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STATE BOARD OF ACCOUNTS  
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April 13, 2023

To: The Officials of the North Newton School Corporation  
North Newton School Corporation  
PO Box 8  
310 S. Lincoln St.  
Morocco, IN 47963

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of North Newton 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 42 through 48. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on pages 49 through 52.

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 North Newton 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.

Handwritten signature of Tammy R. White in cursive.

Tammy R. White, CPA  
Deputy State Examiner

**NORTH NEWTON SCHOOL CORPORATION**  
Newton County, Indiana

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

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

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<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Karen L. Zackfia	07-01-20 to 06-30-22
Superintendent of Schools	Cathy L. Rowe	07-01-20 to 06-30-22
President of the School Board	Michael Russell Patrick K. Reyes	07-01-20 to 12-31-20 01-01-21 to 06-30-22

## INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance  
North Newton School Corporation  
Newton 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 North Newton 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.

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(Continued)

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

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

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

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

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

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

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

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

### ***Supplementary Information***

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

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(Continued)

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

### ***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2023 on our consideration of the School Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

  
Crowe LLP

Indianapolis, Indiana  
March 29, 2023

NORTH NEWTON 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	Cash and Investments			Other Financing	Cash and Investments
	07-01-2020	Receipts	Disbursements	Sources (Uses)	06-30-2021	Receipts	Disbursements	Sources (Uses)	06-30-2022
Education	\$ 381,266	\$ 8,195,757	\$ 7,001,268	\$ (400,879)	\$ 1,174,876	\$ 8,929,941	\$ 7,528,922	\$ (565,123)	\$ 2,010,772
Debt Service	1,251,353	2,949,322	2,892,969	(11,272)	1,296,434	2,967,167	2,887,392	-	1,376,209
Operations	1,415,787	3,703,457	3,906,081	374,109	1,587,272	3,855,641	4,281,233	567,896	1,729,576
Local Rainy Day	2,265,891	459,004	309,155	-	2,415,740	450,392	837,036	(839)	2,028,257
Construction 2018	189,613	-	-	-	189,613	-	105,619	-	83,994
Construction Fund 2020	-	-	1,720,809	2,038,000	317,191	-	247,841	-	69,350
School Lunch	36,483	569,627	458,129	925	148,906	638,798	563,227	839	225,316
Curricular Materials Rental	148,235	107,525	99,921	11,272	167,111	105,357	81,704	6,991	197,755
Self-Insurance Ipads	13,678	9,014	14,263	-	8,429	17,341	15,129	-	10,641
Judgements Mtbe	178,181	-	-	-	178,181	-	-	-	178,181
Educational License Plates	9,075	38	-	-	9,113	-	-	-	9,113
Donations Cafeteria Meals Mor	74	116	190	-	-	-	-	-	-
Donation Meals Lv	138	-	58	-	80	-	-	-	80
Donation Cafeteria Meals Hs	37	726	763	-	-	-	-	-	-
Donation Cafeteria Meals Lin	-	202	202	-	-	-	-	-	-
Donation Newton Cty Step Ahead	329	-	-	-	329	-	-	-	329
Donation Cpr Class Corp	40	-	-	-	40	-	-	-	40
Donations Staff Incentives Cor	116	-	-	-	116	-	-	-	116
Donation Students Corp	501	3,050	-	-	3,551	-	-	-	3,551
Donation Equipment Mor	105	-	-	-	105	-	-	-	105
Donation Exxonmobil Mor	1,280	-	-	-	1,280	-	-	-	1,280
Donation Playground Equip Mor	240	-	-	-	240	-	-	-	240
Donation Artist Mor	53	-	-	-	53	-	-	-	53
Donation Robotics/Stem Mor	2,736	-	-	-	2,736	-	451	-	2,285
Donations Gifts And Trusts	-	-	-	-	-	1,935	1,935	-	-
Donation Healthy Kids Lv	42	-	-	-	42	-	-	-	42
Donations Gifts And Trusts	-	-	-	-	-	1,935	1,935	-	-
Donation Newton Cty Found Lin	90	-	-	-	90	-	-	-	90
Donation Nwiswd Lin	248	-	-	-	248	-	-	-	248
Donation Equipment Lin	1,000	-	-	-	1,000	-	-	-	1,000
Donation Nwiswd Grant Lin	929	-	-	-	929	-	-	-	929
Donation Reading Books Nnjshs	631	-	-	-	631	-	-	-	631
Donation Technology Nnjshs	218	-	-	-	218	-	-	-	218
Donation Science Labs Nnjshs	45	-	45	-	-	-	-	-	-
Donation Chemistry Lab Nnjshs	12	-	12	-	-	-	-	-	-
Donation Facs Nnjshs	854	-	-	-	854	-	-	-	854
Donation Picnic Table Nnjshs	40	-	-	-	40	-	-	-	40
Donation Drama Equip Nnjshs	300	-	-	-	300	-	-	-	300
Donations Grants For Growing	8	-	-	-	8	-	-	-	8
Donations Republic/Boosters	-	5,000	5,000	-	-	5,000	5,000	-	-
Donations Ag	-	-	-	-	-	4,996	4,996	-	-
Alternative Education	61,214	-	62,794	40,000	38,420	-	67,011	40,000	11,409
Formative Assessment	-	12,007	12,007	-	-	-	-	-	-
Special Education Excess Costs	-	199,168	225,413	-	(26,245)	174,163	147,918	-	-
Common School Loan Tech B0241	-	-	115,613	115,613	-	-	-	-	-

(Continued)

