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AN EQUAL OPPORTUNITY EMPLOYER

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STATE BOARD OF ACCOUNTS
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April 13, 2023

To: The Officials of the Frontier School Corporation
Frontier School Corporation
126 E Main Street
Chalmers, IN 47929

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

We call your attention to the findings included in the report on pages 43 through 52. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on pages 53 through 58.

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

In addition to the report presented herein, a Supplemental Report for Frontier School Corporation was prepared in accordance with the guidelines established by the State Board of Accounts.

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

Tammy R. White, CPA
Deputy State Examiner

FRONTIER SCHOOL CORPORATION
White County, Indiana

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

FRONTIER SCHOOL CORPORATION
White County, Indiana

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

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

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Cortney L. Parrish	07-01-20 to 06-30-22
Superintendent of Schools	Daniel A. Sichtung	07-01-20 to 06-30-22
President of the School Board	Robert Andie Mears	07-01-20 to 06-30-22

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Frontier School Corporation
White County, Indiana

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

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

Unmodified Opinion on Regulatory Basis of Accounting

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Basis for Opinions

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

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

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

(Continued)

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

Responsibilities of Management for the Financial Statement

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

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

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

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

(Continued)

Supplementary Information

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

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

Other Information

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

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

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 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 28, 2023

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

Fund	Cash and Investments			Other Financing Sources (Uses)	Cash and Investments			Other Financing Sources (Uses)	Cash and Investments
	07-01-2020	Receipts	Disbursements		06-30-2021	Receipts	Disbursements		
Education	\$ 646,037	\$ 4,418,616	\$ 3,604,371	\$ (523,065)	\$ 937,217	\$ 4,748,031	\$ 3,676,666	\$ (631,927)	\$ 1,376,655
Operating Referendum Tax Levy	362,238	946,102	726,010	-	582,330	1,005,959	701,238	-	887,051
Debt Service	-	688,636	569,504	(31,061)	88,071	644,098	536,680	(13,091)	182,398
Retirement/Severance Bond Debt Service	1,398	1	-	-	1,399	-	-	-	1,399
Operations	1,330,207	1,696,807	2,267,761	466,893	1,226,146	1,786,211	2,235,489	586,064	1,362,932
Local Rainy Day	607,969	8,463	6,255	80,325	690,502	1,746	64,628	50,000	677,620
2017 Go Bond	251	-	-	-	251	-	251	-	-
School Lunch	33,505	263,274	264,740	36,600	68,639	345,293	339,634	63,141	137,439
Curricular Materials Rental	151,243	82,370	77,809	27,964	183,768	95,228	51,955	(155)	226,886
Chrome Book Insurance	10,877	-	-	(10,877)	-	-	-	-	-
Levy Excess	179	-	-	-	179	-	-	-	179
Preschool	(5,569)	54,560	65,784	-	(16,793)	23,804	68,249	-	(61,238)
Nchs Implementation Grant	(673)	4,378	3,608	-	97	11,206	1,666	2,874	12,511
Nchs Planning Grant	24,353	-	4,459	-	19,894	-	-	(2,874)	17,020
Kdg Bootcamp Grant	-	6,976	3,476	-	3,500	3,400	3,500	-	3,400
School Safety	-	41,178	6,170	-	35,008	-	4,673	-	30,335
Device Repair & Replacement	-	-	-	-	-	76	-	13,382	13,458
Whin E-Learning Grant	-	-	-	-	-	-	1,532	-	(1,532)
Whin Grant	(1,817)	-	-	-	(1,817)	-	1,195	-	(3,012)
Playground Equipment	725	-	-	-	725	-	737	12	-
Lilly Grant-100K	44,809	36,135	87,639	-	(6,695)	6,695	-	-	-
Irs 941 Holding	-	-	-	-	-	1,337	1,325	(12)	-
Educational License Plates	5,868	4,620	791	-	9,697	5,602	5,609	-	9,690
Hs Library	300	-	-	-	300	-	300	-	-
Football Donation	14,073	-	13,134	-	939	-	-	-	939
Donations	4,445	3,500	6,296	(800)	849	24,330	6,898	651	18,932
Parks Donation	20,542	-	-	-	20,542	-	-	-	20,542
Nipsco Wc Eco Donation	4,844	-	-	-	4,844	-	-	-	4,844
Windmill Investments	425,519	1	-	-	425,520	-	425,520	-	-
Employee Enhancement	30,547	6,644	1,200	-	35,991	-	-	-	35,991
Facilities Improvements	684,542	-	-	-	684,542	-	587,246	-	97,296
Care	-	4,599	-	-	4,599	10	-	-	4,609
Extra-Curricular Activities	-	-	-	-	-	647	647	-	-
Vanatta Scholarships	-	1,200	-	-	1,200	1,200	-	-	2,400
Winson Jones Award	511	1,307	-	-	1,818	1,533	2,150	-	1,201
Multiple Scholarships	(349)	-	-	-	(349)	-	-	-	(349)
Scholarships	40,573	-	2,300	-	38,273	173	-	-	38,446
Formative Assessment	10,681	6,547	8,408	-	8,820	8,344	16,797	-	367
In Teacher Residency Grant	-	15,000	14,261	-	739	15,000	14,810	-	929
Technology	2,360	-	(4,343)	-	6,703	-	6,703	-	-
Drug Free White County-Sro	-	1,200	-	-	1,200	1,130	1,200	-	1,130

(Continued)

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

Fund	Cash and Investments 07-01-2020	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2021	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2022
Drug Free White County-Fjshs	\$ 132	\$ 2,160	\$ -	\$ -	\$ 2,292	\$ 2,160	\$ 1,680	\$ -	\$ 2,772
Medicaid Clearing Account	1,215	8,329	-	(7,807)	1,737	8,536	-	(2,628)	7,645
Secured Schools Safety Grant	(48,829)	50,000	61,018	-	(59,847)	50,000	25,850	-	(35,697)
Early Intervention Grant	63	1,967	63	(1,967)	-	74	-	(74)	-
Career And Technical Performance Grant	(2,107)	2,107	-	-	-	-	-	-	-
Tag Grant 20-21	-	23,683	23,683	-	-	-	-	-	-
21-22 Tag Grant	-	-	-	-	-	24,629	24,629	-	-
High Ability Students	6,382	21,344	18,289	-	9,437	23,821	26,868	-	6,390
State Connectivity Grant	23,123	10,560	19,890	-	13,793	12,760	14,700	-	11,853
Title I	(2,169)	2,169	-	-	-	-	-	-	-
Title I 19-20	(56,016)	62,609	6,593	-	-	-	-	-	-
Title I 20-21	-	38,443	56,610	1,967	(16,200)	23,087	6,961	74	-
Title I 21-22	-	-	-	-	-	40,202	52,533	-	(12,331)
18/20 Title Iv Grant	(8,776)	10,000	1,224	-	-	-	-	-	-
Title Iv Ffy 2019	(7,099)	7,077	(22)	-	-	-	136	-	(136)
Title Iv Ffy 2020	-	-	5,000	-	(5,000)	5,000	-	-	-
Title Iv Ffy 2021	-	-	-	-	-	5,000	5,000	-	-
Medicaid Reimbursement - Feder	13,547	1	13,010	5,624	6,162	-	8,056	1,894	-
Pride Grant - Wc Foundation	(5,268)	11,494	8,164	-	(1,938)	250	3,699	-	(5,387)
2019 Title lia	(933)	8,513	7,749	-	(169)	6,809	6,640	-	-
Title lia Fy 2020	-	315	315	-	-	6,656	6,688	-	(32)
18-20 Title lia	(3,000)	3,085	85	-	-	-	-	-	-
Emergency Connectivity	-	-	-	-	-	7,060	174,980	-	(167,920)
ESSER III	-	-	-	-	-	25,037	162,003	-	(136,966)
Governor's Emergency Education Relief (GEER II)	-	-	236	-	(236)	7,500	7,264	-	-
ESSER II	-	-	120,650	-	(120,650)	141,472	29,837	(10,025)	(19,040)
Governor's Emergency Education Relief (GEER)	-	-	98,195	-	(98,195)	100,000	1,805	-	-
ESSER I	-	46,230	54,716	-	(8,486)	12,486	4,000	-	-
Recn Grant	-	-	-	-	-	18	39,016	-	(38,998)
Fema Reimbursement	-	-	-	-	-	7,049	-	-	7,049
Prepaid School Lunch Accounts	5,336	48,764	398	(37,018)	16,684	51,368	566	(53,252)	14,234
Federal Withholding Tax	-	310,381	310,381	-	-	312,123	312,123	-	-
Oasdi & Medicare For Non-Cert	-	85,856	85,856	-	-	100,103	100,103	-	-
Oasdi & Medicare Certified	-	225,179	225,179	-	-	221,389	221,389	-	-
State And County Tax	-	208,679	208,679	-	-	216,356	216,356	-	-
Clearing/Perf	-	18,216	18,216	-	-	20,732	20,732	-	-
Clearing/Health Insurance	13,199	127,790	134,083	-	6,906	94,432	93,369	-	7,969
Clearing/Life Insurance	-	1,576	1,446	-	130	101	231	-	-
Ltd	-	62	62	-	-	63	63	-	-
Clearing/Annuity/Aul	-	2,760	2,760	-	-	1,815	1,815	-	-
Clearing/Annuity/Lincoln	-	1,440	1,440	-	-	1,440	1,440	-	-

