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STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

April 14, 2023

To: The Officials of the Peru Community Schools
Peru Community Schools
35 W 3rd Street
Peru, IN 46970

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Peru Community Schools. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period July 1, 2020 to June 30, 2022. Per the *Independent Auditor's Report*, the financial 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 46 through 58. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on pages 59 through 62.

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

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

Tammy R. White, CPA
Deputy State Examiner

PERU COMMUNITY SCHOOLS
Miami County, Indiana

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

PERU COMMUNITY SCHOOLS
Miami County, Indiana

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

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

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Dan Durrwachter	07-01-20 to 06-30-22
Superintendent of Schools	Sam Watkins	07-01-20 to 06-30-22
President of the School Board	Ron Mullett	07-01-20 to 06-30-22

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Peru Community Schools
Miami 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 Peru Community Schools (the School Corporation) as of June 30, 2022 and for the period of July 1, 2020 through June 30, 2022, and the related notes to the financial statement.

Unmodified Opinion on Regulatory Basis of Accounting

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Basis for Opinions

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

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

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

(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.

(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 28, 2023, on our consideration of the School Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.


Crowe LLP

Indianapolis, Indiana
March 28, 2023

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

Fund	Cash and Investments		Disbursements	Other	Cash and Investments		Disbursements	Other	Cash and Investments	
	07-01-2020	Receipts		Financing Sources (Uses)	06-30-2021	Receipts		Financing Sources (Uses)	06-30-2022	
Education	\$ 2,220,549	\$ 14,543,128	\$ 11,129,185	\$ (2,499,078)	\$ 3,135,414	\$ 15,213,533	\$ 12,620,031	\$ (2,463,280)	\$ 3,265,636	
Debt Service	889,109	3,562,263	2,968,720	-	1,482,652	2,833,006	2,853,020	(32,000)	1,430,638	
Operating	1,546,945	1,707,002	3,807,993	2,449,502	1,895,456	1,862,063	4,086,633	2,412,589	2,083,475	
Rainy Day -2003	1,000,000	-	-	50,000	1,050,000	-	-	50,000	1,100,000	
Construction Sinking	13,133	10,256	23,389	-	-	15,771	-	-	15,771	
School Lunch	218,275	1,468,637	1,223,601	-	463,311	1,308,166	1,540,239	-	231,238	
Textbook Rental	528,602	157,121	410,334	-	275,389	148,425	219,912	32,000	235,902	
Insurance Wellness Clinic	22,827	14,940	2,363	-	35,404	14,940	45,515	-	4,829	
Academic Monitoring Package	80,545	-	-	-	80,545	-	15,276	(65,269)	-	
Educational License Plates	745	38	-	-	783	131	-	-	914	
Alpha Mu-Nurses Use	-	100	-	-	100	-	-	-	100	
Hygiene Program	1,000	-	-	-	1,000	-	345	-	655	
Tiger Pride Scholarship	-	6,400	5,400	-	1,000	475	-	-	1,475	
Phi Delta Fraternity Donations	1,300	-	-	-	1,300	1,500	296	-	2,504	
Band Scholarship	3,847	-	-	-	3,847	-	-	-	3,847	
Eri Mcuw Mental Health Grant	3	-	-	-	3	4,012	178	-	3,837	
Kicks For Kids	(27)	430	474	-	(71)	507	571	-	(135)	
Reimburseable	174	8,412	12,090	-	(3,504)	14,076	22,005	-	(11,433)	
Sources Of Strength	2,560	130	-	-	2,690	-	-	-	2,690	
Local Adult Ed Grant	740	966	874	-	832	5,000	-	-	5,832	
Elmwood Scholarship	87	1,127	1,000	-	214	1,444	1,000	-	658	
Psi Iota Xi Grant	2,941	-	1,859	-	1,082	-	343	-	739	
Donation/Special Ed Teachers	2,197	-	566	-	1,631	2,272	1,325	-	2,578	
Summer Reading Donations	37	-	-	-	37	-	-	-	37	
Transition Class	313	-	-	-	313	-	-	-	313	
Pbis	1,261	-	-	-	1,261	-	-	-	1,261	
Computer Certification	115	-	-	-	115	-	-	-	115	
Kroger Rewards	3,933	1,386	984	-	4,335	1,302	5,139	-	498	
Ipep Grant 2021	-	7,070	5,870	-	1,200	-	439	-	761	
In Literacy Early Intervention	-	-	207	-	(207)	-	-	-	(207)	
Formative Assesment Grant	-	19,902	7,800	-	12,102	24,298	36,400	-	-	
Spec Ed Mkp Do Not Use	(140)	212,791	218,789	-	(6,138)	104,806	94,295	-	4,373	
Secured School Current 2022	-	-	-	-	-	10,220	104,453	-	(94,233)	
Secured School-Do Not Use	(32,635)	13,223	133,505	-	(152,917)	229,693	76,776	-	-	
Indiana Early Literacy 20/21	-	5,550	5,348	-	202	-	201	-	1	
In Literacy Eig	-	-	-	-	-	6,360	6,239	-	121	
Nesp 19/20	1,251	5,639	1,699	-	5,191	-	4,081	(1,111)	(1)	
Nesp 2022	-	-	-	-	-	6,532	6,256	-	276	
State Connectivity	-	-	-	-	-	453	-	-	453	
Career Technical Performance	23,934	-	-	-	23,934	-	-	-	23,934	
Teacher Appreciation Grant	-	72,970	72,970	-	-	72,036	72,036	-	-	

(Continued)

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

Fund	Cash and Investments			Other Financing Sources (Uses)	Cash and Investments			Other Financing Sources (Uses)	Cash and Investments
	07-01-2020	Receipts	Disbursements		06-30-2021	Receipts	Disbursements		
High Ability Grant	\$ 14,714	\$ 28,226	\$ 31,131	\$ -	\$ 11,809	\$ 31,721	\$ 41,645	\$ -	\$ 1,885
Technology	(54,636)	14,583	25,213	-	(65,266)	-	-	65,269	3
Title I 2016-17	-	-	1,056	-	(1,056)	-	-	1,056	-
Title I 2018/19	34	-	1,726	-	(1,692)	-	-	-	(1,692)
Title I 19/20	(89,852)	211,274	123,877	-	(2,455)	-	191	2,646	-
Title I 2020/21	-	722,991	778,444	-	(55,453)	255,439	202,909	-	(2,923)
Title I 2021/22	-	-	-	-	-	324,982	545,643	-	(220,661)
Parent Nurturing Program	19,072	600	22,032	-	(2,360)	20,812	16,060	-	2,392
Parent Nurturing-Alcohol	670	-	-	-	670	-	-	-	670
Adult Ed 18/19	-	-	1,077	-	(1,077)	-	-	-	(1,077)
Adult Ed 19/20	(2,680)	20,773	15,197	-	2,896	-	-	-	2,896
Adult Ed 20/21	-	32,860	43,471	-	(10,611)	23,611	13,000	-	-
Adult Ed 21/22	-	-	-	-	-	26,542	37,224	-	(10,682)
Title Iv A	(13)	11,038	10,950	-	75	-	-	-	75
Title Iv-A 84.186 08/09	-	10,197	15,851	-	(5,654)	43,609	37,953	-	2
Title Iv-A Safe & Drug Free	-	13,497	15,997	-	(2,500)	25,430	24,970	-	(2,040)
Title Iv-A Safe/Drug Free	-	-	-	-	-	5,335	5,406	-	(71)
Title li Grant Cfda 84.367A	-	-	-	-	-	-	743	743	-
Title li-A Ffy 2017	(1,118)	-	-	-	(1,118)	-	-	-	(1,118)
Title li-A	(5,588)	34,060	25,998	-	2,474	-	-	-	2,474
Title li-A 84-367A	-	72,797	81,139	-	(8,342)	21,141	17,656	-	(4,857)
Title lia Fy 2020	-	-	-	-	-	44,147	46,454	-	(2,307)
Title Vi B Rural & Low Income	(513)	13,979	11,033	(2,433)	-	-	-	-	-
Title Vi B-Rural & Low Income	-	15,982	19,655	2,433	(1,240)	18,847	16,046	-	1,561
Title Vi-B Rlis 2020	-	-	931	-	(931)	25,067	25,777	-	(1,641)
Title Vib Rlis Ffy 21-23	-	-	-	-	-	7,005	8,186	-	(1,181)
Title Vi Rural And Low Income	-	-	-	-	-	-	214	214	-
Title lii Pt A Limited English	638	-	-	-	638	-	-	-	638
Governor's Emergency Education Relief	-	10,000	9,687	-	313	-	-	-	313
Esser lii	-	-	-	-	-	549,179	598,802	-	(49,623)
Esser li	-	-	-	-	-	844,891	936,062	-	(91,171)
Covid19 Cares Act	-	251,257	286,887	-	(35,630)	309,686	279,592	-	(5,536)
Hot Lunch Clearing Account	(8,063)	6,627	266	-	(1,702)	10,211	998	-	7,511
Payroll Accrual	200	-	-	-	200	-	-	-	200
Federal Tax	5,565	-	-	-	5,565	-	-	-	5,565
Social Security	201	-	-	-	201	-	-	-	201
State Tax	(92)	-	-	-	(92)	-	-	-	(92)
Local Tax	(68)	-	-	-	(68)	-	-	-	(68)
Teacher Retirement	7	-	-	-	7	-	-	-	7
Perf	1,673	-	-	-	1,673	-	-	-	1,673
Group Insurance	33,841	55,765	46,467	-	43,138	33,978	55,295	-	21,821