NORTH NEWTON 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		Cash and Investments			Other Financing		Cash and Investments	
	07-01-2020	Receipts	Disbursements	Sources (Uses)	06-30-2021	Receipts	Disbursements	Sources (Uses)	06-30-2022	Receipts	Disbursements	Sources (Uses)
Common School Loan Tech B0285	\$ -	\$ -	\$ 113,424	\$ 113,424	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Common School Loan Tech Spr 21	-	-	94,744	-	(94,744)	-	20,680	115,424	-	-	-	-
Step Ahead	623	5,387	4,125	-	1,885	7,952	6,805	-	-	-	3,032	-
Medicaid Reimbursement	1,584	1,425	-	(2,771)	238	583	-	(609)	-	-	212	-
Secured Schools Safety Grant	-	50,000	51,983	-	(1,983)	50,000	48,017	-	-	-	-	-
Early Intervention Grant 18-19	-	-	-	-	-	-	-	-	-	-	-	-
Early Intervention Grant 19-20	15	-	15	-	-	-	-	-	-	-	-	-
Early Intervention Grant 20-21	-	2,975	2,975	-	-	-	-	-	-	-	-	-
Non English Speaking 19-20	149	-	149	-	-	-	-	-	-	-	-	-
Non-English Speak Prog 2020-21	-	8,967	8,967	-	-	-	-	-	-	-	-	-
Non-English Speaking Program	-	-	-	-	-	11,899	11,290	-	-	-	609	-
Career And Technical Performan	351	-	351	-	-	-	-	-	-	-	-	-
Teacher Appreciation Grant	-	42,429	42,429	-	-	44,007	44,007	-	-	-	-	-
State Connectivity Grant	7,388	7,909	9,837	-	5,460	12,760	7,909	-	-	-	10,311	-
PI107-110 Title I 19-20	(2,247)	29,457	27,210	-	-	-	-	-	-	-	-	-
PI107-110 Title I 20-21	-	105,494	107,750	-	(2,256)	63,271	61,015	-	-	-	-	-
Title I	-	-	-	-	-	99,058	101,588	-	-	-	(2,530)	-
Title Iv 20-21	-	901	2,756	-	(1,855)	11,284	9,429	-	-	-	-	-
Student Support Title Iv	-	-	-	-	-	6,417	6,417	-	-	-	-	-
Medicaid Reimbursement - Fed	88,629	3,670	5,035	-	87,264	1,533	88,234	-	-	-	563	-
Title 11 Part A 19-20	(1,408)	6,867	5,459	-	-	-	-	-	-	-	-	-
Title Ii Part A 20-21	-	29,452	30,938	-	(1,486)	7,221	5,735	-	-	-	-	-
Title Ii Part A Supporting Effective Instruction	-	-	-	-	-	35,862	37,569	-	-	-	(1,707)	-
Esser Iii	-	-	-	-	-	260,558	260,558	-	-	-	-	-
Ele/Sec Schl Emer Rel Esser 11	-	228,902	228,902	-	-	166,589	187,463	-	-	-	(20,874)	-
Federal Stimulus-18002 Geer	-	138,025	141,864	-	(3,839)	72,207	68,368	-	-	-	-	-
Federal Stimulus-18003 Educati	-	123,694	126,077	-	(2,383)	18,477	16,915	-	-	-	(821)	-
Prepaid Food	10,346	43,238	43,458	-	10,126	23,491	25,870	-	-	-	7,747	-
Withholdings Federal Tax	-	518,901	518,901	-	-	548,499	548,499	-	-	-	-	-
Withholdings Fica	-	470,560	470,560	-	-	503,667	503,667	-	-	-	-	-
Withholdings State Tax	-	200,519	200,519	-	-	215,102	215,102	-	-	-	-	-
Withholdings Local Income Tax	-	79,115	79,115	-	-	85,378	85,378	-	-	-	-	-
Withholdings Perf	-	31,025	31,025	-	-	33,041	33,041	-	-	-	-	-
Withholdings Health/Dental Ins	-	66,488	66,488	-	-	64,468	64,468	-	-	-	-	-
Withholdings Annuities	-	112,127	112,127	-	-	97,432	97,432	-	-	-	-	-
Withholdings Garnishments	-	3,321	3,321	-	-	6,089	6,089	-	-	-	-	-
Withholdings Credit Union	-	24,430	24,430	-	-	14,840	14,840	-	-	-	-	-
Withholdings Section 125	-	400,330	400,330	-	-	416,170	416,170	-	-	-	-	-
Withholdings Additional Life	-	40,474	40,474	-	-	41,916	41,916	-	-	-	-	-
Withholdings Short Term Disabi	-	10,608	10,608	-	-	10,708	10,708	-	-	-	-	-
Withholdings Critical Illness	-	6,496	6,496	-	-	5,701	5,701	-	-	-	-	-
Withholdings Fringe Benefits	-	89,984	89,984	-	-	61,533	61,533	-	-	-	-	-
<b>Totals</b>	<b>\$ 6,066,272</b>	<b>\$ 19,097,183</b>	<b>\$ 19,927,518</b>	<b>\$ 2,278,421</b>	<b>\$ 7,514,358</b>	<b>\$ 20,150,379</b>	<b>\$ 19,889,762</b>	<b>\$ 164,579</b>	<b>\$ 7,939,554</b>			

See notes to financial statement.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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(Continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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(Continued)

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

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

**NOTE 2 - BUDGETS**

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

**NOTE 3 - PROPERTY TAXES**

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

**NOTE 4 - DEPOSITS AND INVESTMENTS**

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

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

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

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(Continued)

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

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

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

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

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

#### **NOTE 7 - HOLDING CORPORATION**

The School Corporation has entered into capital leases with the North Newton 2011 School Building Corporation, the North Newton 2015 School Building Corporation and the North Newton School Building Corporation (the lessors). The lessors were organized as not-for-profit corporations pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessors have been determined to be related parties of the School Corporation. Lease payments during the years ended June 30, 2021 and 2022, totaled \$1,966,500 and \$2,354,000, respectively.

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

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

###### *Plan Description*

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

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

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

*Financial Report*

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

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

*Contributions*

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

**Teachers' Retirement Fund**

*Plan Descriptions*

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

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

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

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

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

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

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(Continued)

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

*Financial Report*

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

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

*Contributions*

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

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

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

**SUPPLEMENTARY INFORMATION**

NORTH NEWTON 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	Debt Service	Operations	Local Rainy Day	Construction 2018	Construction Fund 2020	School Lunch	Curricular Materials Rental	Self-Insurance Ipads	Judgements Mtbe	Educational License Plates
Cash and investments - beginning	\$ 381,266	\$ 1,251,353	\$ 1,415,787	\$ 2,265,891	\$ 189,613	\$ -	\$ 36,483	\$ 148,235	\$ 13,678	\$ 178,181	\$ 9,075
Receipts:											
Local sources	66,945	2,949,322	3,378,484	159,004	-	-	42,912	59,712	9,014	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	38
State sources	8,128,812	-	-	-	-	-	4,713	47,813	-	-	-
Federal sources	-	-	-	-	-	-	522,002	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	300,000	300,000	-	-	-	-	-	-	-
Other receipts	-	-	24,973	-	-	-	-	-	-	-	-
Total receipts	8,195,757	2,949,322	3,703,457	459,004	-	-	569,627	107,525	9,014	-	38
Disbursements:											
Instruction	5,168,486	-	-	-	-	-	-	-	-	-	-
Support services	1,695,268	-	3,215,694	-	-	-	37	99,921	14,263	-	-
Noninstructional services	137,514	-	96,035	-	-	-	449,320	-	-	-	-
Facilities acquisition and construction	-	-	294,352	9,155	-	1,720,809	8,772	-	-	-	-
Debt services	-	2,892,969	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	300,000	300,000	-	-	-	-	-	-	-
Total disbursements	7,001,268	2,892,969	3,906,081	309,155	-	1,720,809	458,129	99,921	14,263	-	-
Excess (deficiency) of receipts over disbursements	1,194,489	56,353	(202,624)	149,849	-	(1,720,809)	111,498	7,604	(5,249)	-	38
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	2,038,000	-	-	-	-	-
Sale of capital assets	-	-	10,459	-	-	-	925	-	-	-	-
Transfers in	2,771	-	363,650	-	-	-	-	11,272	-	-	-
Transfers out	(403,650)	(11,272)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(400,879)	(11,272)	374,109	-	-	2,038,000	925	11,272	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	793,610	45,081	171,485	149,849	-	317,191	112,423	18,876	(5,249)	-	38
Cash and investments - ending	\$ 1,174,876	\$ 1,296,434	\$ 1,587,272	\$ 2,415,740	\$ 189,613	\$ 317,191	\$ 148,906	\$ 167,111	\$ 8,429	\$ 178,181	\$ 9,113