(Continued)

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

Fund	Cash and Investments 07-01-2020	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2021	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2022
Horace Mann Tsa	\$ -	\$ 34,837	\$ 34,837	\$ -	\$ -	\$ 39,444	\$ 39,444	\$ -	\$ -
Af Cancer Post Tax	12	903	915	-	-	1,080	1,080	-	-
Af Flex	-	4,150	4,150	-	-	5,872	5,872	-	-
Horace Mann - Life	-	13,761	13,761	-	-	8,126	8,126	-	-
Metropolitan Life	-	42,849	42,849	-	-	34,374	34,374	-	-
Af Cancer -Pre Tax	33	11,788	11,821	-	-	11,055	11,055	-	-
Af Life Ins Post-Tax	-	10,438	10,438	-	-	12,144	12,144	-	-
Af Accident Ins Pretax	-	9,565	9,565	-	-	9,412	9,412	-	-
Af Hospital Ins Posttax	-	948	948	-	-	2,834	2,834	-	-
Af Short Term Dis Posttax	33	5,127	5,160	-	-	5,708	5,708	-	-
Af Health Savings Account	-	27,566	27,566	-	-	22,156	22,156	-	-
Af Dependent Care Pre Tax	-	1,042	1,042	-	-	3,500	3,500	-	-
Fringe Life Ins	-	435	435	-	-	-	-	-	-
Totals	\$ 4,379,066	\$ 9,796,312	\$ 9,377,088	\$ 6,778	\$ 4,805,068	\$ 10,416,286	\$ 10,483,535	\$ 4,054	\$ 4,741,873

See notes to financial statement.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

NOTE 2 - 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 \$13,277 at June 30, 2020, has been reclassified to the following individual fund balances at July 1, 2020 to reflect the nature of the clearing fund activity as follows:

Clearing/Health Insurance	\$	13,199
Af Cancer Post Tax		12
Af Cancer -Pre Tax		33
Af Short Term Dis Posttax		33
	\$	<u>13,277</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)

NOTE 5 - DEPOSITS AND INVESTMENTS

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

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

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

NOTE 6 - RISK MANAGEMENT

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

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

NOTE 7 - CASH BALANCE DEFICITS

The financial statement contain some funds with deficits in cash. This is a result of certain funds being set up for reimbursable grants, but for which reimbursement was not yet received by June 30, 2021, and 2022.

NOTE 8 - HOLDING CORPORATION

The School Corporation has entered into a capital lease with the Frontier School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments for the period July 1, 2020 to June 30, 2021 totaled \$435,000. Lease payments for the period July 1, 2021 to June 30, 2022 totaled \$514,000.

NOTE 9 - PENSION PLANS

Public Employees' Retirement Fund

Plan Description

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

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

Financial Report

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

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

Contributions

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

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)

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 an obligation of, and is paid by, the State of Indiana.

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

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

SUPPLEMENTARY INFORMATION

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

	Education	Operating Referendum Tax Levy	Debt Service	Retirement/Sever ance Bond Debt Service	Operations	Local Rainy Day	2017 Go Bond	School Lunch	Curricular Materials Rental	Chrome Book Insurance	Levy Excess
Cash and investments - beginning	\$ 646,037	\$ 362,238	\$ -	\$ 1,398	\$ 1,330,207	\$ 607,969	\$ 251	\$ 33,505	\$ 151,243	\$ 10,877	\$ 179
Receipts:											
Local sources	73,161	946,102	688,636	1	1,693,051	7,463	-	69,354	67,984	-	-
Intermediate sources	196	-	-	-	-	-	-	-	-	-	-
State sources	4,345,259	-	-	-	-	-	-	4,281	14,386	-	-
Federal sources	-	-	-	-	-	-	-	189,639	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	3,756	1,000	-	-	-	-	-
Total receipts	4,418,616	946,102	688,636	1	1,696,807	8,463	-	263,274	82,370	-	-
Disbursements:											
Instruction	2,791,090	726,010	-	-	-	-	-	-	-	-	-
Support services	718,342	-	-	-	1,805,948	6,255	-	62	77,809	-	-
Noninstructional services	94,939	-	-	-	-	-	-	260,030	-	-	-
Facilities acquisition and construction	-	-	-	-	461,813	-	-	4,648	-	-	-
Debt services	-	-	569,504	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	3,604,371	726,010	569,504	-	2,267,761	6,255	-	264,740	77,809	-	-
Excess (deficiency) of receipts over disbursements	814,245	220,092	119,132	1	(570,954)	2,208	-	(1,466)	4,561	-	-
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	845	-	-	-	5,933	-	-
Transfers in	239,102	153,737	-	-	609,230	80,325	-	56,076	22,031	-	-
Transfers out	(762,167)	(153,737)	(31,061)	-	(143,182)	-	-	(19,476)	-	(10,877)	-
Total other financing sources (uses)	(523,065)	-	(31,061)	-	466,893	80,325	-	36,600	27,964	(10,877)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	291,180	220,092	88,071	1	(104,061)	82,533	-	35,134	32,525	(10,877)	-
Cash and investments - ending	\$ 937,217	\$ 582,330	\$ 88,071	\$ 1,399	\$ 1,226,146	\$ 690,502	\$ 251	\$ 68,639	\$ 183,768	\$ -	\$ 179

(Continued)

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

	Preschool	Nchs Implementation Grant	Nchs Planning Grant	Kdg Bootcamp Grant	School Safety	Whin Grant	Playground Equipment	Lilly Grant-100K	Educational License Plates	Hs Library	Football Donation
Cash and investments - beginning	\$ (5,569)	\$ (673)	\$ 24,353	\$ -	\$ -	\$ (1,817)	\$ 725	\$ 44,809	\$ 5,868	\$ 300	\$ 14,073
Receipts:											
Local sources	-	4,378	-	6,976	41,178	-	-	-	4,470	-	-
Intermediate sources	-	-	-	-	-	-	-	-	150	-	-
State sources	54,560	-	-	-	-	-	-	36,135	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	54,560	4,378	-	6,976	41,178	-	-	36,135	4,620	-	-
Disbursements:											
Instruction	65,784	3,608	4,459	3,476	-	-	-	-	-	-	-
Support services	-	-	-	-	6,170	-	-	87,639	791	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	13,134
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	65,784	3,608	4,459	3,476	6,170	-	-	87,639	791	-	13,134
Excess (deficiency) of receipts over disbursements	(11,224)	770	(4,459)	3,500	35,008	-	-	(51,504)	3,829	-	(13,134)
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	(11,224)	770	(4,459)	3,500	35,008	-	-	(51,504)	3,829	-	(13,134)
Cash and investments - ending	\$ (16,793)	\$ 97	\$ 19,894	\$ 3,500	\$ 35,008	\$ (1,817)	\$ 725	\$ (6,695)	\$ 9,697	\$ 300	\$ 939