(Continued)

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

Fund	Cash and Investments 07-01-2020	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2021	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2022
Annuities	\$ 7,809	\$ -	\$ -	\$ -	\$ 7,809	\$ -	\$ -	\$ -	\$ 7,809
American Funds Repayment	(4,212)	-	-	-	(4,212)	-	-	-	(4,212)
Section 125 Reimbursement	(14,489)	-	-	-	(14,489)	-	-	-	(14,489)
Garnishment of Wages	(2,935)	-	-	-	(2,935)	-	-	-	(2,935)
Clearing Account	50	-	-	-	50	-	-	-	50
Retirees-Term Life Insurance	(611)	5,525	5,432	-	(518)	4,194	5,251	-	(1,575)
United Way Fund	(499)	-	-	-	(499)	-	-	-	(499)
Credit Union	300	-	-	-	300	-	-	-	300
Profesional Dues	44	-	-	-	44	-	-	-	44
Child Support	462	-	-	-	462	-	-	-	462
Tiger Pride Scholarship Fund	344	-	-	-	344	-	-	-	344
Rolland Sutherly Scholarship	1,650	-	-	-	1,650	-	-	-	1,650
Fringe Benefits	1,731	5,159,387	5,204,010	-	(42,892)	5,616,596	5,690,927	-	(117,223)
Book Rent	187	9,288	13,536	-	(4,061)	12,558	12,414	-	(3,917)
Totals	\$ 6,437,445	\$ 28,520,187	\$ 26,826,083	\$ 424	\$ 8,131,972	\$ 30,136,001	\$ 30,432,422	\$ 2,857	\$ 7,838,409

See notes to financial statement.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

NOTE 2 - BUDGETS

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

NOTE 3 - PROPERTY TAXES

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

(Continued)

NOTE 5 - RISK MANAGEMENT

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

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

NOTE 6 - CASH BALANCE DEFICITS

The financial statement contain some funds with deficits in cash. This is a result of certain funds being set up for reimbursable grants, but for which reimbursement was not yet received by June 30, 2021, and 2022. Deficits in other fund balances, including the Hot Lunch Clearing Account, State Tax, Local Tax, American Funds Repayment, Section 125 Reimbursement, Garnishment of Wages, Retirees-Term Life Insurance, United Way Fund, Fringe Benefits, and Book Rent funds, were the result of disbursements exceeding receipts due to under-estimating current requirements for some funds. These deficits are to be prepaid from future receipts.

NOTE 7 - HOLDING CORPORATION

The School Corporation has entered into capital leases with the Peru Multi-School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years 2021 and 2022 totaled \$2,188,000 and \$2,072,500, 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.

(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.

NOTE 9 - SUBSEQUENT EVENTS

In December 2022, the Holding Corporation closed on the Ad Valorem Property Tax First Mortgage Bonds, Series 2022, in the amount of \$4,000,000. The School Corporation is the lessee of the bonds, and the proceeds will be used to pay the costs of athletic and site improvements to Peru Junior-Senior High School, Blair Pointe, and Elmwood.

SUPPLEMENTARY INFORMATION

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

	Education	Debt Service	Operating	Rainy Day -2003	Construction Sinking	School Lunch	Textbook Rental	Insurance Wellness Clinic	Academic Monitoring Package	Educational License Plates	Alpha Mu- Nurses Use
Cash and investments - beginning	\$ 2,220,549	\$ 889,109	\$ 1,546,945	\$ 1,000,000	\$ 13,133	\$ 218,275	\$ 528,602	\$ 22,827	\$ 80,545	\$ 745	\$ -
Receipts:											
Local sources	77,776	3,562,263	1,545,152	-	1	70,030	75,711	14,940	-	-	100
Intermediate sources	188	-	164	-	-	-	-	-	-	38	-
State sources	14,441,919	-	50,096	-	-	7,981	81,410	-	-	-	-
Federal sources	-	-	109,982	-	-	1,390,626	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	23,245	-	1,608	-	10,255	-	-	-	-	-	-
Total receipts	14,543,128	3,562,263	1,707,002	-	10,256	1,468,637	157,121	14,940	-	38	100
Disbursements:											
Instruction	8,265,461	-	160,819	-	-	-	-	-	-	-	-
Support services	2,710,545	-	3,603,205	-	-	2,607	410,334	670	-	-	-
Noninstructional services	153,179	-	-	-	-	1,220,994	-	-	-	-	-
Facilities acquisition and construction	-	-	43,969	-	23,389	-	-	1,693	-	-	-
Debt services	-	2,968,720	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	11,129,185	2,968,720	3,807,993	-	23,389	1,223,601	410,334	2,363	-	-	-
Excess (deficiency) of receipts over disbursements	3,413,943	593,543	(2,100,991)	-	(13,133)	245,036	(253,213)	12,577	-	38	100
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	424	-	-	-	-	-	-	-	-
Transfers in	556	-	2,449,078	50,000	-	-	-	-	-	-	-
Transfers out	(2,499,634)	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(2,499,078)	-	2,449,502	50,000	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	914,865	593,543	348,511	50,000	(13,133)	245,036	(253,213)	12,577	-	38	100
Cash and investments - ending	\$ 3,135,414	\$ 1,482,652	\$ 1,895,456	\$ 1,050,000	\$ -	\$ 463,311	\$ 275,389	\$ 35,404	\$ 80,545	\$ 783	\$ 100

(Continued)

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

	Hygiene Program	Tiger Pride Scholarship	Phi Delta Fraternity Donations	Band Scholarship	Eri Mcuw Mental Health Grant	Kicks For Kids	Reimbursable	Sources Of Strength	Local Adult Ed Grant	Elmwood Scholarship	Psi Iota Xi Grant
Cash and investments - beginning	\$ 1,000	\$ -	\$ 1,300	\$ 3,847	\$ 3	\$ (27)	\$ 174	\$ 2,560	\$ 740	\$ 87	\$ 2,941
Receipts:											
Local sources	-	6,400	-	-	-	430	8,412	130	966	1,127	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	6,400	-	-	-	430	8,412	130	966	1,127	-
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	596
Support services	-	-	-	-	-	-	-	-	874	-	1,263
Noninstructional services	-	-	-	-	-	474	12,090	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	5,400	-	-	-	-	-	-	-	1,000	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	5,400	-	-	-	474	12,090	-	874	1,000	1,859
Excess (deficiency) of receipts over disbursements	-	1,000	-	-	-	(44)	(3,678)	130	92	127	(1,859)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,000	-	-	-	(44)	(3,678)	130	92	127	(1,859)
Cash and investments - ending	\$ 1,000	\$ 1,000	\$ 1,300	\$ 3,847	\$ 3	\$ (71)	\$ (3,504)	\$ 2,690	\$ 832	\$ 214	\$ 1,082