(Continued)

NORTH NEWTON 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 Cafeteria Meals Mor	Donation Meals Lv	Donation Cafeteria Meals Hs	Donation Cafeteria Meals Lin	Donation Newton Cty Step Ahead	Donation Cpr Class Corp	Donations Staff Incentives Cor	Donation Students Corp	Donation Equipment Mor	Donation Exxonmobil Mor	Donation Playground Equip Mor
Cash and investments - beginning	\$ 74	\$ 138	\$ 37	\$ -	\$ 329	\$ 40	\$ 116	\$ 501	\$ 105	\$ 1,280	\$ 240
Receipts:											
Local sources	116	-	726	202	-	-	-	3,050	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	116	-	726	202	-	-	-	3,050	-	-	-
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	190	58	763	202	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	190	58	763	202	-	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	(74)	(58)	(37)	-	-	-	-	3,050	-	-	-
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	(74)	(58)	(37)	-	-	-	-	3,050	-	-	-
Cash and investments - ending	\$ -	\$ 80	\$ -	\$ -	\$ 329	\$ 40	\$ 116	\$ 3,551	\$ 105	\$ 1,280	\$ 240

(Continued)

NORTH NEWTON 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

	Donation Artist Mor	Donation Robotics/Stem Mor	Donations Gifts And Trusts	Donation Healthy Kids Lv	Donations Gifts And Trusts	Donation Newton Cty Found Lin	Donation Nwiswd Lin	Donation Equipment Lin	Donation Nwiswd Grant Lin	Donation Reading Books Nnjshs	Donation Technology Nnjshs
Cash and investments - beginning	\$ 53	\$ 2,736	\$ -	\$ 42	\$ -	\$ 90	\$ 248	\$ 1,000	\$ 929	\$ 631	\$ 218
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-	-	-	-	-
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-	-
Cash and investments - ending	\$ 53	\$ 2,736	\$ -	\$ 42	\$ -	\$ 90	\$ 248	\$ 1,000	\$ 929	\$ 631	\$ 218

(Continued)

NORTH NEWTON 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

	Donation Science Labs Nnjshs	Donation Chemistry Lab Nnjshs	Donation Facs Nnjshs	Donation Picnic Table Nnjshs	Donation Drama Equip Nnjshs	Donations Grants For Growing	Donations Republic/Booster s	Donations Ag	Alternative Education	Formative Assessment	Special Education Excess Costs
Cash and investments - beginning	\$ 45	\$ 12	\$ 854	\$ 40	\$ 300	\$ 8	\$ -	\$ -	\$ 61,214	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	5,000	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	12,007	199,168
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	5,000	-	-	12,007	199,168
Disbursements:											
Instruction	45	12	-	-	-	-	-	-	62,794	-	225,413
Support services	-	-	-	-	-	-	5,000	-	-	12,007	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	45	12	-	-	-	-	5,000	-	62,794	12,007	225,413
Excess (deficiency) of receipts over disbursements	(45)	(12)	-	-	-	-	-	-	(62,794)	-	(26,245)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	40,000	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	40,000	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(45)	(12)	-	-	-	-	-	-	(22,794)	-	(26,245)
Cash and investments - ending	\$ -	\$ -	\$ 854	\$ 40	\$ 300	\$ 8	\$ -	\$ -	\$ 38,420	\$ -	\$ (26,245)

(Continued)

NORTH NEWTON 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

	Common School Loan Tech B0241	Common School Loan Tech B0285	Common School Loan Tech Spr 21	Step Ahead	Medicaid Reimbursement	Secured Schools Safety Grant	Early Intervention Grant 19-20	Early Intervention Grant 20-21	Non English Speaking 19-20	Non-English Speak Prog 2020- 21	Non-English Speaking Program
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 623	\$ 1,584	\$ -	\$ 15	\$ -	\$ 149	\$ -	\$ -
Receipts:											
Local sources	-	-	-	5,387	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	1,425	50,000	-	2,975	-	8,967	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	5,387	1,425	50,000	-	2,975	-	8,967	-
Disbursements:											
Instruction	-	-	-	-	-	-	15	2,975	149	8,967	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	4,125	-	-	-	-	-	-	-
Facilities acquisition and construction	115,613	113,424	94,744	-	-	51,983	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	115,613	113,424	94,744	4,125	-	51,983	15	2,975	149	8,967	-
Excess (deficiency) of receipts over disbursements	(115,613)	(113,424)	(94,744)	1,262	1,425	(1,983)	(15)	-	(149)	-	-
Other financing sources (uses):											
Proceeds of long-term debt	115,613	113,424	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(2,771)	-	-	-	-	-	-
Total other financing sources (uses)	115,613	113,424	-	-	(2,771)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(94,744)	1,262	(1,346)	(1,983)	(15)	-	(149)	-	-
Cash and investments - ending	\$ -	\$ -	\$ (94,744)	\$ 1,885	\$ 238	\$ (1,983)	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

NORTH NEWTON 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

	Career And Technical Performan	Teacher Appreciation Grant	State Connectivity Grant	PI107-110 Title I 19-20	PI107-110 Title I 20-21	Title I	Title Iv 20-21	Student Support Title Iv	Medicaid Reimbursement - Fed	Title 11 Part A 19-20	Title li Part A 20- 21
Cash and investments - beginning	\$ 351	\$ -	\$ 7,388	\$ (2,247)	\$ -	\$ -	\$ -	\$ -	\$ 88,629	\$ (1,408)	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	42,429	7,909	-	-	-	-	-	-	-	-
Federal sources	-	-	-	29,457	105,494	-	901	-	3,670	6,867	29,452
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	42,429	7,909	29,457	105,494	-	901	-	3,670	6,867	29,452
Disbursements:											
Instruction	351	42,429	-	27,210	107,750	-	2,756	-	4,347	5,459	30,938
Support services	-	-	9,837	-	-	-	-	-	688	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	351	42,429	9,837	27,210	107,750	-	2,756	-	5,035	5,459	30,938
Excess (deficiency) of receipts over disbursements	(351)	-	(1,928)	2,247	(2,256)	-	(1,855)	-	(1,365)	1,408	(1,486)
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	(351)	-	(1,928)	2,247	(2,256)	-	(1,855)	-	(1,365)	1,408	(1,486)
Cash and investments - ending	\$ -	\$ -	\$ 5,460	\$ -	\$ (2,256)	\$ -	\$ (1,855)	\$ -	\$ 87,264	\$ -	\$ (1,486)

(Continued)

NORTH NEWTON 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

	Title li Part A Supporting Effective Instruction	Esseer lii	Ele/Sec Schl Emer Rel Esseer 11	Federal Stimulus- 18002 Geer	Federal Stimulus- 18003 Educati	Prepaid Food	Withholdings Federal Tax	Withholdings Fica	Withholdings State Tax	Withholdings Local Income Tax	Withholdings Perf
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,346	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	43,238	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	228,902	138,025	123,694	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	518,901	470,560	200,519	79,115	31,025
Total receipts	-	-	228,902	138,025	123,694	43,238	518,901	470,560	200,519	79,115	31,025
Disbursements:											
Instruction	-	-	50,383	141,864	36,264	-	-	-	-	-	-
Support services	-	-	178,519	-	89,813	589	-	-	-	-	-
Noninstructional services	-	-	-	-	-	42,869	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	518,901	470,560	200,519	79,115	31,025
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	228,902	141,864	126,077	43,458	518,901	470,560	200,519	79,115	31,025
Excess (deficiency) of receipts over disbursements	-	-	-	(3,839)	(2,383)	(220)	-	-	-	-	-
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	(3,839)	(2,383)	(220)	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ (3,839)	\$ (2,383)	\$ 10,126	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