(Continued)

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

	Donations	Parks Donation	Nipsco Wc Eco Donation	Windmill Investments	Employee Enhancement	Facilities Improvements	Care	Vanatta Scholarships	Winson Jones Award	Multiple Scholarships	Scholarships
Cash and investments - beginning	\$ 4,445	\$ 20,542	\$ 4,844	\$ 425,519	\$ 30,547	\$ 684,542	\$ -	\$ -	\$ 511	\$ (349)	\$ 40,573
Receipts:											
Local sources	3,500	-	-	1	-	-	4,599	1,200	1,307	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	6,644	-	-	-	-	-	-
Total receipts	3,500	-	-	1	6,644	-	4,599	1,200	1,307	-	-
Disbursements:											
Instruction	6,296	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	1,200	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	2,300
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	6,296	-	-	-	1,200	-	-	-	-	-	2,300
Excess (deficiency) of receipts over disbursements	(2,796)	-	-	1	5,444	-	4,599	1,200	1,307	-	(2,300)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	(800)	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(800)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,596)	-	-	1	5,444	-	4,599	1,200	1,307	-	(2,300)
Cash and investments - ending	\$ 849	\$ 20,542	\$ 4,844	\$ 425,520	\$ 35,991	\$ 684,542	\$ 4,599	\$ 1,200	\$ 1,818	\$ (349)	\$ 38,273

(Continued)

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

	Formative Assessment	In Teacher Residency Grant	Technology	Drug Free White County-Sro	Drug Free White County-Fjshs	Medicaid Clearing Account	Secured Schools Safety Grant	Early Intervention Grant	Career And Technical Performance Grant	Tag Grant 20-21	High Ability Students
Cash and investments - beginning	\$ 10,681	\$ -	\$ 2,360	\$ -	\$ 132	\$ 1,215	\$ (48,829)	\$ 63	\$ (2,107)	\$ -	\$ 6,382
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	200
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	6,547	15,000	-	1,200	2,160	-	50,000	1,967	2,107	23,683	21,144
Federal sources	-	-	-	-	-	8,329	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	6,547	15,000	-	1,200	2,160	8,329	50,000	1,967	2,107	23,683	21,344
Disbursements:											
Instruction	-	14,261	-	-	-	-	-	-	-	23,683	18,289
Support services	8,408	-	-	-	-	-	61,018	63	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	(4,343)	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	8,408	14,261	(4,343)	-	-	-	61,018	63	-	23,683	18,289
Excess (deficiency) of receipts over disbursements	(1,861)	739	4,343	1,200	2,160	8,329	(11,018)	1,904	2,107	-	3,055
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(7,807)	-	(1,967)	-	-	-
Total other financing sources (uses)	-	-	-	-	-	(7,807)	-	(1,967)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,861)	739	4,343	1,200	2,160	522	(11,018)	(63)	2,107	-	3,055
Cash and investments - ending	\$ 8,820	\$ 739	\$ 6,703	\$ 1,200	\$ 2,292	\$ 1,737	\$ (59,847)	\$ -	\$ -	\$ -	\$ 9,437

(Continued)

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

	State Connectivity Grant	Title I	Title I 19-20	Title I 20-21	18/20 Title Iv Grant	Title Iv Ffy 2019	Title Iv Ffy 2020	Medicaid Reimbursement - Feder	Pride Grant - Wc Foundation	2019 Title lia	Title lia Fy 2020
Cash and investments - beginning	\$ 23,123	\$ (2,169)	\$ (56,016)	\$ -	\$ (8,776)	\$ (7,099)	\$ -	\$ 13,547	\$ (5,268)	\$ (933)	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	1	2,494	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	10,560	-	-	-	-	-	-	-	-	-	-
Federal sources	-	2,169	62,609	38,443	10,000	7,077	-	-	9,000	8,513	315
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	10,560	2,169	62,609	38,443	10,000	7,077	-	1	11,494	8,513	315
Disbursements:											
Instruction	-	-	6,593	56,610	-	-	-	-	8,164	-	-
Support services	19,890	-	-	-	-	-	-	-	-	7,749	315
Noninstructional services	-	-	-	-	1,224	(22)	5,000	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	13,010	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	19,890	-	6,593	56,610	1,224	(22)	5,000	13,010	8,164	7,749	315
Excess (deficiency) of receipts over disbursements	(9,330)	2,169	56,016	(18,167)	8,776	7,099	(5,000)	(13,009)	3,330	764	-
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	1,967	-	-	-	5,624	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	1,967	-	-	-	5,624	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(9,330)	2,169	56,016	(16,200)	8,776	7,099	(5,000)	(7,385)	3,330	764	-
Cash and investments - ending	\$ 13,793	\$ -	\$ -	\$ (16,200)	\$ -	\$ -	\$ (5,000)	\$ 6,162	\$ (1,938)	\$ (169)	\$ -

(Continued)

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

	18-20 Title Iia	Governor's Emergency Education Relief (GEER II)	ESSER II	Governor's Emergency Education Relief (GEER)	ESSER I	Prepaid School Lunch Accounts	Federal Withholding Tax	Oasdi & Medicare For Non-Cert	Oasdi & Medicare Certified	State And County Tax	Clearing/Perf
Cash and investments - beginning	\$ (3,000)	\$ -	\$ -	\$ -	\$ -	\$ 5,336	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	48,764	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	3,085	-	-	-	46,230	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	310,381	85,856	225,179	208,679	18,216
Total receipts	3,085	-	-	-	46,230	48,764	310,381	85,856	225,179	208,679	18,216
Disbursements:											
Instruction	-	-	78,360	-	30,012	-	-	-	-	-	-
Support services	85	236	42,290	98,195	24,704	398	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	310,381	85,856	225,179	208,679	18,216
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	85	236	120,650	98,195	54,716	398	310,381	85,856	225,179	208,679	18,216
Excess (deficiency) of receipts over disbursements	3,000	(236)	(120,650)	(98,195)	(8,486)	48,366	-	-	-	-	-
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	19,476	-	-	-	-	-
Transfers out	-	-	-	-	-	(56,494)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	(37,018)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,000	(236)	(120,650)	(98,195)	(8,486)	11,348	-	-	-	-	-
Cash and investments - ending	\$ -	\$ (236)	\$ (120,650)	\$ (98,195)	\$ (8,486)	\$ 16,684	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

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

	Clearing/Health Insurance	Clearing/Life Insurance	Ltd	Clearing/Annuity/ Aul	Clearing/Annuity/ Lincoln	Horace Mann Tsa	Af Cancer Post Tax	Af Flex	Horace Mann - Life	Metropolitan Life	Af Cancer -Pre Tax
Cash and investments - beginning	\$ 13,199	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12	\$ -	\$ -	\$ -	\$ 33
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	127,790	1,576	62	2,760	1,440	34,837	903	4,150	13,761	42,849	11,788
Total receipts	127,790	1,576	62	2,760	1,440	34,837	903	4,150	13,761	42,849	11,788
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	134,083	1,446	62	2,760	1,440	34,837	915	4,150	13,761	42,849	11,821
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	134,083	1,446	62	2,760	1,440	34,837	915	4,150	13,761	42,849	11,821
Excess (deficiency) of receipts over disbursements	(6,293)	130	-	-	-	-	(12)	-	-	-	(33)
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	(6,293)	130	-	-	-	-	(12)	-	-	-	(33)
Cash and investments - ending	\$ 6,906	\$ 130	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