(Continued)

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

	Donation/Special Ed Teachers	Summer Reading Donations	Transition Class	Pbis	Computer Certification	Kroger Rewards	Ipep Grant 2021	In Literacy Early Intervention	Formative Assesment Grant	Spec Ed Mkp Do Not Use	Secured School Current 2022
Cash and investments - beginning	\$ 2,197	\$ 37	\$ 313	\$ 1,261	\$ 115	\$ 3,933	\$ -	\$ -	\$ -	\$ (140)	\$ -
Receipts:											
Local sources	-	-	-	-	-	1,386	7,070	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	19,902	212,791	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	1,386	7,070	-	19,902	212,791	-
Disbursements:											
Instruction	566	-	-	-	-	-	-	207	-	218,789	-
Support services	-	-	-	-	-	984	-	-	7,800	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	5,870	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	566	-	-	-	-	984	5,870	207	7,800	218,789	-
Excess (deficiency) of receipts over disbursements	(566)	-	-	-	-	402	1,200	(207)	12,102	(5,998)	-
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	(566)	-	-	-	-	402	1,200	(207)	12,102	(5,998)	-
Cash and investments - ending	\$ 1,631	\$ 37	\$ 313	\$ 1,261	\$ 115	\$ 4,335	\$ 1,200	\$ (207)	\$ 12,102	\$ (6,138)	\$ -

(Continued)

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

	Secured School- Do Not Use	Indiana Early Literacy 20/21	In Literacy Eig	Nesp 19/20	Nesp 2022	State Connectivity	Career Technical Performance	Teacher Appreciation Grant	High Ability Grant	Technology	Title I 2016-17
Cash and investments - beginning	\$ (32,635)	\$ -	\$ -	\$ 1,251	\$ -	\$ -	\$ 23,934	\$ -	\$ 14,714	\$ (54,636)	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	13,223	5,550	-	5,639	-	-	-	72,970	28,226	14,583	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	13,223	5,550	-	5,639	-	-	-	72,970	28,226	14,583	-
Disbursements:											
Instruction	-	5,348	-	1,699	-	-	-	72,970	31,131	-	1,056
Support services	133,505	-	-	-	-	-	-	-	-	25,213	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	133,505	5,348	-	1,699	-	-	-	72,970	31,131	25,213	1,056
Excess (deficiency) of receipts over disbursements	(120,282)	202	-	3,940	-	-	-	-	(2,905)	(10,630)	(1,056)
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	(120,282)	202	-	3,940	-	-	-	-	(2,905)	(10,630)	(1,056)
Cash and investments - ending	\$ (152,917)	\$ 202	\$ -	\$ 5,191	\$ -	\$ -	\$ 23,934	\$ -	\$ 11,809	\$ (65,266)	\$ (1,056)

(Continued)

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

	Title I 2018/19	Title I 19/20	Title I 2020/21	Title I 2021/22	Parent Nurturing Program	Parent Nurturing- Alcohol	Adult Ed 18/19	Adult Ed 19/20	Adult Ed 20/21	Adult Ed 21/22	Title Iv A
Cash and investments - beginning	\$ 34	\$ (89,852)	\$ -	\$ -	\$ 19,072	\$ 670	\$ -	\$ (2,680)	\$ -	\$ -	\$ (13)
Receipts:											
Local sources	-	-	-	-	600	-	-	-	20	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	211,274	722,991	-	-	-	20,773	32,840	-	-	11,038
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	211,274	722,991	-	600	-	20,773	32,860	-	-	11,038
Disbursements:											
Instruction	1,726	92,661	711,362	-	-	-	1,077	15,197	43,471	-	10,950
Support services	-	29,100	65,905	-	22,032	-	-	-	-	-	-
Noninstructional services	-	2,116	1,177	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,726	123,877	778,444	-	22,032	-	1,077	15,197	43,471	-	10,950
Excess (deficiency) of receipts over disbursements	(1,726)	87,397	(55,453)	-	(21,432)	-	(1,077)	5,576	(10,611)	-	88
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,726)	87,397	(55,453)	-	(21,432)	-	(1,077)	5,576	(10,611)	-	88
Cash and investments - ending	\$ (1,692)	\$ (2,455)	\$ (55,453)	\$ -	\$ (2,360)	\$ 670	\$ (1,077)	\$ 2,896	\$ (10,611)	\$ -	\$ 75

(Continued)

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

	Title Iv-A 84.186 08/09	Title Iv-A Safe & Drug Free	Title Iv-A Safe/Drug Free	Title li Grant Cfda 84.367A	Title li-A Ffy 2017	Title li-A	Title li-A 84- 367A	Title lia Fy 2020	Title Vi B Rural & Low Income	Title Vi B-Rural & Low Income	Title Vi-B Rlis 2020
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ (1,118)	\$ (5,588)	\$ -	\$ -	\$ (513)	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	10,197	13,497	-	-	-	34,060	72,797	-	13,979	15,982	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	10,197	13,497	-	-	-	34,060	72,797	-	13,979	15,982	-
Disbursements:											
Instruction	8,596	15,997	-	-	-	13,312	65,174	-	11,033	19,655	931
Support services	7,255	-	-	-	-	12,686	15,965	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	15,851	15,997	-	-	-	25,998	81,139	-	11,033	19,655	931
Excess (deficiency) of receipts over disbursements	(5,654)	(2,500)	-	-	-	8,062	(8,342)	-	2,946	(3,673)	(931)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	2,433	-
Transfers out	-	-	-	-	-	-	-	-	(2,433)	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	(2,433)	2,433	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,654)	(2,500)	-	-	-	8,062	(8,342)	-	513	(1,240)	(931)
Cash and investments - ending	\$ (5,654)	\$ (2,500)	\$ -	\$ -	\$ (1,118)	\$ 2,474	\$ (8,342)	\$ -	\$ -	\$ (1,240)	\$ (931)

(Continued)

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

	Title Vib Rlis Ffy 21-23	Title Vi Rural And Low Income	Title Iii Pt A Limited English	Governor's Emergency Education Relief	Esser Iii	Esser Ii	Covid19 Cares Act	Hot Lunch Clearing Account	Payroll Accrual	Federal Tax	Social Security
Cash and investments - beginning	\$ -	\$ -	\$ 638	\$ -	\$ -	\$ -	\$ -	\$ (8,063)	\$ 200	\$ 5,565	\$ 201
Receipts:											
Local sources	-	-	-	-	-	-	-	6,627	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	10,000	-	-	251,257	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	10,000	-	-	251,257	6,627	-	-	-
Disbursements:											
Instruction	-	-	-	2,687	-	-	108,580	-	-	-	-
Support services	-	-	-	7,000	-	-	178,307	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	266	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	9,687	-	-	286,887	266	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	313	-	-	(35,630)	6,361	-	-	-
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	-	-	-	313	-	-	(35,630)	6,361	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ 638	\$ 313	\$ -	\$ -	\$ (35,630)	\$ (1,702)	\$ 200	\$ 5,565	\$ 201

(Continued)

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

	State Tax	Local Tax	Teacher Retirement	Perf	Group Insurance	Annuities	American Funds Repayment	Section 125 Reimbursement	Garnishment of Wages	Clearing Account	Retirees-Term Life Insurance
Cash and investments - beginning	\$ (92)	\$ (68)	\$ 7	\$ 1,673	\$ 33,841	\$ 7,809	\$ (4,212)	\$ (14,489)	\$ (2,935)	\$ 50	\$ (611)
Receipts:											
Local sources	-	-	-	-	55,765	-	-	-	-	-	5,525
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	55,765	-	-	-	-	-	5,525
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	46,467	-	-	-	-	-	5,432
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	46,467	-	-	-	-	-	5,432
Excess (deficiency) of receipts over disbursements	-	-	-	-	9,298	-	-	-	-	-	93
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	-	-	-	-	9,298	-	-	-	-	-	93
Cash and investments - ending	\$ (92)	\$ (68)	\$ 7	\$ 1,673	\$ 43,138	\$ 7,809	\$ (4,212)	\$ (14,489)	\$ (2,935)	\$ 50	\$ (518)

(Continued)