NORTH NEWTON 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

	Withholdings Health/Dental Ins	Withholdings Annuities	Withholdings Garnishments	Withholdings Credit Union	Withholdings Section 125	Withholdings Additional Life	Withholdings Short Term Disabi	Withholdings Critical Illness	Withholdings Fringe Benefits	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,066,272
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	6,723,112
Intermediate sources	-	-	-	-	-	-	-	-	-	38
State sources	-	-	-	-	-	-	-	-	-	8,506,218
Federal sources	-	-	-	-	-	-	-	-	-	1,188,464
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	600,000
Other receipts	66,488	112,127	3,321	24,430	400,330	40,474	10,608	6,496	89,984	2,079,351
Total receipts	66,488	112,127	3,321	24,430	400,330	40,474	10,608	6,496	89,984	19,097,183
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	5,918,607
Support services	-	-	-	-	-	-	-	-	-	5,321,636
Noninstructional services	-	-	-	-	-	-	-	-	-	731,076
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	2,408,852
Debt services	-	-	-	-	-	-	-	-	-	2,892,969
Nonprogrammed charges	66,488	112,127	3,321	24,430	400,330	40,474	10,608	6,496	89,984	2,054,378
Interfund loans	-	-	-	-	-	-	-	-	-	600,000
Total disbursements	66,488	112,127	3,321	24,430	400,330	40,474	10,608	6,496	89,984	19,927,518
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	-	-	(830,335)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	2,267,037
Sale of capital assets	-	-	-	-	-	-	-	-	-	11,384
Transfers in	-	-	-	-	-	-	-	-	-	417,693
Transfers out	-	-	-	-	-	-	-	-	-	(417,693)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	2,278,421
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	-	-	-	1,448,086
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,514,358

NORTH NEWTON 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	Debt Service	Operations	Local Rainy Day	Construction 2018	Construction Fund 2020	School Lunch	Curricular Materials Rental	Self-Insurance Ipads	Judgements Mtbe	Educational License Plates
Cash and investments - beginning	\$ 1,174,876	\$ 1,296,434	\$ 1,587,272	\$ 2,415,740	\$ 189,613	\$ 317,191	\$ 148,906	\$ 167,111	\$ 8,429	\$ 178,181	\$ 9,113
Receipts:											
Local sources	68,784	2,967,167	3,549,180	150,392	-	-	26,258	56,042	17,341	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	8,861,157	-	-	-	-	-	4,155	49,315	-	-	-
Federal sources	-	-	-	-	-	-	608,385	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	300,000	300,000	-	-	-	-	-	-	-
Other receipts	-	-	6,461	-	-	-	-	-	-	-	-
Total receipts	8,929,941	2,967,167	3,855,641	450,392	-	-	638,798	105,357	17,341	-	-
Disbursements:											
Instruction	5,631,969	-	-	-	-	-	-	-	-	-	-
Support services	1,748,891	-	3,572,433	94,083	-	-	-	81,704	15,129	-	-
Noninstructional services	148,062	-	19,111	-	-	-	527,951	-	-	-	-
Facilities acquisition and construction	-	-	389,689	442,953	105,619	247,841	35,276	-	-	-	-
Debt services	-	2,887,392	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	300,000	300,000	-	-	-	-	-	-	-
Total disbursements	7,528,922	2,887,392	4,281,233	837,036	105,619	247,841	563,227	81,704	15,129	-	-
Excess (deficiency) of receipts over disbursements	1,401,019	79,775	(425,592)	(386,644)	(105,619)	(247,841)	75,571	23,653	2,212	-	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	36,352	-	5,812	-	-	-	-	6,991	-	-	-
Transfers in	609	-	562,084	-	-	-	839	-	-	-	-
Transfers out	(602,084)	-	-	(839)	-	-	-	-	-	-	-
Total other financing sources (uses)	(565,123)	-	567,896	(839)	-	-	839	6,991	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	835,896	79,775	142,304	(387,483)	(105,619)	(247,841)	76,410	30,644	2,212	-	-
Cash and investments - ending	\$ 2,010,772	\$ 1,376,209	\$ 1,729,576	\$ 2,028,257	\$ 83,994	\$ 69,350	\$ 225,316	\$ 197,755	\$ 10,641	\$ 178,181	\$ 9,113

(Continued)

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

	Donations Cafeteria Meals Mor	Donation Meals Lv	Donation Cafeteria Meals Hs	Donation Cafeteria Meals Lin	Donation Newton Cty Step Ahead	Donation Cpr Class Corp	Donations Staff Incentives Cor	Donation Students Corp	Donation Equipment Mor	Donation Exxonmobil Mor	Donation Playground Equip Mor
Cash and investments - beginning	\$ -	\$ 80	\$ -	\$ -	\$ 329	\$ 40	\$ 116	\$ 3,551	\$ 105	\$ 1,280	\$ 240
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-	-	-	-	-
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ 80	\$ -	\$ -	\$ 329	\$ 40	\$ 116	\$ 3,551	\$ 105	\$ 1,280	\$ 240

(Continued)

NORTH NEWTON 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

	Donation Artist Mor	Donation Robotics/Stem Mor	Donations Gifts And Trusts	Donation Healthy Kids Lv	Donations Gifts And Trusts	Donation Newton Cty Found Lin	Donation Nwiswd Lin	Donation Equipment Lin	Donation Nwiswd Grant Lin	Donation Reading Books Nnjshs	Donation Technology Nnjshs
Cash and investments - beginning	\$ 53	\$ 2,736	\$ -	\$ 42	\$ -	\$ 90	\$ 248	\$ 1,000	\$ 929	\$ 631	\$ 218
Receipts:											
Local sources	-	-	1,935	-	1,935	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	1,935	-	1,935	-	-	-	-	-	-
Disbursements:											
Instruction	-	451	1,935	-	1,935	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	451	1,935	-	1,935	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	(451)	-	-	-	-	-	-	-	-	-
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	-	(451)	-	-	-	-	-	-	-	-	-
Cash and investments - ending	\$ 53	\$ 2,285	\$ -	\$ 42	\$ -	\$ 90	\$ 248	\$ 1,000	\$ 929	\$ 631	\$ 218

(Continued)