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

	Af Life Ins Post-Tax	Af Accident Ins Pretax	Af Hospital Ins Posttax	Af Short Term Dis Posttax	Af Health Savings Account	Af Dependent Care Pre Tax	Fringe Life Ins	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 33	\$ -	\$ -	\$ -	\$ 4,379,066
Receipts:								
Local sources	-	-	-	-	-	-	-	3,664,820
Intermediate sources	-	-	-	-	-	-	-	346
State sources	-	-	-	-	-	-	-	4,588,989
Federal sources	-	-	-	-	-	-	-	385,409
Temporary loans	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-
Other receipts	10,438	9,565	948	5,127	27,566	1,042	435	1,156,748
Total receipts	10,438	9,565	948	5,127	27,566	1,042	435	9,796,312
Disbursements:								
Instruction	-	-	-	-	-	-	-	3,836,695
Support services	-	-	-	-	-	-	-	2,967,567
Noninstructional services	-	-	-	-	-	-	-	361,171
Facilities acquisition and construction	-	-	-	-	-	-	-	475,128
Debt services	-	-	-	-	-	-	-	569,504
Nonprogrammed charges	10,438	9,565	948	5,160	27,566	1,042	435	1,167,023
Interfund loans	-	-	-	-	-	-	-	-
Total disbursements	10,438	9,565	948	5,160	27,566	1,042	435	9,377,088
Excess (deficiency) of receipts over disbursements	-	-	-	(33)	-	-	-	419,224
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	6,778
Transfers in	-	-	-	-	-	-	-	1,187,568
Transfers out	-	-	-	-	-	-	-	(1,187,568)
Total other financing sources (uses)	-	-	-	-	-	-	-	6,778
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	(33)	-	-	-	426,002
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,805,068

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

	Education	Operating Referendum Tax Levy	Debt Service	Retirement/Sever ance Bond Debt Service	Operations	Local Rainy Day	2017 Go Bond	School Lunch	Curricular Materials Rental	Levy Excess	Preschool
Cash and investments - beginning	\$ 937,217	\$ 582,330	\$ 88,071	\$ 1,399	\$ 1,226,146	\$ 690,502	\$ 251	\$ 68,639	\$ 183,768	\$ 179	\$ (16,793)
Receipts:											
Local sources	66,702	1,005,959	644,098	-	1,774,347	1,746	-	3,390	68,532	-	-
Intermediate sources	185	-	-	-	-	-	-	-	-	-	-
State sources	4,681,144	-	-	-	-	-	-	3,107	26,637	-	23,804
Federal sources	-	-	-	-	-	-	-	338,796	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	11,864	-	-	-	59	-	-
Total receipts	4,748,031	1,005,959	644,098	-	1,786,211	1,746	-	345,293	95,228	-	23,804
Disbursements:											
Instruction	2,878,855	644,883	-	-	-	-	-	-	-	-	68,249
Support services	678,751	55,992	-	-	1,894,900	64,280	-	-	51,955	-	-
Noninstructional services	119,060	363	-	-	-	-	-	339,606	-	-	-
Facilities acquisition and construction	-	-	-	-	340,589	348	251	28	-	-	-
Debt services	-	-	536,680	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	3,676,666	701,238	536,680	-	2,235,489	64,628	251	339,634	51,955	-	68,249
Excess (deficiency) of receipts over disbursements	1,071,365	304,721	107,418	-	(449,278)	(62,882)	(251)	5,659	43,273	-	(44,445)
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	4,054	-	-	-	-	-	-
Transfers in	734	-	-	-	632,010	50,000	-	63,141	13,227	-	-
Transfers out	(632,661)	-	(13,091)	-	(50,000)	-	-	-	(13,382)	-	-
Total other financing sources (uses)	(631,927)	-	(13,091)	-	586,064	50,000	-	63,141	(155)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	439,438	304,721	94,327	-	136,786	(12,882)	(251)	68,800	43,118	-	(44,445)
Cash and investments - ending	\$ 1,376,655	\$ 887,051	\$ 182,398	\$ 1,399	\$ 1,362,932	\$ 677,620	\$ -	\$ 137,439	\$ 226,886	\$ 179	\$ (61,238)

(Continued)

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

	Nchs Implementation Grant	Nchs Planning Grant	Kdg Bootcamp Grant	School Safety	Device Repair & Replacement	Whin E-Learning Grant	Whin Grant	Playground Equipment	Lilly Grant-100K	Irs 941 Holding	Educational License Plates
Cash and investments - beginning	\$ 97	\$ 19,894	\$ 3,500	\$ 35,008	\$ -	\$ -	\$ (1,817)	\$ 725	\$ (6,695)	\$ -	\$ 9,697
Receipts:											
Local sources	11,206	-	3,400	-	76	-	-	-	-	1,337	5,452
Intermediate sources	-	-	-	-	-	-	-	-	-	-	150
State sources	-	-	-	-	-	-	-	-	6,695	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	11,206	-	3,400	-	76	-	-	-	6,695	1,337	5,602
Disbursements:											
Instruction	1,666	-	3,500	-	-	-	-	-	-	-	-
Support services	-	-	-	4,673	-	1,532	1,195	-	-	1,325	5,609
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	737	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,666	-	3,500	4,673	-	1,532	1,195	737	-	1,325	5,609
Excess (deficiency) of receipts over disbursements	9,540	-	(100)	(4,673)	76	(1,532)	(1,195)	(737)	6,695	12	(7)
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	2,874	-	-	-	13,382	-	-	12	-	-	-
Transfers out	-	(2,874)	-	-	-	-	-	-	-	(12)	-
Total other financing sources (uses)	2,874	(2,874)	-	-	13,382	-	-	12	-	(12)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	12,414	(2,874)	(100)	(4,673)	13,458	(1,532)	(1,195)	(725)	6,695	-	(7)
Cash and investments - ending	\$ 12,511	\$ 17,020	\$ 3,400	\$ 30,335	\$ 13,458	\$ (1,532)	\$ (3,012)	\$ -	\$ -	\$ -	\$ 9,690

(Continued)

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

	Hs Library	Football Donation	Donations	Parks Donation	Nipsco Wc Eco Donation	Windmill Investments	Employee Enhancement	Facilities Improvements	Care	Extra-Curricular Activities	Vanatta Scholarships
Cash and investments - beginning	\$ 300	\$ 939	\$ 849	\$ 20,542	\$ 4,844	\$ 425,520	\$ 35,991	\$ 684,542	\$ 4,599	\$ -	\$ 1,200
Receipts:											
Local sources	-	-	24,330	-	-	-	-	-	10	647	1,200
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	24,330	-	-	-	-	-	10	647	1,200
Disbursements:											
Instruction	-	-	6,898	-	-	-	-	-	-	647	-
Support services	300	-	-	-	-	425,520	-	587,246	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	300	-	6,898	-	-	425,520	-	587,246	-	647	-
Excess (deficiency) of receipts over disbursements	(300)	-	17,432	-	-	(425,520)	-	(587,246)	10	-	1,200
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	651	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	651	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(300)	-	18,083	-	-	(425,520)	-	(587,246)	10	-	1,200
Cash and investments - ending	\$ -	\$ 939	\$ 18,932	\$ 20,542	\$ 4,844	\$ -	\$ 35,991	\$ 97,296	\$ 4,609	\$ -	\$ 2,400

(Continued)

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

	Winson Jones Award	Multiple Scholarships	Scholarships	Formative Assessment	In Teacher Residency Grant	Technology	Drug Free White County-Sro	Drug Free White County-Fjshs	Medicaid Clearing Account	Secured Schools Safety Grant	Early Intervention Grant
Cash and investments - beginning	\$ 1,818	\$ (349)	\$ 38,273	\$ 8,820	\$ 739	\$ 6,703	\$ 1,200	\$ 2,292	\$ 1,737	\$ (59,847)	\$ -
Receipts:											
Local sources	1,533	-	173	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	8,344	15,000	-	1,130	2,160	-	50,000	74
Federal sources	-	-	-	-	-	-	-	-	8,536	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	1,533	-	173	8,344	15,000	-	1,130	2,160	8,536	50,000	74
Disbursements:											
Instruction	-	-	-	-	14,810	-	-	1,680	-	-	-
Support services	-	-	-	16,797	-	-	1,200	-	-	25,850	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	6,703	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	2,150	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	2,150	-	-	16,797	14,810	6,703	1,200	1,680	-	25,850	-
Excess (deficiency) of receipts over disbursements	(617)	-	173	(8,453)	190	(6,703)	(70)	480	8,536	24,150	74
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	74	-	-	-	-	-	-	-
Transfers out	-	-	-	(74)	-	-	-	-	(2,628)	-	(74)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	(2,628)	-	(74)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(617)	-	173	(8,453)	190	(6,703)	(70)	480	5,908	24,150	-
Cash and investments - ending	\$ 1,201	\$ (349)	\$ 38,446	\$ 367	\$ 929	\$ -	\$ 1,130	\$ 2,772	\$ 7,645	\$ (35,697)	\$ -