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

	United Way Fund	Credit Union	Professional Dues	Child Support	Tiger Pride Scholarship Fund	Rolland Sutherly Scholarship	Fringe Benefits	Book Rent	Totals
Cash and investments - beginning	\$ (499)	\$ 300	\$ 44	\$ 462	\$ 344	\$ 1,650	\$ 1,731	\$ 187	\$ 6,437,445
Receipts:									
Local sources	-	-	-	-	-	-	5,159,387	9,288	10,609,106
Intermediate sources	-	-	-	-	-	-	-	-	390
State sources	-	-	-	-	-	-	-	-	14,954,290
Federal sources	-	-	-	-	-	-	-	-	2,921,293
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	35,108
Total receipts	-	-	-	-	-	-	5,159,387	9,288	28,520,187
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	9,881,051
Support services	-	-	-	-	-	-	-	-	7,235,250
Noninstructional services	-	-	-	-	-	-	5,204,010	13,536	6,659,741
Facilities acquisition and construction	-	-	-	-	-	-	-	-	74,921
Debt services	-	-	-	-	-	-	-	-	2,968,720
Nonprogrammed charges	-	-	-	-	-	-	-	-	6,400
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-	5,204,010	13,536	26,826,083
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	(44,623)	(4,248)	1,694,103
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	424
Transfers in	-	-	-	-	-	-	-	-	2,502,067
Transfers out	-	-	-	-	-	-	-	-	(2,502,067)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	424
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	(44,623)	(4,248)	1,694,527
Cash and investments - ending	\$ (499)	\$ 300	\$ 44	\$ 462	\$ 344	\$ 1,650	\$ (42,892)	\$ (4,061)	\$ 8,131,972

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

	Education	Debt Service	Operating	Rainy Day -2003	Construction Sinking	School Lunch	Textbook Rental	Insurance Wellness Clinic	Academic Monitoring Package	Educational License Plates	Alpha Mu- Nurses Use
Cash and investments - beginning	\$ 3,135,414	\$ 1,482,652	\$ 1,895,456	\$ 1,050,000	\$ -	\$ 463,311	\$ 275,389	\$ 35,404	\$ 80,545	\$ 783	\$ 100
Receipts:											
Local sources	74,024	2,833,006	1,691,891	-	-	105,000	58,914	14,940	-	-	-
Intermediate sources	188	-	-	-	-	-	-	-	-	131	-
State sources	15,132,676	-	126,995	-	-	10,489	89,511	-	-	-	-
Federal sources	-	-	26,750	-	-	1,192,677	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	6,645	-	16,427	-	15,771	-	-	-	-	-	-
Total receipts	15,213,533	2,833,006	1,862,063	-	15,771	1,308,166	148,425	14,940	-	131	-
Disbursements:											
Instruction	9,486,067	-	26,170	-	-	-	-	-	-	-	-
Support services	2,916,153	-	4,016,647	-	-	291	219,912	45,515	15,276	-	-
Noninstructional services	217,811	-	8,772	-	-	1,539,948	-	-	-	-	-
Facilities acquisition and construction	-	-	35,044	-	-	-	-	-	-	-	-
Debt services	-	2,853,020	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	12,620,031	2,853,020	4,086,633	-	-	1,540,239	219,912	45,515	15,276	-	-
Excess (deficiency) of receipts over disbursements	2,593,502	(20,014)	(2,224,570)	-	15,771	(232,073)	(71,487)	(30,575)	(15,276)	131	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	2,857	-	-	-	-	-	-	-	-
Transfers in	1,111	-	2,409,732	50,000	-	-	32,650	-	-	-	-
Transfers out	(2,464,391)	(32,000)	-	-	-	-	(650)	-	(65,269)	-	-
Total other financing sources (uses)	(2,463,280)	(32,000)	2,412,589	50,000	-	-	32,000	-	(65,269)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	130,222	(52,014)	188,019	50,000	15,771	(232,073)	(39,487)	(30,575)	(80,545)	131	-
Cash and investments - ending	\$ 3,265,636	\$ 1,430,638	\$ 2,083,475	\$ 1,100,000	\$ 15,771	\$ 231,238	\$ 235,902	\$ 4,829	\$ -	\$ 914	\$ 100

(Continued)

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

	Hygiene Program	Tiger Pride Scholarship	Phi Delta Fraternity Donations	Band Scholarship	Eri Mcuw Mental Health Grant	Kicks For Kids	Reimbursable	Sources Of Strength	Local Adult Ed Grant	Elmwood Scholarship	Psi Iota Xi Grant
Cash and investments - beginning	\$ 1,000	\$ 1,000	\$ 1,300	\$ 3,847	\$ 3	\$ (71)	\$ (3,504)	\$ 2,690	\$ 832	\$ 214	\$ 1,082
Receipts:											
Local sources	-	475	1,500	-	4,012	507	14,076	-	5,000	1,444	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	475	1,500	-	4,012	507	14,076	-	5,000	1,444	-
Disbursements:											
Instruction	-	-	-	-	178	-	-	-	-	-	169
Support services	345	-	296	-	-	-	-	-	-	-	174
Noninstructional services	-	-	-	-	-	571	22,005	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	1,000	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	345	-	296	-	178	571	22,005	-	-	1,000	343
Excess (deficiency) of receipts over disbursements	(345)	475	1,204	-	3,834	(64)	(7,929)	-	5,000	444	(343)
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	(345)	475	1,204	-	3,834	(64)	(7,929)	-	5,000	444	(343)
Cash and investments - ending	\$ 655	\$ 1,475	\$ 2,504	\$ 3,847	\$ 3,837	\$ (135)	\$ (11,433)	\$ 2,690	\$ 5,832	\$ 658	\$ 739

(Continued)

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

	Donation/Special Ed Teachers	Summer Reading Donations	Transition Class	Pbis	Computer Certification	Kroger Rewards	Ipep Grant 2021	In Literacy Early Intervention	Formative Assesment Grant	Spec Ed Mkp Do Not Use	Secured School Current 2022
Cash and investments - beginning	\$ 1,631	\$ 37	\$ 313	\$ 1,261	\$ 115	\$ 4,335	\$ 1,200	\$ (207)	\$ 12,102	\$ (6,138)	\$ -
Receipts:											
Local sources	2,272	-	-	-	-	1,302	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	24,298	104,806	10,220
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	2,272	-	-	-	-	1,302	-	-	24,298	104,806	10,220
Disbursements:											
Instruction	1,325	-	-	-	-	-	-	-	-	94,295	-
Support services	-	-	-	-	-	5,139	-	-	36,400	-	104,453
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	439	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,325	-	-	-	-	5,139	439	-	36,400	94,295	104,453
Excess (deficiency) of receipts over disbursements	947	-	-	-	-	(3,837)	(439)	-	(12,102)	10,511	(94,233)
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	947	-	-	-	-	(3,837)	(439)	-	(12,102)	10,511	(94,233)
Cash and investments - ending	\$ 2,578	\$ 37	\$ 313	\$ 1,261	\$ 115	\$ 498	\$ 761	\$ (207)	\$ -	\$ 4,373	\$ (94,233)

(Continued)

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

	Secured School- Do Not Use	Indiana Early Literacy 20/21	In Literacy Eig	Nesp 19/20	Nesp 2022	State Connectivity	Career Technical Performance	Teacher Appreciation Grant	High Ability Grant	Technology	Title I 2016-17
Cash and investments - beginning	\$ (152,917)	\$ 202	\$ -	\$ 5,191	\$ -	\$ -	\$ 23,934	\$ -	\$ 11,809	\$ (65,266)	\$ (1,056)
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	229,693	-	6,360	-	6,532	453	-	72,036	31,721	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	229,693	-	6,360	-	6,532	453	-	72,036	31,721	-	-
Disbursements:											
Instruction	-	201	6,239	4,081	5,894	-	-	72,036	41,645	-	-
Support services	76,776	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	362	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	76,776	201	6,239	4,081	6,256	-	-	72,036	41,645	-	-
Excess (deficiency) of receipts over disbursements	152,917	(201)	121	(4,081)	276	453	-	-	(9,924)	-	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	65,269	1,056
Transfers out	-	-	-	(1,111)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(1,111)	-	-	-	-	-	65,269	1,056
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	152,917	(201)	121	(5,192)	276	453	-	-	(9,924)	65,269	1,056
Cash and investments - ending	\$ -	\$ 1	\$ 121	\$ (1)	\$ 276	\$ 453	\$ 23,934	\$ -	\$ 1,885	\$ 3	\$ -