NORTH NEWTON 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

	Donation Science Labs Nnjshs	Donation Chemistry Lab Nnjshs	Donation Facs Nnjshs	Donation Picnic Table Nnjshs	Donation Drama Equip Nnjshs	Donations Grants For Growing	Donations Republic/Booster s	Donations Ag	Alternative Education	Formative Assessment	Special Education Excess Costs
Cash and investments - beginning	\$ -	\$ -	\$ 854	\$ 40	\$ 300	\$ 8	\$ -	\$ -	\$ 38,420	\$ -	\$ (26,245)
Receipts:											
Local sources	-	-	-	-	-	-	5,000	4,996	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	174,163
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	5,000	4,996	-	-	174,163
Disbursements:											
Instruction	-	-	-	-	-	-	-	4,996	67,011	-	147,918
Support services	-	-	-	-	-	-	5,000	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-	5,000	4,996	67,011	-	147,918
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	-	(67,011)	-	26,245
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	40,000	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	40,000	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	-	-	(27,011)	-	26,245
Cash and investments - ending	\$ -	\$ -	\$ 854	\$ 40	\$ 300	\$ 8	\$ -	\$ -	\$ 11,409	\$ -	\$ -

(Continued)

NORTH NEWTON 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

	Common School Loan Tech B0241	Common School Loan Tech B0285	Common School Loan Tech Spr 21	Step Ahead	Medicaid Reimbursement	Secured Schools Safety Grant	Early Intervention Grant 19-20	Early Intervention Grant 20-21	Non English Speaking 19-20	Non-English Speak Prog 2020- 21	Non-English Speaking Program
Cash and investments - beginning	\$ -	\$ -	\$ (94,744)	\$ 1,885	\$ 238	\$ (1,983)	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:											
Local sources	-	-	-	7,952	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	583	50,000	-	-	-	-	11,899
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	7,952	583	50,000	-	-	-	-	11,899
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	11,290
Support services	-	-	-	20	-	-	-	-	-	-	-
Noninstructional services	-	-	-	6,785	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	20,680	-	-	48,017	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	20,680	6,805	-	48,017	-	-	-	-	11,290
Excess (deficiency) of receipts over disbursements	-	-	(20,680)	1,147	583	1,983	-	-	-	-	609
Other financing sources (uses)											
Proceeds of long-term debt	-	-	115,424	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(609)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	115,424	-	(609)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	94,744	1,147	(26)	1,983	-	-	-	-	609
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 3,032	\$ 212	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 609

(Continued)

NORTH NEWTON 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

	Career And Technical Performan	Teacher Appreciation Grant	State Connectivity Grant	PI107-110 Title I 19-20	PI107-110 Title I 20-21	Title I	Title Iv 20-21	Student Support Title Iv	Medicaid Reimbursement - Fed	Title 11 Part A 19-20	Title li Part A 20- 21
Cash and investments - beginning	\$ -	\$ -	\$ 5,460	\$ -	\$ (2,256)	\$ -	\$ (1,855)	\$ -	\$ 87,264	\$ -	\$ (1,486)
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	44,007	12,760	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	63,271	99,058	11,284	6,417	1,533	-	7,221
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	44,007	12,760	-	63,271	99,058	11,284	6,417	1,533	-	7,221
Disbursements:											
Instruction	-	44,007	-	-	61,015	101,472	9,429	6,417	33,243	-	5,735
Support services	-	-	7,909	-	-	-	-	-	54,991	-	-
Noninstructional services	-	-	-	-	-	116	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	44,007	7,909	-	61,015	101,588	9,429	6,417	88,234	-	5,735
Excess (deficiency) of receipts over disbursements	-	-	4,851	-	2,256	(2,530)	1,855	-	(86,701)	-	1,486
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	4,851	-	2,256	(2,530)	1,855	-	(86,701)	-	1,486
Cash and investments - ending	\$ -	\$ -	\$ 10,311	\$ -	\$ -	\$ (2,530)	\$ -	\$ -	\$ 563	\$ -	\$ -

(Continued)

NORTH NEWTON 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 II Part A Supporting Effective Instruction	Esser III	Ele/Sec Schl Emer Rel Esser 11	Federal Stimulus- 18002 Geer	Federal Stimulus- 18003 Educati	Prepaid Food	Withholdings Federal Tax	Withholdings Fica	Withholdings State Tax	Withholdings Local Income Tax	Withholdings Perf
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (3,839)	\$ (2,383)	\$ 10,126	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	23,491	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	35,862	260,558	166,589	72,207	18,477	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	548,499	503,667	215,102	85,378	33,041
<b>Total receipts</b>	<b>35,862</b>	<b>260,558</b>	<b>166,589</b>	<b>72,207</b>	<b>18,477</b>	<b>23,491</b>	<b>548,499</b>	<b>503,667</b>	<b>215,102</b>	<b>85,378</b>	<b>33,041</b>
Disbursements:											
Instruction	37,569	147,921	5,889	68,368	-	-	-	-	-	-	-
Support services	-	87,478	181,574	-	16,915	529	-	-	-	-	-
Noninstructional services	-	25,159	-	-	-	25,341	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	548,499	503,667	215,102	85,378	33,041
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>37,569</b>	<b>260,558</b>	<b>187,463</b>	<b>68,368</b>	<b>16,915</b>	<b>25,870</b>	<b>548,499</b>	<b>503,667</b>	<b>215,102</b>	<b>85,378</b>	<b>33,041</b>
Excess (deficiency) of receipts over disbursements	(1,707)	-	(20,874)	3,839	1,562	(2,379)	-	-	-	-	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,707)	-	(20,874)	3,839	1,562	(2,379)	-	-	-	-	-
Cash and investments - ending	\$ (1,707)	\$ -	\$ (20,874)	\$ -	\$ (821)	\$ 7,747	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

NORTH NEWTON 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

	Withholdings Health/Dental Ins	Withholdings Annuities	Withholdings Garnishments	Withholdings Credit Union	Withholdings Section 125	Withholdings Additional Life	Withholdings Short Term Disabi	Withholdings Critical Illness	Withholdings Fringe Benefits	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,514,358
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	6,880,473
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	9,208,039
Federal sources	-	-	-	-	-	-	-	-	-	1,350,862
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	600,000
Other receipts	64,468	97,432	6,089	14,840	416,170	41,916	10,708	5,701	61,533	2,111,005
Total receipts	64,468	97,432	6,089	14,840	416,170	41,916	10,708	5,701	61,533	20,150,379
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	6,388,570
Support services	-	-	-	-	-	-	-	-	-	5,866,656
Noninstructional services	-	-	-	-	-	-	-	-	-	752,525
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	1,290,075
Debt services	-	-	-	-	-	-	-	-	-	2,887,392
Nonprogrammed charges	64,468	97,432	6,089	14,840	416,170	41,916	10,708	5,701	61,533	2,104,544
Interfund loans	-	-	-	-	-	-	-	-	-	600,000
Total disbursements	64,468	97,432	6,089	14,840	416,170	41,916	10,708	5,701	61,533	19,889,762
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	-	-	260,617
Other financing sources (uses)										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	115,424
Sale of capital assets	-	-	-	-	-	-	-	-	-	49,155
Transfers in	-	-	-	-	-	-	-	-	-	603,532
Transfers out	-	-	-	-	-	-	-	-	-	(603,532)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	164,579
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	-	-	-	425,196
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,939,554

NORTH NEWTON SCHOOL CORPORATION  
SCHEDULE OF PAYABLES AND RECEIVABLES  
June 30, 2022

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<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 766,308	\$ 75,558