(Continued)

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

	21-22 Tag Grant	High Ability Students	State Connectivity Grant	Title I 20-21	Title I 21-22	Title Iv Ffy 2019	Title Iv Ffy 2020	Title Iv Ffy 2021	Medicaid Reimbursement - Feder	Pride Grant - Wc Foundation	2019 Title lia
Cash and investments - beginning	\$ -	\$ 9,437	\$ 13,793	\$ (16,200)	\$ -	\$ -	\$ (5,000)	\$ -	\$ 6,162	\$ (1,938)	\$ (169)
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	24,629	23,821	12,760	-	-	-	-	-	-	-	-
Federal sources	-	-	-	23,087	40,202	-	5,000	5,000	-	250	6,809
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	24,629	23,821	12,760	23,087	40,202	-	5,000	5,000	-	250	6,809
Disbursements:											
Instruction	24,629	26,868	-	4,961	52,533	-	-	-	-	3,699	-
Support services	-	-	14,700	2,000	-	-	-	-	2,445	-	6,640
Noninstructional services	-	-	-	-	-	136	-	5,000	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	5,611	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	24,629	26,868	14,700	6,961	52,533	136	-	5,000	8,056	3,699	6,640
Excess (deficiency) of receipts over disbursements	-	(3,047)	(1,940)	16,126	(12,331)	(136)	5,000	-	(8,056)	(3,449)	169
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	148	-	-	-	-	1,894	-	-
Transfers out	-	-	-	(74)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	74	-	-	-	-	1,894	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(3,047)	(1,940)	16,200	(12,331)	(136)	5,000	-	(6,162)	(3,449)	169
Cash and investments - ending	\$ -	\$ 6,390	\$ 11,853	\$ -	\$ (12,331)	\$ (136)	\$ -	\$ -	\$ -	\$ (5,387)	\$ -

(Continued)

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

	Title lia Fy 2020	Emergency Connectivity	ESSER III	Governor's Emergency Education Relief (GEER II)	ESSER II	Governor's Emergency Education Relief (GEER)	ESSER I	Recn Grant	Fema Reimbursement	Prepaid School Lunch Accounts	Federal Withholding Tax
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (236)	\$ (120,650)	\$ (98,195)	\$ (8,486)	\$ -	\$ -	\$ 16,684	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	51,368	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	6,656	7,060	25,037	7,500	141,472	100,000	12,486	18	7,049	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	312,123
Total receipts	6,656	7,060	25,037	7,500	141,472	100,000	12,486	18	7,049	51,368	312,123
Disbursements:											
Instruction	-	-	33,438	-	29,837	-	4,000	39,016	-	-	-
Support services	6,688	174,980	1,128	7,264	-	1,805	-	-	-	566	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	127,437	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	312,123
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	6,688	174,980	162,003	7,264	29,837	1,805	4,000	39,016	-	566	312,123
Excess (deficiency) of receipts over disbursements	(32)	(167,920)	(136,966)	236	111,635	98,195	8,486	(38,998)	7,049	50,802	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	17,740	-
Transfers out	-	-	-	-	(10,025)	-	-	-	-	(70,992)	-
Total other financing sources (uses)	-	-	-	-	(10,025)	-	-	-	-	(53,252)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(32)	(167,920)	(136,966)	236	101,610	98,195	8,486	(38,998)	7,049	(2,450)	-
Cash and investments - ending	\$ (32)	\$ (167,920)	\$ (136,966)	\$ -	\$ (19,040)	\$ -	\$ -	\$ (38,998)	\$ 7,049	\$ 14,234	\$ -

(Continued)

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

	Oasdi & Medicare For Non-Cert	Oasdi & Medicare Certified	State And County Tax	Clearing/Perf	Clearing/Health Insurance	Clearing/Life Insurance	Ltd	Clearing/Annuity/ Aul	Clearing/Annuity/ Lincoln	Horace Mann Tsa	Af Cancer Post Tax
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 6,906	\$ 130	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	100,103	221,389	216,356	20,732	94,432	101	63	1,815	1,440	39,444	1,080
Total receipts	100,103	221,389	216,356	20,732	94,432	101	63	1,815	1,440	39,444	1,080
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	100,103	221,389	216,356	20,732	93,369	231	63	1,815	1,440	39,444	1,080
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	100,103	221,389	216,356	20,732	93,369	231	63	1,815	1,440	39,444	1,080
Excess (deficiency) of receipts over disbursements	-	-	-	-	1,063	(130)	-	-	-	-	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	1,063	(130)	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 7,969	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

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

	Af Flex	Horace Mann - Life	Metropolitan Life	Af Cancer -Pre Tax	Af Life Ins Post- Tax	Af Accident Ins Pretax	Af Hospital Ins Posttax	Af Short Term Dis Posttax	Af Health Savings Account	Af Dependent Care Pre Tax	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,805,068
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	3,665,506
Intermediate sources	-	-	-	-	-	-	-	-	-	-	335
State sources	-	-	-	-	-	-	-	-	-	-	4,879,305
Federal sources	-	-	-	-	-	-	-	-	-	-	734,958
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	5,872	8,126	34,374	11,055	12,144	9,412	2,834	5,708	22,156	3,500	1,136,182
Total receipts	5,872	8,126	34,374	11,055	12,144	9,412	2,834	5,708	22,156	3,500	10,416,286
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	3,840,169
Support services	-	-	-	-	-	-	-	-	-	-	4,035,341
Noninstructional services	-	-	-	-	-	-	-	-	-	-	464,165
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	481,704
Debt services	-	-	-	-	-	-	-	-	-	-	536,680
Nonprogrammed charges	5,872	8,126	34,374	11,055	12,144	9,412	2,834	5,708	22,156	3,500	1,125,476
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	5,872	8,126	34,374	11,055	12,144	9,412	2,834	5,708	22,156	3,500	10,483,535
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	-	-	-	(67,249)
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	4,054
Transfers in	-	-	-	-	-	-	-	-	-	-	795,887
Transfers out	-	-	-	-	-	-	-	-	-	-	(795,887)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	4,054
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	-	-	-	-	(63,195)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,741,873

FRONTIER SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2022

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ -	\$ 4,403

FRONTIER SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2022

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities:				
Ricoh	Copier-Corp	\$ 1,448	10/15/2019	10/15/2023
Xerox	Copiers-EL	9,712	12/4/2017	12/4/2022
Xerox	Copiers-HS	<u>10,573</u>	3/11/2019	3/11/2024
Total governmental activities		<u>21,733</u>		
Total of annual lease payments		<u>\$ 21,733</u>		

<u>Description of Debt</u>		<u>Ending Principal Balance</u>	<u>Principal and Interest Due Within One Year</u>
<u>Type</u>	<u>Purpose</u>		
Governmental activities:			
Other	2014 Ad Valorem Lease Rental	\$ 570,000	\$ 220,000
Other	2020 Ad Valorem Lease Rental	5,115,000	135,000
Other	Common School Fund Loan	<u>11,200</u>	<u>11,200</u>
Total governmental activities		<u>5,696,200</u>	<u>366,200</u>
Totals		<u>\$ 5,696,200</u>	<u>\$ 366,200</u>