(Continued)

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

	Title I 2018/19	Title I 19/20	Title I 2020/21	Title I 2021/22	Parent Nurturing Program	Parent Nurturing-Alcohol	Adult Ed 18/19	Adult Ed 19/20	Adult Ed 20/21	Adult Ed 21/22	Title Iv A
Cash and investments - beginning	\$ (1,692)	\$ (2,455)	\$ (55,453)	\$ -	\$ (2,360)	\$ 670	\$ (1,077)	\$ 2,896	\$ (10,611)	\$ -	\$ 75
Receipts:											
Local sources	-	-	-	-	20,812	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	255,439	324,982	-	-	-	-	23,611	26,542	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	255,439	324,982	20,812	-	-	-	23,611	26,542	-
Disbursements:											
Instruction	-	191	199,106	535,348	-	-	-	-	13,000	37,224	-
Support services	-	-	-	9,496	16,060	-	-	-	-	-	-
Noninstructional services	-	-	3,803	799	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	191	202,909	545,643	16,060	-	-	-	13,000	37,224	-
Excess (deficiency) of receipts over disbursements	-	(191)	52,530	(220,661)	4,752	-	-	-	10,611	(10,682)	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	2,646	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	2,646	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	2,455	52,530	(220,661)	4,752	-	-	-	10,611	(10,682)	-
Cash and investments - ending	\$ (1,692)	\$ -	\$ (2,923)	\$ (220,661)	\$ 2,392	\$ 670	\$ (1,077)	\$ 2,896	\$ -	\$ (10,682)	\$ 75

(Continued)

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

	Title Iv-A 84.186 08/09	Title Iv-A Safe & Drug Free	Title Iv-A Safe/Drug Free	Title li Grant Cfda 84.367A	Title li-A Ffy 2017	Title li-A	Title li-A 84- 367A	Title lia Fy 2020	Title Vi B Rural & Low Income	Title Vi B-Rural & Low Income	Title Vi-B Rlis 2020
Cash and investments - beginning	\$ (5,654)	\$ (2,500)	\$ -	\$ -	\$ (1,118)	\$ 2,474	\$ (8,342)	\$ -	\$ -	\$ (1,240)	\$ (931)
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	43,609	25,430	5,335	-	-	-	21,141	44,147	-	18,847	25,067
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	43,609	25,430	5,335	-	-	-	21,141	44,147	-	18,847	25,067
Disbursements:											
Instruction	17,653	18,977	5,000	-	-	-	683	15,454	-	11,119	22,755
Support services	20,300	5,993	406	743	-	-	16,973	31,000	-	4,927	3,022
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	37,953	24,970	5,406	743	-	-	17,656	46,454	-	16,046	25,777
Excess (deficiency) of receipts over disbursements	5,656	460	(71)	(743)	-	-	3,485	(2,307)	-	2,801	(710)
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	743	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	743	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,656	460	(71)	-	-	-	3,485	(2,307)	-	2,801	(710)
Cash and investments - ending	\$ 2	\$ (2,040)	\$ (71)	\$ -	\$ (1,118)	\$ 2,474	\$ (4,857)	\$ (2,307)	\$ -	\$ 1,561	\$ (1,641)

(Continued)

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

	Title Vib Rlis Ffy 21-23	Title Vi Rural And Low Income	Title Iii Pt A Limited English	Governor's Emergency Education Relief	Esser Iii	Esser Ii	Covid19 Cares Act	Hot Lunch Clearing Account	Payroll Accrual	Federal Tax	Social Security
Cash and investments - beginning	\$ -	\$ -	\$ 638	\$ 313	\$ -	\$ -	\$ (35,630)	\$ (1,702)	\$ 200	\$ 5,565	\$ 201
Receipts:											
Local sources	-	-	-	-	-	-	-	10,211	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	7,005	-	-	-	549,179	844,891	309,686	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	7,005	-	-	-	549,179	844,891	309,686	10,211	-	-	-
Disbursements:											
Instruction	8,186	-	-	-	237,497	462,134	144,030	-	-	-	-
Support services	-	214	-	-	187,054	473,928	135,562	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	998	-	-	-
Facilities acquisition and construction	-	-	-	-	174,251	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	8,186	214	-	-	598,802	936,062	279,592	998	-	-	-
Excess (deficiency) of receipts over disbursements	(1,181)	(214)	-	-	(49,623)	(91,171)	30,094	9,213	-	-	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	214	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	214	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,181)	-	-	-	(49,623)	(91,171)	30,094	9,213	-	-	-
Cash and investments - ending	\$ (1,181)	\$ -	\$ 638	\$ 313	\$ (49,623)	\$ (91,171)	\$ (5,536)	\$ 7,511	\$ 200	\$ 5,565	\$ 201

(Continued)

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

	State Tax	Local Tax	Teacher Retirement	Perf	Group Insurance	Annuities	American Funds Repayment	Section 125 Reimbursement	Garnishment of Wages	Clearing Account	Retirees-Term Life Insurance
Cash and investments - beginning	\$ (92)	\$ (68)	\$ 7	\$ 1,673	\$ 43,138	\$ 7,809	\$ (4,212)	\$ (14,489)	\$ (2,935)	\$ 50	\$ (518)
Receipts:											
Local sources	-	-	-	-	33,978	-	-	-	-	-	4,194
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	33,978	-	-	-	-	-	4,194
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	55,295	-	-	-	-	-	5,251
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	55,295	-	-	-	-	-	5,251
Excess (deficiency) of receipts over disbursements	-	-	-	-	(21,317)	-	-	-	-	-	(1,057)
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	-	-	-	-	(21,317)	-	-	-	-	-	(1,057)
Cash and investments - ending	\$ (92)	\$ (68)	\$ 7	\$ 1,673	\$ 21,821	\$ 7,809	\$ (4,212)	\$ (14,489)	\$ (2,935)	\$ 50	\$ (1,575)

(Continued)

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

	United Way Fund	Credit Union	Professional Dues	Child Support	Tiger Pride Scholarship Fund	Rolland Sutherly Scholarship	Fringe Benefits	Book Rent	Totals
Cash and investments - beginning	\$ (499)	\$ 300	\$ 44	\$ 462	\$ 344	\$ 1,650	\$ (42,892)	\$ (4,061)	\$ 8,131,972
Receipts:									
Local sources	-	-	-	-	-	-	5,616,596	12,558	10,506,711
Intermediate sources	-	-	-	-	-	-	-	-	319
State sources	-	-	-	-	-	-	-	-	15,845,790
Federal sources	-	-	-	-	-	-	-	-	3,744,338
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	38,843
Total receipts	-	-	-	-	-	-	5,616,596	12,558	30,136,001
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	11,466,657
Support services	-	-	-	-	-	-	-	-	8,343,055
Noninstructional services	-	-	-	-	-	-	5,690,927	12,414	7,558,956
Facilities acquisition and construction	-	-	-	-	-	-	-	-	209,734
Debt services	-	-	-	-	-	-	-	-	2,853,020
Nonprogrammed charges	-	-	-	-	-	-	-	-	1,000
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-	5,690,927	12,414	30,432,422
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	(74,331)	144	(296,420)
Other financing sources (uses)									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	2,857
Transfers in	-	-	-	-	-	-	-	-	2,563,421
Transfers out	-	-	-	-	-	-	-	-	(2,563,421)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	2,857
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	(74,331)	144	(293,563)
Cash and investments - ending	\$ (499)	\$ 300	\$ 44	\$ 462	\$ 344	\$ 1,650	\$ (117,223)	\$ (3,917)	\$ 7,838,409