NORTH NEWTON 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:				
North Newton 2011 School Building Corporation	Lease Rental of 2011	\$ 215,500	6/30/2012	12/31/2026
North Newton 2015 School Building Corporation	Lease Rental of 2015	407,000	6/30/2016	12/31/2034
North Newton School Building Corporation	Lease Rental of 2018	1,279,500	6/30/2018	12/30/2028
North Newton School Building Corporation	Lease Rental of 2020	<u>774,500</u>	6/30/2021	1/1/2034
Total governmental activities		<u>2,676,500</u>		
Total of annual lease payments		<u>\$ 2,676,500</u>		

<u>Description of Debt</u>		<u>Ending Principal Balance</u>	<u>Principal and Interest Due Within One Year</u>
<u>Type</u>	<u>Purpose</u>		
Governmental activities:			
General Obligation Bonds	General Obligation Bonds of 2013	\$ 560,000	\$ 80,000
General Obligation Bonds	General Obligation Bonds of 2018	-	-
Notes and Loans Payable	Common School Loan B0113	62,763	25,105
Notes and Loans Payable	Common School Loan B0205	81,988	23,425
Notes and Loans Payable	Common School Loan B0241	104,052	23,123
Notes and Loans Payable	Common School Loan B0285	102,082	22,685
Notes and Loans Payable	Common School Loan B0312	<u>115,424</u>	<u>23,085</u>
Total governmental activities		<u>1,026,309</u>	<u>197,423</u>
Totals		<u>\$ 1,026,309</u>	<u>\$ 197,423</u>

NORTH NEWTON SCHOOL CORPORATION  
SCHEDULE OF CAPITAL ASSETS  
June 30, 2022

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 62,750
Infrastructure	1,632,765
Buildings	24,936,176
Improvements other than buildings	3,758,086
Machinery, equipment, and vehicles	<u>7,012,540</u>
Total governmental activities	<u>37,402,317</u>
Total capital assets	<u>\$ 37,402,317</u>

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

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*Financial Statement and Accompanying Notes:*

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

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

*Indiana Department of Education Reporting:*

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

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

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

NORTH NEWTON 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	\$ 109,757	\$ 114,921	\$ 224,678
Commodities		10.555	FY2021, FY2022	65,307	78,003	143,310
National School Lunch Program		10.555	FY2021, FY2022	400,245	492,850	893,095
Total - Child Nutrition Cluster				<u>575,309</u>	<u>685,774</u>	<u>1,261,083</u>
Child Nutrition Discretionary Grants Limited Availability	Indiana Department of Education					
National School Program Equipment Assistance for Food Authorities		10.579	FY2021, FY2022	12,000	-	12,000
Total - Child Nutrition Discretionary Grants Limited Availability				<u>12,000</u>	<u>-</u>	<u>12,000</u>
Pandemic EBT Administrative Costs	Indiana Department of Education					
Food and Nutrition Service		10.649	FY2022	-	614	614
Total - Pandemic EBT Administrative Costs				<u>-</u>	<u>614</u>	<u>614</u>
Total - Department of Agriculture				<u>587,309</u>	<u>686,388</u>	<u>1,273,697</u>
<u>Department of Education</u>						
Special Education Cluster(IDEA)						
Special Education Grants to States	Indiana Department of Education					
IDEA, Part B		84.027	20611-047-PN01	134,287	9,830	144,117
IDEA, Part B		84.027	21611-047-PN01	-	131,730	131,730
IDEA, Part B		84.027	21611-049-PN01	177,541	-	177,541
IDEA, Part B		84.027	22611-047-PN01	-	170,016	170,016
Total - Special Education Grants to States				<u>311,828</u>	<u>311,576</u>	<u>623,404</u>
Special Education Preschool Grants	Indiana Department of Education					
IDEA, Preschool		84.173	20619-047-N01	14,307	-	14,307
IDEA, Preschool		84.173	20619-047-PN01	-	2,502	2,502
IDEA, Preschool		84.173	21619-047-PN01	-	17,435	17,435
IDEA, Preschool		84.173	22619-047-PN01	-	1,168	1,168
Total - Special Education Preschool Grants				<u>14,307</u>	<u>21,105</u>	<u>35,412</u>
Total - Special Education Cluster(IDEA)				<u>326,135</u>	<u>332,681</u>	<u>658,816</u>

(Continued)

NORTH NEWTON 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	\$ 29,456	\$ -	\$ 29,456
Title I, Part A		84.010	S010A200014	105,494	63,271	168,765
Title I, Part A		84.010	S010A210014	-	99,058	99,058
Total - Title I Grants to Local Educational Agencies				<u>134,950</u>	<u>162,329</u>	<u>297,279</u>
Title II Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367	S367A18001	6,867	-	6,867
Title II, Part A		84.367	S367A190013	29,452	7,221	36,673
Title II, Part A		84.367	S367A200013	-	35,862	35,862
Total - Title II Supporting Effective Instruction State Grants				<u>36,319</u>	<u>43,083</u>	<u>79,402</u>
Title IV Student Support and Academic Enrichment Program	Indiana Department of Education					
Title IV Part A		84.424	S424A190015	901	11,284	12,185
Title IV Part A		84.424	S424A200015	-	6,417	6,417
Total - Title IV Student Support and Academic Enrichment Program				<u>901</u>	<u>17,701</u>	<u>18,602</u>
COVID-19 Education Stabilization Fund	Indiana Department of Education					
Governor's Emergency Education Relief (GEER) Fund		84.425C	S425C200018	138,025	72,207	210,232
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	123,694	18,477	142,171
Elementary and Secondary School Emergency Relief (ESSER II) Fund		84.425D	S425D210013	228,902	166,589	395,491
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund		84.425U	S425U210013	-	260,557	260,557
Total - COVID-19 Education Stabilization Fund				<u>490,621</u>	<u>517,830</u>	<u>1,008,451</u>
Total - Department of Education				<u>988,926</u>	<u>1,073,624</u>	<u>2,062,550</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster	Indiana Department of Education					
Medical Assistance Program		93.778	FY2021, FY2022	3,670	1,533	5,203
Total - Medicaid Cluster				<u>3,670</u>	<u>1,533</u>	<u>5,203</u>
Total - Department of Health and Human Services				<u>3,670</u>	<u>1,533</u>	<u>5,203</u>
Total federal awards expended				<u>\$ 1,579,905</u>	<u>\$ 1,761,545</u>	<u>\$ 3,341,450</u>

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

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

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**NOTE 1 - BASIS OF PRESENTATION**

*A. Basis of Presentation*

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the period of July 1, 2020 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 Northern Indiana Educational Services Center (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  
North Newton School Corporation  
Newton 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 North Newton 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 29, 2023.

### Report on Internal Control Over Financial Reporting

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

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

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

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(Continued)

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Corporation's financial statements are 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 statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

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

*Crowe LLP*  
Crowe LLP

Indianapolis, Indiana  
March 29, 2023

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

Those Charged with Governance  
North Newton School Corporation  
Newton County, Indiana

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

***Qualified and Unmodified Opinions***

We have audited the School Corporation's 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 the Education Stabilization Fund***

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

***Unmodified Opinion on Each of the Other Major Federal Programs***

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 each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs 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.