FRONTIER SCHOOL CORPORATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2022

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 229,487
Infrastructure	227,000
Buildings	19,236,524
Improvements other than buildings	1,573,868
Machinery, equipment, and vehicles	1,328,838
Books and other	<u>382,887</u>
 Total governmental activities	 <u>22,978,604</u>
 Total capital assets	 <u>\$ 22,978,604</u>

FRONTIER SCHOOL CORPORATION
STATE REPORTING INFORMATION
July 1, 2020 - June 30, 2022

Financial Statement and Accompanying Notes:

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

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

Indiana Department of Education Reporting:

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

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

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

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-2020 to 06-30-22
<u>Department of Agriculture</u>						
Child Nutrition Cluster						
Food & Nutrition Service/ School Breakfast Program	Indiana Department of Education					
School Breakfast Program		10.553	FY2021, FY2022	\$ 36,725	\$ 50,274	\$ 86,999
National School Lunch Program		10.555	FY2021, FY2022	208,990	288,593	497,583
Commodities		10.555	FY2021, FY2022	23,885	30,119	54,004
Total - Child Nutrition Cluster				<u>269,600</u>	<u>368,986</u>	<u>638,586</u>
Total - Department of Agriculture				<u>269,600</u>	<u>368,986</u>	<u>638,586</u>
<u>Department of Labor</u>						
WIOA Dislocated Worker Formula Grants						
Pride Grant	Indiana Department of Workforce Development	17.278	AA-28315-16-55-A-18	11,494	250	11,744
Total - Department of Labor				<u>11,494</u>	<u>250</u>	<u>11,744</u>
<u>Federal Communications Commission</u>						
Emergency Connectivity Fund Program						
Emergency Connectivity Fund Program	Direct Award	32.009	COECF2190009529	-	7,060	7,060
Total - Emergency Connectivity Fund Program				<u>-</u>	<u>7,060</u>	<u>7,060</u>
Total - Federal Communications Commission				<u>-</u>	<u>7,060</u>	<u>7,060</u>
<u>Department of Education</u>						
Special Education Cluster(IDEA)						
Special Education Grants to States						
Special Ed-Part B	Indiana Department of Education	84.027	20611-047-PN01	69,797	5,109	74,906
Special Ed-Part B		84.027	21611-047-PN01	95,198	70,634	165,832
Special Ed-Part B		84.027	22611-047-PN01	-	89,689	89,689
Total - Special Education Grants to States				<u>164,995</u>	<u>165,432</u>	<u>330,427</u>
Special Education Preschool Grants						
Special Ed Preschool	Indiana Department of Education	84.173	20619-047-PN01	4,020	703	4,723
Special Ed Preschool		84.173	21619-049-PN01	-	4,953	4,953
Special Ed Preschool		84.173	22619-047-PN01	-	330	330
Total - Special Education Preschool Grants				<u>4,020</u>	<u>5,986</u>	<u>10,006</u>
Total - Special Education Cluster(IDEA)				<u>169,015</u>	<u>171,418</u>	<u>340,433</u>

(Continued)

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-2020 to 06-30-22
Title I Grants to Local Education Agencies	Indiana Department of Education					
Title I, Part A		84.010	S010A190014	\$ 60,642	\$ -	\$ 60,642
Title I, Part A		84.010	S010A200014	40,410	23,236	63,646
Title I, Part A		84.010	S010A210014	-	40,054	40,054
Total - Title I Grants to Local Educational Agencies				<u>101,052</u>	<u>63,290</u>	<u>164,342</u>
Title II Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367	S367A180013	3,085	-	3,085
Title II, Part A		84.367	S367A190013	8,513	6,809	15,322
Title II, Part A		84.367	S367A200013	315	6,655	6,970
Total - Title II Supporting Effective Instruction State Grants				<u>11,913</u>	<u>13,464</u>	<u>25,377</u>
Student Support and Academic Enrichment	Indiana Department of Education					
Title IV Part A		84.424	S424A180015	10,000	-	10,000
Title IV Part A		84.424	S424A190015	7,077	-	7,077
Title IV Part A		84.424	S424A200015	-	5,000	5,000
Title IV Part A		84.424	S424A210015	-	5,000	5,000
Total - Title IV Student Support and Academic Enrichment Program				<u>17,077</u>	<u>10,000</u>	<u>27,077</u>
COVID-19 Education Stabilization Fund	Indiana Department of Education					
Governor's Emergency Education Relief (GEER) Fund		84.425C	S425C200018	-	107,500	107,500
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	46,230	12,486	58,716
Elementary and Secondary School Emergency Relief (ESSER II) Fund		84.425D	S425D210013	-	138,279	138,279
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund		84.425U	S425U210013	-	25,037	25,037
Total - COVID-19 Education Stabilization Fund				<u>46,230</u>	<u>283,302</u>	<u>329,532</u>
Total - Department of Education				<u>345,287</u>	<u>541,474</u>	<u>886,761</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster	Indiana Department of Education					
Medical Assistance Program		93.778	FY2021, FY2022	6,000	6,179	12,179
Total - Department of Health and Human Services				<u>6,000</u>	<u>6,179</u>	<u>12,179</u>
<u>Department of Homeland Services</u>						
Disaster Grants - Public Assistance (Presidentially Declared Disasters)						
FEMA	Indiana Department of Homeland Security	97.036	385PA4515000000	-	7,049	7,049
Total - Department of Homeland Services				<u>-</u>	<u>7,049</u>	<u>7,049</u>
Total federal awards expended				<u>\$ 632,381</u>	<u>\$ 930,998</u>	<u>\$ 1,563,379</u>

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

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

NOTE 1 - BASIS OF PRESENTATION

A. Basis of Presentation

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

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

B. Other Significant Accounting Policies

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

NOTE 2 - INDIRECT COST RATE

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

NOTE 3 - OTHER INFORMATION

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

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

The School Corporation is a member of the Cooperative School Services (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
Frontier School Corporation
White 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 Frontier School Corporation ("School Corporation"), which comprise the statement of receipts, disbursements, other financing sources (uses), and cash and investment balances of the School Corporation as of June 30, 2022 and for the period July 1, 2020 to June 30, 2022 and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement, and have issued our report thereon dated March 28, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

(Continued)

Report on Compliance and Other Matters

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

School Corporation's Responses to Findings

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

Purpose of this Report

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 28, 2023

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

Those Charged with Governance
Frontier School Corporation
White County, Indiana

Report on Compliance for Each Major Federal Program***Qualified and Unmodified Opinions***

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

Qualified Opinion on Child Nutrition Cluster

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

Unmodified Opinion on Education Stabilization Fund

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 the Education Stabilization Fund program for the period of July 1, 2020 to June 30, 2022.

Basis for Qualified and Unmodified Opinions

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

(Continued)

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

Matter Giving Rise to Qualified Opinion on the Child Nutrition Cluster

As described in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with requirements regarding ALN 10.553 and 10.555 Child Nutrition Cluster as described in finding number 2022-003 for Procurement and Suspension and Debarment. Compliance with such requirements is necessary, in our opinion, for the School Corporation to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are 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 2022-002. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-002, 2022-003, and 2022-004 to be material weaknesses.

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A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-005 to be a significant deficiency.

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

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

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 28, 2023

FRONTIER SCHOOL CORPORATION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 July 1, 2020 to June 30, 2022

Section I – Summary of Auditor’s Results

Financial Statement

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

Federal Awards

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

Identification of major programs

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

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

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

FRONTIER SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

Section II – Financial Statement Findings

FINDING 2022-001

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

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

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

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

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

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

2 CFR 200.508 states in part:

"The auditee must: . . .

