | - | 25,898 |
| Rural and Low Income FY 20 | | 84.358 | S358B200014 | - | - | 17,313 | - | 17,313 |
| Total - Rural Education | | | | 37,985 | - | 34,823 | - | 72,808 |

(Continued)

WABASH CITY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period July 1, 2019 through June 30, 2021

| 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 06-30-20 | Pass-Through To Subrecipient 06-30-20 | Total Federal Awards Expended 06-30-21 | Pass-Through To Subrecipient 06-30-21 | Total Federal Awards Expended 07-01-19 to 06-30-21 |
|--|--|---------------------------------|--|---|---|---|---|--|
| Supporting Effective Instruction State Grants | Indiana Department of Education | | | | | | | |
| Title II, Part A | | 84.367 | S367A170013 | \$ 23,244 | \$ 1,498 | \$ - | \$ - | \$ 23,244 |
| Title II, Part A | | 84.367 | S367A180013 | 29,218 | 1,203 | - | - | 29,218 |
| Title II, Part A | | 84.367 | S367A190013 | 24,234 | 1,434 | 21,380 | 930 | 45,614 |
| Title II, Part A | | 84.367 | S367A190013 | - | - | 6,705 | 1,500 | 6,705 |
| Total - Supporting Effective Instruction State Grants | | | | <u>76,696</u> | <u>4,135</u> | <u>28,085</u> | <u>2,430</u> | <u>104,781</u> |
| Education Innovation and Research RECN Grant FY 19/20 CELL | University of Indianapolis/CELL | 84.411 | U411B190018 | <u>11,085</u> | - | <u>5,115</u> | - | <u>16,200</u> |
| Student Support and Academic Enrichment Progra Title IV, Part A | Indiana Department of Education | 84.424 | S424A190015 | <u>21,450</u> | - | - | - | <u>21,450</u> |
| COVID-19 - Education Stabilization Fund Governor's Emergency Education Relief Fund (GEER) | Indiana Department of Education | 84.425C | S425C200018 | - | - | 47,878 | - | 47,878 |
| Elementary and Secondary School Emergency Relief (ESSER I) Fund | | 84.425D | S425D200013 | - | - | 242,317 | 4,650 | 242,317 |
| Elementary and Secondary School Emergency Relief (ESSER II) Fund | | 84.425D | S425D200013 | - | - | <u>322,534</u> | - | <u>322,534</u> |
| Total - COVID-19 - Education Stabilization Fund | | | | <u>-</u> | <u>-</u> | <u>612,729</u> | <u>4,650</u> | <u>612,729</u> |
| Total - Department of Education | | | | <u>917,152</u> | <u>5,135</u> | <u>1,462,912</u> | <u>11,054</u> | <u>2,380,064</u> |
| <u>Department of Health and Human Services</u> | | | | | | | | |
| CCDF Cluster | | | | | | | | |
| Child Care and Development Block Grant CCDF -Preschool Child Care Vouchers | Indiana's Family and Social Services | 93.575 | FY2020, FY2021 | <u>23,743</u> | - | <u>30,148</u> | - | <u>53,891</u> |
| Medicaid Cluster | | | | | | | | |
| Medical Assistance Program Medicaid Reimbursement | Indiana Family and Social Services | 93.778 | FY2020, FY2021 | <u>16,143</u> | - | <u>62,135</u> | - | <u>78,278</u> |
| Total - Department of Health and Human Services | | | | <u>39,886</u> | <u>-</u> | <u>92,283</u> | <u>-</u> | <u>132,169</u> |
| Total federal awards expended | | | | <u>\$ 1,715,626</u> | <u>\$ 5,135</u> | <u>\$ 2,755,254</u> | <u>\$ 11,054</u> | <u>\$ 4,470,880</u> |

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

WABASH CITY SCHOOLS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period of July 1, 2019 to June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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, 2019 to June 30, 2021. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position of the School Corporation.

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

B. Other Significant Accounting Policies

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

NOTE 2 – INDIRECT COST RATE

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

NOTE 3 – SPECIAL EDUCATION COOPERATIVE (ALN: 84.027, 84.173)

The School Corporation is a member of the Wabash-Miami Area Programs for Exceptional Children 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
Wabash City Schools
Wabash County, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of the Wabash City 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, 2021 and for the period July 1, 2019 to June 30, 2021 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 27, 2023.

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 may exist that have not been identified.