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.

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(Continued)

### *Matters Giving Rise to Qualified Opinion on the Education Stabilization Fund*

As described in the accompanying schedule of findings and questioned costs, the School Corporation did not comply with requirements regarding Assistance Listing 84.425D Education Stabilization Fund as described in finding numbers 2022-002 for Special Tests and Provisions – Wage Rate Requirements and 2022-003 for Equipment and Real Property Management. 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 each 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.

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(Continued)

## **Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2022-001. Our opinion on each major federal program is not modified with respect to this matter.

*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 2022-001, 2022-002 and 2022-003 to be material weaknesses.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-004 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 School Corporation is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The School Corporation's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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

Indianapolis, Indiana  
March 29, 2023

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

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

***Financial Statement***

Type of auditor’s report issued	Adverse as to GAAP, Unmodified as to regulatory basis		
Internal control over financial reporting			
Material weakness(es) identified?	_____	Yes	_____ <u>X</u> _____ 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	Modified for the Education Stabilization Fund Unmodified for the Special Education Cluster		
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>
84.425C, 84.425D, 84.425U	COVID-19 - Education Stabilization Fund
84.027, 84.173	Special Education Cluster

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

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

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

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**Section II – Financial Statement Findings**

None noted.

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

**FINDING 2022-001**

Subject: Special Education Cluster – Procurement and Suspension and Debarment

Federal Agency: Department of Education

Federal Programs: Special Education Grants to States, Special Education Preschool Grants

Assistance Listing Numbers: 84.027, 84.173

Federal Award Numbers and Years (or Other Identifying Numbers): 19611-049-PN01, 20611-047-PN01, 19619-49-PN01, 20619-047-PN01, 20611-049-PN01, 21611-047-PN01, 20619-49-PN01, 21619-047-PN01

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

Audit Finding: 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 200.303 states:

"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:

1. Checking SAM Exclusions; or
2. Collecting a certification from that person; or
3. Adding a clause or condition to the covered transaction with that person."

2 CFR 200.320 states in part:

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(Continued)

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

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

"The non-Federal Entity must use one of the following methods of procurement...

...(c) Procurement by sealed bids (formal advertising). Bids are publicly solicited, and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply. . . ."

**Condition:** The School Corporation is a member of the Cooperative School Services (Cooperative). The Cooperative operated the special education programs on behalf of the School Corporation and managed the special education grant funds. As the grant agreement was between the Indiana Department of Education and the School Corporation, the School Corporation was responsible for compliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

*Procurement – Simplified Acquisition*

The School Corporation did not have adequate internal controls in place to ensure the Cooperative complied with the procurement requirements for simplified acquisitions. The Cooperative did not have adequate procedures in place to ensure procurements for simplified acquisitions were properly advertised and bids accepted. There were two vendors who met the Simplified Acquisition threshold during the audit period; neither were properly procured.

*Suspension and Debarment*

The School Corporation did not have adequate internal controls in place to ensure the Cooperative complied with the Suspension and Debarment requirements. During school year 2020, the Cooperative did not have adequate procedures in place to ensure that applicable vendors who received federal funds were not suspended or debarred from participation in federal awards programs. There were three contracted vendors during the audit period; the unit did not perform procedures to ensure the vendors were not excluded or disqualified.

During the 2021 school year, The School Corporation did not have adequate internal controls in place to ensure the Cooperative complied with the suspension and debarment requirements. The Special Education Director obtained suspension and debarment certifications for contracted vendors over \$25,000 without an oversight or review process.

The lack of controls and noncompliance related to procurement were isolated to school year 2020-2021. The lack of controls related to suspension and debarment were systemic throughout the audit period; however, the noncompliance was isolated to school year 2020-2021.

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

**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 requirement could result in the loss of future federal funds to the School Corporation.

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(Continued)

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

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

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

**Context:** The School Corporation did not have adequate internal controls in place to ensure the Cooperative complied with the procurement requirements for simplified acquisitions or suspension and debarment requirements for all contracts.

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

**Recommendation:** We recommended that the School Corporation's management establish internal controls to ensure compliance and comply with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

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

**FINDING 2022-002**

Subject: COVID-19 - Education Stabilization Fund - Special Tests and Provisions - Wage Rate Requirements

Federal Agency: Department of Education

Federal Program: COVID-19 - Education Stabilization Fund

Assistance Listing Number:84.425D

Federal Award Number and Year (or Other Identifying Number): S425D210013

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Special Tests and Provisions - Wage Rate Requirements

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 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)...."

29 CFR 5.5 states in part:

“(a) The Agency head shall cause or require the contracting officer to insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a public building or public work, or building or work financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in §5.1, the following clauses...

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(Continued)

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

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

(1) Minimum wages.

(i) All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics...

(3)(ii)(A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the (write in name of appropriate federal agency) if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant, sponsor, or owner, as the case may be, for transmission to the (write in name of agency).  
... ”

2 CFR 200 Appendix II states in part:

In addition to other provisions required by the Federal agency or non-Federal entity; all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable. . . .

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. . . .”

**Condition:** An effective internal control system was not designed, nor implemented at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - Wage Rate Requirements compliance requirement.

Construction contracts in excess of \$2,000 financed by federal assistance funds must pay wages not less than those established for the locality of the project (prevailing wage rates) by the Department of Labor (DOL) to their laborers and mechanics. Nonfederal entities are to include in their construction contracts subject to the Wage Rate Requirements a provision that the contractor or subcontractor comply with these requirements and the DOL regulations. This would include a requirement to submit a copy of the payroll and statement of compliance to the entity for each week in which contract work was performed.

The School Corporation did not have adequate policies or procedures to ensure that construction contracts in excess of \$2,000 paid from federal grant funds included a prevailing wage rate clause. Two constructions contract during the audit period were subject to the wage rate requirements; however, the contracts did not have the required prevailing wage rate clause included in the contract, nor were certified payrolls submitted by the contractor.

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(Continued)

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

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

The lack of internal controls and failure to maintain and provide adequate supporting documentation were systemic issues throughout the audit period.

**Cause:** Management had not developed nor implemented a system of internal control that would have ensured compliance with the grant agreement and the Special Tests and Provisions - Wage Rate Requirements compliance requirement.

**Effect:** The failure to establish an effective internal control system and to retain and provide appropriate supporting documentation prevented the determination of the School Corporation's compliance with the Special Tests and Provisions - Wage Rate Requirements.

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

**Context:** An effective internal control system was not designed, nor implemented at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - Wage Rate Requirements compliance requirement.

**Identification as a repeat finding:** No.

**Recommendation:** We recommended that the School Corporation's management establish internal controls, as well as retain appropriate supporting documentation, to ensure compliance and comply with the grant agreement and the Special Tests and Provisions - Wage Rate Requirements compliance requirement.

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

**FINDING 2022-003**

Subject: COVID-19 - Education Stabilization Fund - Equipment and Real Property Management  
Federal Agency: Department of Education  
Federal Program: COVID-19 - Education Stabilization Fund  
Assistance Listing Number: 84.425D  
Federal Award Number and Year (or Other Identifying Number): S425D210013  
Pass-Through Entity: Indiana Department of Education  
Compliance Requirement: Equipment and Real Property Management  
Audit Findings: Material Weakness, Modified Opinion

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

“The non-Federal entity must:

“Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award 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)”....”