PERU COMMUNITY SCHOOLS
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2022

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 483,376	\$ 1,619,778

PERU COMMUNITY SCHOOLS
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:				
Mortgage Refund Series 2014	Refunding of Bonds	\$ 330,000	7/15/2014	1/15/2023
Peru Multi School Bldg 2012 A/B	Building Renovations	423,500	7/15/2012	1/15/2027
Peru Multi School Bldg Corp 2013A	Building Renovations	456,500	12/31/2013	1/15/2026
Peru Multi School Bldg Corp 2014B	Building Renovations	457,000	1/15/2016	1/1/2027
Peru Multi School Bldg Corp 2020	Building Renovation	<u>155,000</u>	7/15/2021	1/15/2041
Total governmental activities		<u>1,822,000</u>		
Total of annual lease payments		<u>\$ 1,822,000</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	GO BOND 16	\$ 2,000,000	\$ 432,975
Other	Common School Loan	<u>2,935,000</u>	<u>720,320</u>
Total governmental activities		<u>4,935,000</u>	<u>1,153,295</u>
Totals		<u>\$ 4,935,000</u>	<u>\$ 1,153,295</u>

PERU COMMUNITY SCHOOLS
SCHEDULE OF CAPITAL ASSETS
June 30, 2022

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 5,449,914
Infrastructure	273,777
Buildings	28,334,913
Improvements other than buildings	159,017
Machinery, equipment, and vehicles	4,543,597
Construction in progress	<u>1,586,727</u>
 Total governmental activities	 <u>40,347,945</u>
 Total capital assets	 <u>\$ 40,347,945</u>

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

Financial Statement and Accompanying Notes:

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

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

Indiana Department of Education Reporting:

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

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

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

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-20-06-30-22
<u>Department of Agriculture</u>						
Child Nutrition Cluster						
Child Nutrition Cluster	Indiana Department of Education					
School Breakfast Program		10.553	FY2021, FY2022	\$ 118,135	\$ 209,743	\$ 327,878
National School Lunch		10.555	FY2021, FY2022	246,043	886,850	1,132,893
Commodities		10.555	FY2021, FY2022	106,650	129,250	235,900
Summer Food Service Program		10.559	FY2021, FY2022	<u>1,020,707</u>	<u>90,364</u>	<u>1,111,071</u>
Total - Child Nutrition Cluster				<u>1,491,535</u>	<u>1,316,207</u>	<u>2,807,742</u>
Child and Adult Care Food Program	Indiana Department of Education					
Child and Adult Care		10.558	FY2021, FY2022	<u>5,531</u>	<u>2,868</u>	<u>8,399</u>
Total - Child and Adult Care Food Program				<u>5,531</u>	<u>2,868</u>	<u>8,399</u>
Pandemic EBT Administrative Costs	Indiana Department of Education					
Pandemic EBT Administrative Costs		10.649	FY2022	<u>-</u>	<u>3,063</u>	<u>3,063</u>
Total - Pandemic EBT Administrative Costs				<u>-</u>	<u>3,063</u>	<u>3,063</u>
Total - Department of Agriculture				<u>1,497,066</u>	<u>1,322,138</u>	<u>2,819,204</u>
<u>Department of Education</u>						
Special Education Cluster(IDEA)	Indiana Department of Education					
Special Education Grants to States						
IDEA-Part B		84.027	19611-054-PN01	31,696	-	31,696
IDEA-Part B		84.027	20611-054-PN01	323,096	28,351	351,447
IDEA-Part B		84.027	21611-054-PN01	193,406	384,328	577,734
IDEA-Part B		84.027	22611-054-PN01	-	147,991	147,991
IDEA-Part B		84.027	22611-054-ARP	<u>-</u>	<u>1,915</u>	<u>1,915</u>
Total - Special Education Grants to States				<u>548,198</u>	<u>562,585</u>	<u>1,110,783</u>
Special Education Preschool Grants	Indiana Department of Education					
IDEA-Preschool		84.173	21619-054-PN01	1,440	-	1,440
IDEA-Preschool		84.173	20619-054-PN01	26,177	-	26,177
IDEA-Preschool		84.173	21619-054-PN01	2,429	23,881	26,310
IDEA-Preschool		84.173	22619-054-PN01	<u>-</u>	<u>6,052</u>	<u>6,052</u>
Total - Special Education Preschool Grants				<u>30,046</u>	<u>29,933</u>	<u>59,979</u>
Total - Special Education Cluster(IDEA)				<u>578,244</u>	<u>592,518</u>	<u>1,170,762</u>

(Continued)

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

Federal Grantor Agency <u>Cluster Title/Program Title/Project Title</u>	<u>Pass-Through Entity or Direct Grant</u>	Assistance Listing <u>Number</u>	Pass-Through Entity (or Other) Identifying <u>Number</u>	Total Federal Awards Expended <u>06-30-21</u>	Total Federal Awards Expended <u>06-30-22</u>	Total Federal Awards Expended 07-01-2020 - <u>44742</u>
Adult Education	Indiana Department of Education					
Adult Education		84.002	AE21-693	\$ -	\$ 26,542	\$ 26,542
Adult Education		84.002	S358B160014	20,773	-	20,773
Adult Education		84.002	S358B170014	<u>29,380</u>	<u>23,611</u>	<u>52,991</u>
Total - Adult Education				<u>50,153</u>	<u>50,153</u>	<u>100,306</u>
Title I Grants to Local Educational Agencies	Indiana Department of Education					
Title I, Part A		84.010	S010A170014	211,274	-	211,274
Title I, Part A		84.010	S010A190014	-	324,982	324,982
Title I, Part A		84.010	S010A200014	<u>722,991</u>	<u>255,439</u>	<u>978,430</u>
Total - Title I Grants to Local Educational Agencies				<u>934,265</u>	<u>580,421</u>	<u>1,514,686</u>
Rural & Low Income	Indiana Department of Education					
Rural & Low Income		84.358	S424A180015	13,979	-	13,979
Rural & Low Income		84.358	S358B190014	15,982	18,847	34,829
Rural & Low Income		84.358	S358B200014	-	25,067	25,067
Rural & Low Income		84.358	S358B21004	<u>-</u>	<u>7,005</u>	<u>7,005</u>
Total - Rural & Low Income				<u>29,961</u>	<u>50,919</u>	<u>80,880</u>
Title II Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367	S367A180013	33,330	-	33,330
Title II, Part A		84.367	S367A190013	73,527	29,156	102,683
Title II, Part A		84.367	S367A200013	<u>-</u>	<u>35,887</u>	<u>35,887</u>
Total - Title II Supporting Effective Instruction State Grants				<u>106,857</u>	<u>65,043</u>	<u>171,900</u>
Title IV Student Support and Academic Enrichment Program	Indiana Department of Education					
Title IV, Part A		84.424	S424A180015	11,038	5,335	16,373
Title IV, Part A		84.424	S424A190015	10,197	44,252	54,449
Title IV, Part A		84.424	S424A200015	<u>13,497</u>	<u>24,787</u>	<u>38,284</u>
Total - Title IV Student Support and Academic Enrichment Program				<u>34,732</u>	<u>74,374</u>	<u>109,106</u>

(Continued)

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

Federal Grantor Agency <u>Cluster Title/Program Title/Project Title</u>	<u>Pass-Through Entity or Direct Grant</u>	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended <u>06-30-21</u>	Total Federal Awards Expended <u>06-30-22</u>	Total Federal Awards Expended 07-01-2020 - <u>44742</u>
COVID-19 - Education Stabilization Fund	Indiana Department of Education					
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	\$ -	\$ 309,685	\$ 309,685
Elementary and Secondary School Emergency Relief (ESSER II) Fund		84.425D	S425D210013	251,257	841,480	1,092,737
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund		84.425U	S425U210013	-	549,179	549,179
Governor's Emergency Education Relief (GEER) Fund		84.425C	S425C200018	10,000	-	10,000
Total - COVID-19 - Education Stabilization Fund				<u>261,257</u>	<u>1,700,344</u>	<u>1,961,601</u>
Total - Department of Education				<u>1,995,469</u>	<u>3,113,772</u>	<u>5,109,241</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster	Indiana Department of Education					
Medical Assistance Program		93.778	FY2021, FY2022	41,468	79,089	120,557
Total - Medicaid Cluster				<u>41,468</u>	<u>79,089</u>	<u>120,557</u>
Total - Department of Health and Human Services				<u>41,468</u>	<u>79,089</u>	<u>120,557</u>
<u>Department of the Treasury</u>						
COVID-19 - Coronavirus Relief Fund	Indiana Department of Education					
COVID-19 - Coronavirus Relief Fund		21.019	N/A	966	-	966
Total - COVID-19 - Coronavirus Relief Fund				<u>966</u>	<u>-</u>	<u>966</u>
Total - Department of the Treasury				<u>966</u>	<u>-</u>	<u>966</u>
<u>Social Security Administration</u>						
Social Security-Disability Insurance	Indiana Department of Education	96.001	N/A	140	210	350
Total - Social Security-Disability Insurance				<u>140</u>	<u>210</u>	<u>350</u>
Total - Social Security Administration				<u>140</u>	<u>210</u>	<u>350</u>
Total federal awards expended				<u>\$ 3,535,109</u>	<u>\$ 4,515,209</u>	<u>\$ 8,050,318</u>