(Continued)

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
Crowe LLP

Indianapolis, Indiana
March 27, 2023

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

Those Charged with Governance
Wabash City Schools
Wabash County, Indiana

Report on Compliance for Each Major Federal Program

We have audited the Wabash City Schools (the School Corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the School Corporation's major federal programs for the period July 1, 2019 to June 30, 2021. 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.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School Corporation's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School Corporation's compliance.

Opinion on Each Major Federal Program

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the period July 1, 2019 to June 30, 2021.

(Continued)

Other Matter

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2021-002. Our opinion on each major federal program is not modified with respect to this matter.

The School Corporation's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The School Corporation's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified 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 combination of deficiencies, in internal control over compliance, such that there is 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 deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2021-001 and 2021-002 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2021-003 and 2021-004 to be significant deficiencies.

The School Corporation's responses to the internal control over compliance findings identified in our audit are described in the accompanying *schedule of findings and questioned costs*. The School Corporation's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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 27, 2023

WABASH CITY SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 July 1, 2019 to June 30, 2021

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 |
| 84.425C, 84.425D | 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

Section II – Financial Statement Findings

None noted.

(Continued)

WABASH CITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

Section III – Federal Award Findings and Questioned Costs

FINDING 2021-001

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, Summer Food Service Program for Children
Assistance Listing Number: 10.553, 10.555, 10.559
Federal Award Numbers and Years (Or Other Identifying Numbers): FY2020, FY2021
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Eligibility
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 to ensure compliance with requirements related to the grant agreement and the Eligibility compliance requirements.

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

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

Questioned Costs: There were no questioned costs identified.

Context: During testing of 40 students for eligibility, we noted there was no documented review by someone other than the individual making the eligibility determination.

Identification as a repeat finding, if applicable: Yes, see Finding 2019-001.

Recommendation: We recommend that the School Corporation establish a review control to verify all applicant data entered into the software is accurate and complete to confirm eligibility determinations are correct. This review should be performed by someone other than the individual entering the data 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.

(Continued)

WABASH CITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

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

FINDING 2021-002

Information on the federal program:

Subject: Child Nutrition Cluster
Federal Agency: Department of Agriculture
Federal Program: School Breakfast Program, National School Lunch Program, Summer Food Service Program for Children
Assistance Listing Number: 10.553, 10.555, 10.559
Federal Award Numbers and Years (Or Other Identifying Numbers): FY2020, FY2021
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Cash Management
Audit Finding: Material Weakness, Other Matters

Criteria:

10.553 School Breakfast Program

7 CFR 220.9(a) states in part: ". . . In no event shall the School Food Authority claim reimbursement for free and reduced priced breakfasts in excess of the number of children approved for free and reduced price meals."

7 CFR 220.11(d) states in part:

"The school food authority shall establish internal controls which ensure the accuracy of breakfast counts prior to the submission of the monthly Claim for Reimbursement. At a minimum, these internal controls shall include: an on-site review of the breakfast counting and claiming system employed by each school within the jurisdiction of the school food authority; comparisons of daily free, reduced price and paid breakfast counts against data which will assist in the identification of breakfast counts in excess of the number of free, reduced price and paid breakfasts served each day to children eligible for such breakfasts; and a system for following up on those breakfast counts which suggest the likelihood of breakfast counting problems. . . ."

10.555 National School Lunch Program

7 CFR 210.7(c) states in part:

"*Reimbursement limitations.* To be entitled to reimbursement under this part, each school food authority shall ensure that Claims for Reimbursement are limited to the number of free, reduced price and paid lunches and meal supplements that are served to children eligible for free, reduced price and paid lunches and meal supplements, respectively, for each day of operation. . . ."

7 CFR 210.8(a) states in part:

"*Internal controls.* The school food authority shall establish internal controls which ensure the accuracy of meal counts prior to the submission of the monthly Claim for Reimbursement. At a minimum, these internal controls shall include: an on-site review of the meal counting and claiming system employed by each school within the jurisdiction of the school food authority; comparisons of daily free, reduced price and paid meal counts against data which will assist in the identification of meal counts in excess of the number of free, reduced price and paid meals served each day to children eligible for such meals; and a system for following up on those meal counts which suggest the likelihood of meal counting problems. . . ."

(Continued)

WABASH CITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

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

FINDING 2021-002 (Continued)

Criteria: (Continued)

10.559 Summer Food Service Program for Children

7 CFR 225.15(c) states in part:

Records and claims.