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

2 CFR 200.510(b) states:

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

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

(Continued)

FRONTIER SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

Section II – Financial Statement Findings (Continued)

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

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

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

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

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

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

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

Context: The federal grant information entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the SEFA. The SEFA was not reviewed prior to submission, resulting in the following errors, the gross overstatement on the SEFA of \$2,116, the gross understatement of \$58,011, and the net understatement of the total federal awards expended on the SEFA by \$55,895 for the period July 1, 2020, through June 30, 2022:

- The Child Nutrition Cluster (10.553, 10.555) expenditures were understated by \$71
- Title I Grants Cluster (84.010) expenditures were overstated by \$2,116
- The Emergency Education Relief Fund (84.425) expenditures were understated by \$46,230
- The Medicaid Cluster (93.778) expenditures were understated by \$4,661
- The DHS Covid-19 Fund (97.036) expenditures were understated by \$7,049

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

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

Identification as a repeat finding, if applicable: No.

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

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

(Continued)

FRONTIER SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

Section III – Federal Award Findings and Questioned Costs

FINDING 2022-002

Subject: Child Nutrition Cluster - Allowable Costs/Cost Principles, Special Tests & Provisions – Non-Profit School Food Service Accounts

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, COVID-19 - School Breakfast Program, National School Lunch Program, COVID-19 - National School Lunch Program

Assistance Listing Numbers: 10.533, 10.555

Federal Award Numbers and Years (or Other Identifying Numbers): SY 2020/2021, SY 2021/2022

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Allowable Cost/Cost Principles, Special Tests & Provisions – Non-Profit School Food Service Accounts

Audit Findings: Material Weakness, Other Matters

Criteria:

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 200.403 states in part:

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

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items. . .
- (g) Be adequately documented. . . . "

2 CFR 200.430(i) states in part:

"Standards for Documentation of Personnel Expenses

(1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;

(Continued)

FRONTIER SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

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

FINDING 2022-002

(ii) Be incorporated into the official records of the non-Federal entity;

(iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities (for IHE, this per the IHE's definition of IBS); . . .

(vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. . . ."

34 CFR 76.730 states:

"A State and a subgrantee shall keep records that fully show:

- (a) The amount of funds under the grant or subgrant;
- (b) How the State or subgrantee uses the funds;
- (c) The total cost of the project;
- (d) The share of that cost provided from other sources; and
- (e) Other records to facilitate an effective audit."

34 CFR 76.731 states: "A State and a subgrantee shall keep records to show its compliance with program requirements."

7 CFR 220.7(e) states in part:

". . . the School Food Authority shall, with respect to participating schools under its jurisdiction:

- (1) (ii) . . . use all revenues received by such food service only for the operation or improvement of that food service. . . ."

7 CFR 210.14(a) states:

"*Nonprofit school food service.* School food authorities shall maintain a nonprofit school food service. Revenues received by the nonprofit school food service are to be used only for the operation or improvement of such food service, except that, such revenues shall not be used to purchase land or buildings, unless otherwise approved by FNS, or to construct buildings. Expenditures of nonprofit school food service revenues shall be in accordance with the financial management system established by the State agency under §210.19(a) of this part. . . ."

(Continued)

FRONTIER SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

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

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 Allowable Costs/Cost Principles and Special Tests & Provisions – Non-Profit School Food Service Accounts compliance requirements.

Cause: Management had not developed a system of internal controls that would have ensured compliance with the Allowable Costs/Cost Principles and Special Tests & Provisions – Non-Profit School Food Service Accounts compliance requirements.

Context: The School Corporation did not have effective controls in place to ensure that only applicable employees were paid from program funds. Six of the 24 employees' time charged to the program, did not have adequate documentation to support their wage allocations. The School Corporation paid a portion of the wages for three Elementary School Teachers, two Elementary Instructional Assistants, and one Library Aide from the School Lunch Fund based on fixed percentages. There was no supporting documentation to indicate how the percentages were determined. Wages and benefits charged to the program for the above noted employees totaled \$19,073. This amount was considered questions costs.

Effect: The failure to establish an effective internal control system by the School Corporation enabled noncompliance with the grant agreement and the Allowable Costs/Cost Principles and Special Tests & Provisions - School Food Service Accounts compliance requirements. Noncompliance with the grant agreement and the Allowable Costs/Cost Principles and Special Tests & Provisions – Non-Profit School Food Service Accounts compliance requirements could result in the loss of federal funds to the School Corporation.

Questioned Costs: \$19,073.

Identification as a repeat finding, if applicable: No

Recommendation: We recommended that the School Corporation's management establish a system of internal controls related to the grant agreement and the Allowable Costs/Cost Principles and Special Tests & Provisions – Non-Profit School Food Service Accounts compliance requirements.

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

(Continued)

FRONTIER SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

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

FINDING 2022-003

Subject: Child Nutrition Cluster - Procurement and Suspension and Debarment

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, COVID-19 - School Breakfast Program, National School Lunch Program, COVID-19 - National School Lunch Program

Assistance Listing Numbers: 10.553, 10.555

Federal Award Numbers and Years (or Other Identifying Numbers): SY 2020/2021, SY 2021/2022

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

Audit Findings: Material Weakness, Modified Opinion

Criteria:

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 200.318(i) states:

"The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to, the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price."

2 CFR 200.320(b) (Uniform Guidance) states:

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

2 CFR 200.320 (Revised Uniform Guidance) states in part:

"The non-Federal entity must have and use document procurement procedures, consistent with the standards of this section and §§ 200.317, 200.318, and 200.319 for any of the following methods of procurement used for the acquisition of property or services required under a Federal award or sub-award.

(Continued)

FRONTIER SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

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

(a) *Informal procurement methods.* When the value of the procurement for property or services under a Federal award does not exceed the *simplified acquisition threshold (SAT)*, as defined in § 200.1, or a lower threshold established by a non-Federal entity, formal procurement methods are not required. The non-Federal entity may use informal procurement methods to expedite the completion of its transactions and minimize the associated administrative burden and cost. The informal methods used for procurement of property or services at or below the SAT include: . . .

(2) *Small purchases –*

(i) *Small purchase procedures.* The acquisition of property or services, the aggregate dollar amount of which is higher than the micro-purchase threshold but does not exceed the simplified acquisition threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources as determined appropriate by the non-Federal entity. . . ."

2 CFR 180.300 states in part:

"When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by:

- (a) Checking SAM Exclusion; or
- (b) Collecting a certification from that person; or
- (c) Adding a clause or condition to the covered transaction with that person."

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

Cause: Management had not developed a system of internal controls that would have ensured compliance with the Procurement and Suspension and Debarment compliance requirement.

Context: Federal regulations allow for informal procurement methods when the value of the procurement for property or services does not exceed the simplified acquisition threshold, which is set at \$250,000. However, Indiana Code 5-22-8 has a more restrictive threshold of \$150,000 for when informal procedures can be used. This informal process allows for methods other than the formal bid process. The informal process is divided between two methods based on thresholds. Micro-purchases, typically for those purchases \$10,000 or under, and small purchase procedures for those purchases above the micro-purchase threshold, but below the simplified acquisition threshold. Micro-purchases may be awarded without soliciting competitive price rate quotations. If small purchase procedures are used, then price or rate quotations must be obtained from an adequate number of qualified sources.

(Continued)

FRONTIER SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

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

The School Corporation did not obtain price or rate quotes for three of the five vendors tested that were less than the simplified acquisition threshold of \$150,000 but exceeded the \$10,000 micro-purchase threshold. The micro-purchase threshold may be increased, but the School Corporation did not provide documentation that the threshold had been increased. Documentation detailing the history of procurement, which must include the reason for the procurement method used, was not available for audit.

Suspension and Debarment

Non-federal entities and contractors are subject to non-procurement debarment and suspension regulations. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or are ineligible for participation in Federal assistance programs or activities. This is done by checking SAM Exclusions, collecting a certification from that person, or adding a clause or condition to the covered transaction with that person.

During fiscal years 2020-2021 and 2021-2022, the School Corporation entered into a covered transaction with a food service vendor. Procedures were not performed to ensure that the vendor was not suspended, debarred, or otherwise excluded from or eligible for participation in Federal assistance programs or activities.

The lack of controls and noncompliance were systemic issues throughout the audit period.

Effect: The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement could result in the loss of future federal funds to the School Corporation.