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

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

NOTE 1 - BASIS OF PRESENTATION

A. Basis of Presentation

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

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

B. Other Significant Accounting Policies

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

NOTE 2 - INDIRECT COST RATE

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

NOTE 3 - OTHER INFORMATION

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

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

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

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

Those Charged with Governance
Peru Community Schools
Miami 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 Peru Community Schools ("School Corporation"), which comprise the statement of receipts, disbursements, other financing sources (uses), and cash and investment balances of the School Corporation as of June 30, 2022 and for the period July 1, 2020 through June 30, 2022 and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement, and have issued our report thereon dated March 28, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

(Continued)

Report on Compliance and Other Matters

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

School Corporation's Responses to Findings

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

Purpose of this Report

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


Crowe LLP

Indianapolis, Indiana
March 28, 2023

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

Those Charged with Governance
Peru Community Schools
Miami County, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

(Continued)

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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 2022-003, 2022-004 and 2022-007 to be material weaknesses.

(Continued)

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-005, 2022-006 and 2022-008 to be significant deficiencies.

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

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

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 28, 2023

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

Section I – Summary of Auditor’s Results

Financial Statement

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

Federal Awards

Internal control over major programs			
Material weakness(es) identified?	<u> X </u>	Yes	_____ No
Significant deficiencies identified not considered to be material weaknesses?	<u> X </u>	Yes	_____ None Reported
Type of auditor’s report issued on compliance for major programs	Unmodified		
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> 10.553, 10.555, 10.559 84.425C, 84.425D, 84.425U 84.010	<u>Name of Federal Program or Cluster</u> Child Nutrition Cluster COVID-19 - Education Stabilization Fund Title I Grants to Local Education Agencies
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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)

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

Section II – Financial Statement Findings

FINDING 2022-001

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

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

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

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

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

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

2 CFR 200.508 states in part:

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

2 CFR 200.510(b) states:

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

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

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

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

(Continued)

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

Section II – Financial Statement Findings (Continued)

FINDING 2022-001 (Continued)

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

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

Context: The federal grant information entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the SEFA. The SEFA was reviewed prior to submission. However, it was not reviewed in enough detail to prevent the following errors that resulted in the net understatement of the total federal awards expended on the SEFA by \$1,744,654 for the period July 1, 2020 through June 30, 2022:

1. The Child Nutrition Cluster expenditures were overstated by \$65,167
2. The Child and Adult Care Food Program expenditures were overstated by \$80,832
3. The Pandemic EBT Administrative Costs expenditures were understated by \$3,063
4. The Special Education Cluster expenditures were understated by \$1,170,761
5. The Title I, Part A expenditures were understated by \$322,336
6. The Title II, Part A expenditures were understated by \$8,015
7. The Title IV, Part A expenditures were understated by \$5,335
8. The COVID-19 – Education Stabilization Fund expenditures were understated by \$257,846
9. The Medicaid Cluster expenditures were understated by \$120,557
10. The Coronavirus Relief Fund expenditures were understated by \$966
11. The Social Security-Disability Insurance expenditures were understated by \$350
12. The Adult Education expenditures were understated by \$1,425

Additionally, the pass-through numbers were incorrectly listed for several grants on the SEFA. Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA to correct the issues noted above.

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

Identification as a repeat finding, if applicable: Yes. Identified as finding 2020-001.

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

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

(Continued)

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

Section II – Financial Statement Findings (Continued)

FINDING 2022-002

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

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

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

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

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

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

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

Cause: Management had not established a system of internal control that would have ensured proper reporting of the AFR. For fiscal year 2021, it was the first year the AFR was required to be prepared directly by the School Corporation instead of from semi-annual filings with the Indiana Department of Education. There was not an appropriate review of the activity posted on the AFR.

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

- 1) The beginning balance of cash and investments as of June 30, 2020, reported in Gateway was understated by \$23,096. For the period of July 1, 2020 to June 30, 2021, receipts and disbursements were understated by \$5,236,592 and \$5,269,711, respectively. The net impact on cash and investment balances reported in Gateway as of June 30, 2021, was an overstatement of \$10,023.
- 2) For the period of July 1, 2021 to June 30, 2022, receipts and disbursements were understated by \$5,677,536 and \$5,764,885, respectively. The net impact on cash and investment balances reported in Gateway as of June 30, 2022, was an overstated of \$87,349.

(Continued)

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

Section II – Financial Statement Findings (Continued)

FINDING 2022-002 (Continued)

Effect: Without a proper system of internal control in place over the reconciliation process, material variances compared to the AFR remained undetected.

Identification as a repeat finding, if applicable: No.

Recommendation: We recommended that the School Corporation's management establish a formal review over the reconciliation process to ensure the underlying detail materially agrees to the fund ledger detail and AFR.

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

Section III – Federal Award Findings and Questioned Costs

FINDING 2022-003

Information on the federal program:

Subject: Child Nutrition Cluster - Reporting
Federal Agency: Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch, Summer Food Service Program
Assistance Listing Numbers: 10.553, 10.555, 10.559
Federal Award Numbers and Years (or Other Identifying Numbers): FY2021, FY2022
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Reporting
Audit Findings: Material Weakness

Criteria:

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

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

7 CFR 210.8(a) states in part:

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

(Continued)

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

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

FINDING 2022-003 (Continued)

7 CFR 210.7(c) states in part:

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

7 CFR 220.11(d) states in part:

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

7 CFR 225.15(c) states in part:

"Records and claims.

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

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

Cause: Management had not developed a system of internal controls that would have ensured compliance with the grant agreement and the Reporting 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 Reporting compliance requirement could result in the loss of future federal funds to the School Corporation.

Questioned Costs: There were no questioned costs identified.

Context: Monthly Sponsor Claims for Reimbursement (Claims) were submitted to the Indiana Department of Education (IDOE) based upon meals served for the month. The Claims were prepared by the Food Service Director without an oversight or review process in place to prevent, or detect and correct, errors. For three of the four Claims tested, there were differences between the Claims submitted and the School Corporation's summary meal count reports. The lack of internal controls and noncompliance were systemic issues throughout the audit period.

Identification as a repeat finding, if applicable: No.

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

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

(Continued)

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

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

FINDING 2022-004

Information on the federal program:

Subject: Title I Grants to Local Educational Agencies - Eligibility
Federal Agency: Department of Education
Federal Program: Title I Grants to Local Educational Agencies
Assistance Listing Number: 84.010
Federal Award Numbers and Years (or Other Identifying Numbers): S010A170014; S010A190014; S010A200014
Pass-Through Entity: Indiana Department of Education
Compliance Requirements: Eligibility
Audit Finding: Material Weakness

Criteria: 2 CFR 200.303 states in part:

"The non-Federal entity must:

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

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

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

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

Questioned Costs: There were no questioned costs identified.

Context: The School Corporation had not designed or implemented a system of internal control to ensure the poverty status of each student was accurate. The free and reduced applications were completed by parents online and the poverty status was then calculated based on the guidelines input into the system. The income guidelines were updated by the software vendor without an oversight or review process by the School Corporation to ensure the accuracy of the information. Additionally, one employee uploaded the Direct Certification reports from the state into the software system without a documented oversight or review process to ensure direct certified students were properly processed. The lack of controls was a systematic issue throughout the audit period.