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(Continued)

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

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

2 CFR 200.313(d) states in part:

"(1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the federal award identification number), who holds title, the acquisition date, cost of the property, percentage of federal participation in the project costs for the federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sales price of the property.

(2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

(3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated. . . . "

**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 Equipment and Real Property Management compliance requirement.

The School Corporation paid \$154,279 for water tank improvements at two locations. These capital improvements were not added to a detailed listing of capital assets that would include a description of the property, a serial number or other identification number, the source of funding for the property (including the federal award identification number), who holds title, the acquisition date, cost of the property, percentage of federal participation in the project costs for the federal award under which the property was acquired, the location, and the use and condition of the property. In addition, a physical inventory had not been taken in the past two years. Assets were not properly safeguarded and maintained.

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

**Cause:** Management had not developed a system of internal controls that would have ensured compliance with the Equipment and Real Property Management compliance requirement.

**Effect:** The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement and the Equipment and Real Property Management compliance requirement could have resulted in the loss of federal funds to the School Corporation.

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

**Context:** An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and Equipment and Real Property Management compliance requirement.

**Identification as a repeat finding:** No.

**Recommendation:** We recommended that the School Corporation's management establish internal controls to ensure compliance and comply with the grant agreement and the Equipment and Real Property Management compliance requirement.

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

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(Continued)

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

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

**FINDING 2022-004**

Subject: COVID-19 - Education Stabilization Fund - Reporting  
Federal Agency: Department of Education  
Federal Program: COVID-19 - Education Stabilization Fund  
Assistance Listings 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 Findings: 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 in place at the School Corporation to ensure compliance with requirements related to the grant agreement and the Reporting compliance requirement.

The School Corporation had not designed, nor implemented, a documented system of internal control to ensure that the annual Elementary and Secondary School Emergency Relief (ESSER) and the Governor's Emergency Education Relief (GEER) annual data collection reports (Reports) were complete and accurately submitted. The Reports were prepared by one employee without a documented oversight or review process in place to prevent, or detect and correct, errors.

The lack of internal controls was systemic throughout the audit period.

**Cause:** Management had not developed a system of internal controls that would have ensured compliance with the Reporting compliance requirement.

**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.

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

**Identification as a repeat finding:** No.

**Recommendation:** We recommended that the School Corporation's management establish internal controls to ensure compliance and comply with the grant agreement and the Reporting compliance requirement.

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

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**North Newton School Corporation**

310 South Lincoln Street

P.O. Box 8

Morocco, Indiana 47963

Phone: 219-285-2228

Ryan Middleton  
Superintendent

Karen L. Zackfia, C.P.A.  
Director of Business and Finance

**CORRECTIVE ACTION PLAN**

***FINDING 2022-001***

Contact Person Responsible for Corrective Action: Karen Zackfia, Director of Business and Finance

Contact Phone Number: Karen Zackfia, 219-285-2228

Views of Responsible Official:

I concur with the finding.

Description of Corrective Action Plan:

The superintendent and director of maintenance will be made aware that construction contracts in excess of \$2,000 paid from federal funds must pay wages by the vendor not less than those established for the locality of North Newton School Corporation by the Department of Labor and that compliance with the Davis-Bacon Act must be in the vendor's contract requiring weekly submissions of a copy of payroll and statement of compliance to North Newton School Corporation by the vendor as work is completed. The submission of the required documents will be one of the requirements for payment to the vendor.

Anticipated Completion Date:

The corrective action plan was implemented on March 15, 2023.

Karen L. Zackfia, C.P.A.  
(Name)

Director of Business and Finance

(Title)

March 15, 2023

(Date)



**North Newton School Corporation**

310 South Lincoln Street

P.O. Box 8

Morocco, Indiana 47963

Phone: 219-285-2228

Ryan Middleton  
Superintendent

Karen L. Zackfia, C.P.A.  
Director of Business and Finance

**CORRECTIVE ACTION PLAN**

***FINDING 2022-002***

Contact Person Responsible for Corrective Action: Karen Zackfia, Director of Business and Finance

Contact Phone Number: Karen Zackfia, 219-285-2228

Views of Responsible Official:

I concur with the finding.

Description of Corrective Action Plan:

The purchase of two water tanks were not recorded in the fixed assets inventory because the purchases were viewed as a repairs to infrastructure.

Effective immediately, improvements or renovations to existing infrastructure will be capitalized as outlined in board policy.

Anticipated Completion Date:

The corrective action plan was implemented on March 15, 2023.

Karen L. Zackfia, C.P.A.  
(Name)

Director of Business and Finance

(Title)

March 15, 2023

(Date)



**North Newton School Corporation**

310 South Lincoln Street

P.O. Box 8

Morocco, Indiana 47963

Phone: 219-285-2228

Ryan Middleton  
Superintendent

Karen L. Zackfia, C.P.A.  
Director of Business and Finance

**CORRECTIVE ACTION PLAN**

***FINDING 2022-003***

Contact Person Responsible for Corrective Action: Karen Zackfia, Director of Business and Finance

Contact Phone Number: Karen Zackfia, 219-285-2228

Views of Responsible Official:

We concur with the finding.

Description of Corrective Action Plan:

Because the COVID-19 pandemic caused the addition of new CARES and ESSER grants and various new additional data reporting requirements, the director of business and finance forgot to obtain the second review and appropriate documentation as is being done for each grant reimbursement request and the final expenditure report

Effective immediately, all federal data reports will be reviewed by either the superintendent or deputy treasurer before submission. The review will be documented with the reviewer's initials and date as well as the preparer's initials and date of completion.

Anticipated Completion Date:

The corrective action plan was implemented on March 15, 2023.

Karen L. Zackfia, C.P.A.

(Name)

Director of Business and Finance

(Title)

March 15, 2023

(Date)



**North Newton School Corporation**

310 South Lincoln Street

P.O. Box 8

Morocco, Indiana 47963

Phone: 219-285-2228

Ryan Middleton  
Superintendent

Karen L. Zackfia, C.P.A.  
Director of Business and Finance

**CORRECTIVE ACTION PLAN**

***FINDING 2022-004***

Contact Person Responsible for Corrective Action: Karen Zackfia, Director of Business and Finance

Contact Phone Number: Karen Zackfia, 219-285-2228

Views of Responsible Official:

We concur with the finding.

Description of Corrective Action Plan:

Procurement and Suspension and Debarment compliance requirements were not met because a system of internal controls had not been established by Cooperative School Services. The North Newton School Corporation is a participating member school corporation of Cooperative School Services, a special education cooperative. Cooperative School Services has developed internal controls to ensure the Procurement and Suspension and Debarment compliance requirements are met. North Newton School Corporation will implement internal controls to ensure that Cooperative School Services is complying with Procurement and Suspension and Debarment compliance requirements.

Anticipated Completion Date:

The corrective action plan will be implemented on March 16, 2023.

Karen L. Zackfia, C.P.A.  
(Name)

Director of Business and Finance  
(Title)

March 15, 2023  
(Date)