(1) Sponsors shall maintain accurate records justifying all meals claimed . . ."

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 cash management compliance requirements.

Cause: The School Corporation's management had not developed a system of internal controls to ensure compliance with the cash management 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 segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirements and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

Questioned Costs: There were \$8,905 of known questioned costs identified. The known questioned costs were calculated by taking the number of meals over claimed times the IDOE reimbursement rates for lunch and breakfast for the months tested.

Context: In two monthly claims out of four monthly claims selected for testing, the meals claimed for reimbursements were overstated compared to source documents of meals served for that month. For the month of October 2020, the number of breakfast meals claimed was overstated by 3 meals. For the month of April 2021, the number of lunch meals claimed was overstated by 2,061 meals.

Identification as a repeat finding, if applicable: No.

Recommendation: We recommended that the School Corporation's management review internal controls in place surrounding claim reimbursements and ensure number of meals claimed for reimbursement agrees to source documents supporting the amount claimed.

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

(Continued)

WABASH CITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

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

FINDING 2021-003

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, Summer Food Service Program for Children
Assistance Listing Number: 10.553, 10.555, 10.559
Federal Award Numbers and Years (Or Other Identifying Numbers): FY2020, FY2021
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Special Tests and Provisions - Paid Lunch Equity
Audit Finding: Significant Deficiency

Criteria: 2 CFR section 200.303 states in part:

"The non-Federal entity must:

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

Condition: An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions – Paid Lunch Equity compliance requirement.

Cause: The School Corporation's management had not developed a system of internal controls to ensure compliance with the paid lunch equity 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 segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirements and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

Questioned Costs: There were no questioned costs identified.

Context: The Food Service Director completed the paid lunch equity calculation without a secondary, documented review to ensure the accuracy of the calculation for 2019-2020. There was also no formal board approval of meal prices for 2019-2020.

The lack of controls was isolated to the 2019-2020 school year. The paid lunch equity calculation was not required to be performed for the 2020-2021 school year due to federal waiver issued during COVID-19 pandemic.

Repeat Finding: No.

(Continued)

WABASH CITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

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

FINDING 2021-003 (Continued)

Recommendation: We recommended that the School Corporation's management establish a system of internal controls related to the grant agreement and Special Tests and Provisions – Paid Lunch Equity compliance requirements. This should include a formal, documented review of the calculation by someone other than the preparer. The School Board should approve meal prices and any change in meal prices, if applicable, on an annual basis.

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

Finding 2021-004

Information on the federal program:

Subject: Education Stabilization Fund – Internal Controls
Federal Agency: Department of Education
Federal Program: COVID-19 – Education Stabilization Fund
Assistance Listing Number: 84.425C, 84.425D
Federal Award Numbers and Years (Or Other Identifying Numbers): S425C200018, S425D200013
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Finding: Significant Deficiency

Criteria: 2 CFR section 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 200.302(b) states in part:

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

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

34 CFR 76.722 states:

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

(Continued)

WABASH CITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

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

FINDING 2021-004 (Continued)

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

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

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

Questioned Costs: There were no questioned costs identified.

Context: The School Corporation is required to submit an Annual Data Report to the Indiana Department of Education (IDOE) to meet federal reporting requirements for ESSER and GEER grant awards for the period of March 13, 2020 to September 30, 2020. There was one annual report due during the audit period. The report was due by January 21, 2021, however the School Corporation did not submit the report until January 27, 2021. In addition, there was no documented review by someone other than the preparer of the report to ensure the information submitted was complete and accurate.

Identification as a repeat finding: No.

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

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



CORRECTIVE ACTION PLAN

FINDING 2021-001

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, Summer Food Service Program for Children
Assistance Listing Number: 10.553, 10.555, 10.559
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Eligibility
Audit Finding: Material Weakness

Condition: 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 Eligibility compliance requirements.

Context: During testing of 40 students for eligibility, we noted there was no documented review by someone other than the individual making the eligibility determination.

Views of responsible officials and planned corrective action: Management agrees with the finding and will take the following corrective action: The corporation established a policy for the cafeteria where the Food Service Director and the Cafeteria Manger will both check and sign off on eligibility.

Responsible party and timeline for completion:

Contact Person Responsible for Corrective Action: Matt Stone, CFO/COO
Contact Phone: 260-563-2151

Anticipated Completion Date: Feb. 6th, 2023



CORRECTIVE ACTION PLAN

FINDING 2021-002

Information on the federal program:

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

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 cash management compliance requirements.