Questioned Costs: There were no questioned costs identified.

Identification as a repeat finding, if applicable: No.

Recommendation: We recommended that the School Corporation's management establish a system of internal controls related to ensure that 3 quotes are obtained as required for small purchase method procurements and to ensure the vendors are not debarred or suspended.

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

(Continued)

FRONTIER SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

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

FINDING 2022-004

Subject: Child Nutrition Cluster - Reporting
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, COVID-19 - School Breakfast Program, National School Lunch Program, COVID-19 - National School Lunch Program
Assistance Listing Numbers: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): SY 2020/2021, SY 2021/2022
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Findings: Material Weakness

Criteria:

2 CFR 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over the 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, which would include segregation of duties, was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Reporting compliance requirement.

Cause: Management had not developed or implemented a system of internal control that would have ensured compliance with the grant agreement and the Reporting compliance requirement.

Context: The School Corporation had not designed, nor implemented a system of internal control to ensure that the monthly claim for reimbursement were complete and accurately submitted. The monthly claims for reimbursement were prepared by the Food Service Director without an oversight or review process in place to prevent, or detect and correct, errors. The lack of documented controls was a systemic issue throughout the audit period.

Effect: The failure to design and implement an effective internal control system could have enabled noncompliance with the grant agreement and the Reporting compliance requirement.

Questioned Costs: There were no questioned costs identified.

Identification as a repeat finding, if applicable: No.

Recommendation: We recommended that the School Corporation implement a documented, formal review of the claims before they are submitted for reimbursement.

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

(Continued)

FRONTIER SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 to June 30, 2022

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

FINDING 2022-005

Subject: COVID 19- Education Stabilization Fund - Reporting
Federal Agency: Department of Education
Federal Program: COVID 19- Education Stabilization Fund
Assistance Listing Numbers: 84.425C, 84.425D, 84.425U
Federal Award Numbers and Years (or Other Identifying Numbers): S425C200018, S425D200013, S425D210013, S425U210013
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Finding: Significant Deficiency

Criteria:

2 CFR 200.303 states in part: "The non-Federal entity must:

(a) Establish and maintain effective internal control over the 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 properly designed nor implemented to ensure compliance with requirements related to the grant agreement and the Reporting compliance requirement.

Cause: Management had not developed nor implemented a system of internal controls that would have ensured compliance with the grant agreement and the Reporting compliance requirement.

Context: The School Corporation had not designed nor implemented a system of internal controls to ensure that documentation regarding the Annual Elementary and Secondary School Emergency Relief (ESSER) and the Governor's Emergency Education Relief (GEER) annual Data Collection reports were accurately submitted. One employee prepared and submitted the annual Data Collection reports without an oversight or approval process.

Effect: The failure to establish an effective internal control system could have enabled material noncompliance to go undetected.

Questioned Costs: There were no questioned costs identified.

Identification as a repeat finding, if applicable: 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.

Frontier School Corporation
126 E Main Street
PO Box 809
Chalmers, IN 47929



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www.frontierschoolsin.org
dsichting@frontier.k12.in.us

CORRECTIVE ACTION PLAN

FINDING 2022-001-Preparation of the Schedule of Expenditures of Federal Awards

Contact Person Responsible for Corrective Action: Cortney Parrish, Corporation Treasurer

Contact Phone Number: 765-240-2346

Views of Responsible Official: We agree with the finding

Description of Corrective Action Plan: The School Corporation plans to have the Jr/Sr. High School ECA Treasurer review and approve all financial data collection reports for grants prior to submission.

Anticipated Completion Date: Immediately

A handwritten signature in blue ink, which appears to read "Cortney Parrish", is written over a horizontal line. Below the line, the name "Cortney Parrish, Treasurer" is printed in a black, sans-serif font.

Cortney Parrish, Treasurer

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CORRECTIVE ACTION PLAN

FINDING 2022-002

Contact Person Responsible for Corrective Action: Cortney Parrish, Corporation Treasurer

Contact Phone Number: 765-240-2346

Views of Responsible Official: We agree with the finding

Description of Corrective Action Plan: As of fiscal year 2022, the School Corporation no longer pays teachers or aides from the School Lunch Fund, with the exception of one teacher being paid from the School Lunch Fund until December of 2022. As of January 1, 2023, only cafeteria employees are paid from the School Lunch Fund.

Anticipated Completion Date: Completed

FRONTIER SCHOOL CORPORATION

126 E. MAIN STREET
P.O. BOX 809
CHALMERS, IN 47929

Dan Sighting, SUPERINTENDENT

PHONE: 219-984-5009

FAX: 219-984-5022

Corrective Action Plan

Finding 2022-003

Contact Person Responsible for Corrective Action: Rhonda Morgan, FSD

Contact Phone Number: 765-240-2386

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

Procurement:

Frontier School Corporation will have the Food Service Director prepare contacts to all possible food & drink vendors asking for Vendor Bids for the following school year. Any email correspondence will be CC'd to the Corporation Treasurer and Superintendent when contacting the Vendors. A phone call log will also be kept by the Food Service Director. After receiving Vendor Bids, all Vendor Bids or Vendor Declining to Bid will be presented to the School Board for their approval. The Food Service Director will also give a recommendation at that time on who they would like to award the Vendor Bid to. After the School Board vote on Vendor Bid Awards, e-mail correspondence will be sent to all vendors with Corporation Secretary and Superintendent CC'd. All email data, phone logs, and School Board notes will be filed in the Food Service Director's office. This internal control system will ensure compliance with the state Procurement agreements and requirements.

Anticipated Completion Date:

The CAP will be in place by March 24, 2023 in preparation for the Vendor Bids for the School Year 2023-2024 to be prepared and sent out in April 2023.

FRONTIER SCHOOL CORPORATION

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Dan Sichting, SUPERINTENDENT

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Corrective Action Plan

Finding 2022-004

Contact Person Responsible for Corrective Action: Rhonda Morgan, FSD

Contact Phone Number: 765-240-2386

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

Frontier School Corporation will have the Elementary and Jr/Sr High Kitchen Managers pull the monthly reports from eTriton for breakfast and lunch meals served for their respective schools. A blank Monthly Worksheet will be provided to each Kitchen Manager to be filled out using the data report from eTriton, the foodservice software. The reports and worksheets from each school will be given to the Food Service Director. The FSD will have independently prepared a complete report using data pulled from eTriton including both schools. The FSD will then compare the elementary Kitchen Manager's report with the Master Report. The FSD will then compare the Jr/Sr High Kitchen Manager's report with the Master Report. The Master Report will then be presented to each Kitchen Manager for their approval after checking to see that the data matches, initialing and dating the Master Report. The Food Service Director will then submit the Monthly Claims Report to CNPweb. The Corporation Treasurer will also have access to all data collected to ensure proper reporting. All data and internal checks will be filed in the Food Service Director's office..

Anticipated Completion Date:

The CAP will be in place by March 24, 2023 in preparation for the Monthly Claim of March 2023 to be the first month these internal controls will be implemented.

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CORRECTIVE ACTION PLAN

FINDING 2022-005

Contact Person Responsible for Corrective Action: Cortney Parrish, Corporation Treasurer

Contact Phone Number: 765-240-2346

Views of Responsible Official: We agree with the finding

Description of Corrective Action Plan: The School Corporation plans to have the Jr/Sr. High School ECA Treasurer review and approve all financial data collection reports for grants prior to submission.

Anticipated Completion Date: Immediately

Suspension and Debarment:

Frontier School Corporation Food Service Director will check SAM Exclusions, collect a certification from that vendor, or adding a clause or condition to the covered transaction with that vendor. This information would then be kept in the Vendor's file.

Anticipated Completion Date:

The CAP will be in place by March 17, 2023 in preparation for the Vendor Bids for the School Year 2023-2024 to be prepared and sent out in April 2023. The Food Service Director will have current vendors checked on SAM Exclusion or have a certification from that vendor, or adding a clause or condition to the covered transactions with the current vendors by March, 17, 2023.