Context: In two monthly claims out of four monthly claims selected for testing, the meals claimed for reimbursements were overstated compared to source documents of meals served for that month. For the month of October 2020, the number of breakfast meals claimed was overstated by 3 meals. For the month of April 2021, the number of lunch meals claimed was overstated by 2,061 meals.

Views of responsible officials and planned corrective action: Management agrees with the finding and will take the following corrective action: The corporation has established a new policy for the Cafeteria where the Food Service Director and the Cafeteria Manager will both check and agree on number of meals claimed and both sign off.

Responsible party and timeline for completion:

Contact Person Responsible for Corrective Action : Matt Stone, CFO/COO
Contact Phone : 260-563-2151

Anticipated Completion Date : Feb. 6th , 2023



CORRECTIVE ACTION PLAN

FINDING 2021-003

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, Summer Food Service Program for Children
Assistance Listing Number: 10.553, 10.555, 10.559
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Special Tests and Provisions - Paid Lunch Equity
Audit Finding: Significant Deficiency

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 Special Tests and Provisions – Paid Lunch Equity compliance requirement.

Context: The Food Service Director completed the paid lunch equity calculation without a secondary, documented review to ensure the accuracy of the calculation for 2019-2020. There was also no formal board approval of meal prices for 2019-2020.

The lack of controls was isolated to the 2019-2020 school year. The paid lunch equity calculation was not required to be performed for the 2020-2021 school year due to federal waiver issued during COVID-19 pandemic.

Views of responsible officials and planned corrective action: Management agrees with the finding and will take the following corrective action: The Food Service Director will complete the paid lunch equity calculation and ensure the accuracy of the calculation. The Food Service Director will also get all meal prices board approved each year.

Responsible party and timeline for completion:

Contact Person Responsible for Corrective Action : Matt Stone, CFO/COO
Contact Phone : 260-563-2151

Anticipated Completion Date: Feb. 6th, 2023



CORRECTIVE ACTION PLAN

Finding 2021-004

Information on the federal program:

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

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

Context: The School Corporation is required to submit an Annual Data Report to the Indiana Department of Education (IDOE) to meet federal reporting requirements for ESSER and GEER grant awards for the period of March 13, 2020 to September 30, 2020. There was one annual report due during the audit period. The report was due by January 21, 2021, however the School Corporation did not submit the report until January 27, 2021. In addition, there was no documented review by someone other than the preparer of the report to ensure the information submitted was complete and accurate.

Views of responsible officials and planned corrective action: Management agrees with the finding and will take the following corrective action: The corporation has new people in the positions who report data to the IDOE. The new position, Data Coordinator, has all information signed off on by Superintendent or CFO before submitting.

Responsible party and timeline for completion:

Contact Person Responsible for Corrective Action: Matt Stone, CFO/COO
Contact Phone : 260-563-2151

Anticipated Completion Date : Feb. 6th, 2023



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2019-001

Subject: Child Nutrition Cluster - Cash Management, Program Income, Eligibility
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program,
Summer Food Service Program for Children
CFDA Numbers: 10.553, 10.555, 10.559
Federal Award Numbers and Years (or Other Identifying Numbers): FY 2017-2018, FY 2018-2019
Pass-Through Entity: Indiana Department of Education
Compliance Requirements: Cash Management, Program Income, Eligibility
Audit Finding: Material Weakness

Condition and Context: 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 Cash Management, Program Income, and Eligibility compliance requirements.

Cash Management (School Breakfast Program and National School Lunch Program only)

The School Corporation had not designed or implemented adequate policies or procedures to ensure that the School Lunch fund cash balance (net cash resources) did not exceed three months average expenditures.

Program Income

The School Corporation had not established an effective internal control over verifying the proper determination and recording of program income. The School Corporation did not provide evidence of a review of the meal count activity reports for all of its schools to ensure that all program income was properly determined and recorded in the School Corporation's ledger.

The School Corporation had not established an effective internal control over verifying that the transfers from the Prepaid Lunch fund, account number 8400, to the School Lunch fund, account number 800, were accurate.

Eligibility

The Café Office Manager is the sole person responsible for making the determination of eligibility on the free and reduced lunch applications. There was no evidence of an oversight, review, or approval process to ensure the accuracy of the eligibility determinations.

The lack of controls was a systemic issue, which occurred throughout the audit period.

Status: Partially resolved. Eligibility finding is recurring. See Finding 2021-001.