Identification as a repeat finding, if applicable: No

Recommendation: We recommended that the School Corporation's management establish a system of internal controls to ensure compliance with the grant agreement and the Eligibility compliance Requirement.

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

(Continued)

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

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

FINDING 2022-005

Information on the federal program:

Subject: Title I Grants to Local Educational Agencies - Earmarking
Federal Agency: Department of Education
Federal Program: Title I Grants to Local Educational Agencies
Assistance Listing Number: 84.010
Federal Award Numbers and Years (or Other Identifying Numbers): S010A190014; S010A20014
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Matching, Level of Effort, Earmarking
Audit Finding: Significant Deficiency

Criteria: 2 CFR 200.303 states in part:

"The non-Federal entity must:

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

20 USC 6318(a)(3) states in part:

"(A) In general. Each local educational agency shall reserve at least 1 percent of its allocation under subpart 2 to assist schools to carry out the activities described in this section, except that this subparagraph shall not apply if 1 percent of such agency's allocation under subpart 2 for the fiscal year for which the determination is made is \$5,000 or less. Nothing in this subparagraph shall be construed to limit local educational agencies from reserving more than 1 percent of its allocation under subpart 2 to assist schools to carry out activities described in this section. . . .

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

Cause: Management had not developed a system of internal controls that would have ensured compliance with the grant agreement and the earmarking requirements of the Matching, Level of Effort, Earmarking 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 earmarking requirements of the Matching, Level of Effort, Earmarking compliance requirement could result in the loss of further federal funds to the School Corporation.

Questioned Costs: There were no questioned costs identified.

Context: The School Corporation had not implemented controls to ensure that the required level of expenditures for Parental Involvement were spent. Expenditures for Parental Involvement were \$4,129 and \$9,556 below the minimum required per the approved grant application for grants S010A190014 and SA010A200014, respectively.

(Continued)

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

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

FINDING 2022-005 (Continued)

The lack of internal controls and noncompliance were isolated to the S010A190014 and S010A200014 grant awards.

Identification as a repeat finding, if applicable: No

Recommendation: We recommended that the School Corporation's management establish effective internal controls to ensure compliance and comply with the earmarking requirements of the Matching, Level of Effort, Earmarking compliance requirement.

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

FINDING 2022-006

Information on the federal program:

Subject: Title I Grants to Local Educational Agencies - Special Tests and Provisions - Assessment System Security

Federal Agency: Department of Education

Federal Program: Title I Grants to Local Educational Agencies

Assistance Listing Number: 84.010

Federal Award Numbers and Years (or Other Identifying Numbers): S010A170014; S010A190014; S010A200014

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Special Tests and Provisions - Assessment System Security

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 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). . . ."

2 CFR 200.207(a) states in part:

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

511 IAC 5-5-5(b) states:

"Any individual who administers, handles, or has access to secure test materials at the school or school corporation shall complete assessment training and sign a testing security and integrity agreement to remain on file in the appropriate building-level office each year."

(Continued)

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

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

FINDING 2022-006 (Continued)

Condition: An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - Assessment System Security compliance requirement.

Cause: Management had not developed a system of internal controls that would have ensured compliance with the Special Tests and Provisions - Assessment System Security 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 Special Tests and Provisions - Assessment System Security compliance requirement could result in the loss of future federal funds to the School Corporation.

Questioned Costs: There were no questioned costs identified.

Context: The School Corporation had not established effective internal controls to ensure applicable employees received proper training over test and security administration. The School Corporation had implemented a policy in which all applicable employees were to be provided training annually. However, documentation of training for six of 40 employees could not be provided. The six employees were in a position and location that had contact with the testing materials and therefore should have received the training.

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

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 Special Tests and Provisions - Assessment System Security compliance requirement.

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

(Continued)

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

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

FINDING 2022-007

Information on the federal program:

Subject: COVID-19 - Education Stabilization Fund - Equipment and Real Property
Federal Agency: Department of Education
Federal Program: COVID19 - Education Stabilization Fund
Assistance Listings Numbers: 84.425C, 84.425D, 84.425U
Federal Award Numbers and Years (or Other Identifying Numbers): S425D200013, S425D210013, S425U210013, S425C200018
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Equipment and Real Property Management
Audit Findings: Material Weakness

Criteria:

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

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

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.

(4) Adequate maintenance procedures must be developed to keep the property in good condition."

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

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 future federal funds to the School Corporation.

(Continued)

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

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

FINDING 2022-007 (Continued)

Questioned Costs: There were no questioned costs identified.

Context: The School Corporation did not have an effective control in place to ensure property records were properly maintained and included all required information. The School Corporation's property record did not include the following required information: a serial number or other identification number, the source of funding for the property (including the federal award identification number), who holds title, percentage of federal participation in the project costs for the federal award under which the property was acquired, use and condition of the property.

The School Corporation did not perform a physical inventory of equipment during the audit period and did not have an internal control system in place to ensure a physical inventory was performed.

There was no internal control system in place to ensure equipment was appropriately safeguarded and maintained. There was no evidence to show all equipment included on the property records was being appropriately safeguarded and maintained during the audit period.

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

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 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.

(Continued)

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

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

FINDING 2022-008

Information on the federal program:

Subject: COVID-19 - Education Stabilization Fund - Reporting
Federal Agency: Department of Education
Federal Program: COVID19 - Education Stabilization Fund
Assistance Listings Numbers: 84.425C, 84.425D
Federal Award Numbers and Years (or Other Identifying Numbers): S425D200013, S425C200018
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)...."

2 CFR 200.302(b) states in part:

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

(2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.328 and 200.329. . . ."

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

Cause: Management had not developed an effective system of internal controls that would have ensured compliance with the grant agreement and the Reporting 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 Reporting compliance requirement could result in the loss of future federal funds to the School Corporation.

Questioned Costs: There were no questioned costs identified.

(Continued)

PERU COMMUNITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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Section III – Federal Award Findings and Questioned Costs (Continued)

FINDING 2022-008 (Continued)

Context: The School Corporation did not have an effective system of internal controls 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 accurately submitted.

The School Corporation had six annual data reports due during the audit period. The Full Time Equivalent (FTE) key line item on both the ESSER I, Fiscal Year 2021 and the GEER, Fiscal Year 2021 annual Data Collection reports were not accurately submitted.

The lack of internal controls and noncompliance were isolated to the ESSER 1, Fiscal Year 2021 and GEER, Fiscal Year 2021 reports.

Identification as a repeat finding, if applicable: No

Recommendation: We recommend that the School Corporation's management establish effective 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.



Administrative Center
35 W. 3rd Street
Peru, IN 46970
765.473.3081
Fax: 765.472.5129
www.peru.k12.in.us



CORRECTIVE ACTION PLAN

FINDING 2022-001

Contact Person Responsible for Corrective Action: ***Dan Durrwachter***
Contact Phone Number: 765-473-3081

Views of Responsible Official: ***We agree with the conditions of these findings. However, we do not agree to the context of the portrayal and representation of Peru Community Schools financial statements. We believe without a gap and in person audit services we could have shown and explained our financial statements.***

Description of Corrective Action Plan: Our SEFA statements will be prepared by our Finance employee it will then be reviewed by the Deputy Treasurer and Treasurer before submission.

Anticipated Completion Date:6/1/2023

FINDING 2022-002

Contact Person Responsible for Corrective Action: ***Dan Durrwachter***
Contact Phone Number: 765-473-3081

Views of Responsible Official: ***We agree with the conditions of these findings. However, we do not agree to the context of the portrayal and representation of Peru Community Schools financial statements. We believe without a gap and in person audit services we could have shown and explained our financial statements.***

Description of Corrective Action Plan: Our Annual Financial Report will be prepared by the Treasurer and then review by our Deputy Treasurer and Financial Specialist before submitting through the gateway portal.

Anticipated Completion Date: 6/1/2023

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CORRECTIVE ACTION PLAN

FINDING 2022-003

Contact Person Responsible for Corrective Action: ***Dan Durrwachter***
Contact Phone Number: 765-473-3081

Views of Responsible Official: ***We agree with these findings.***

Description of Corrective Action Plan:

Our Food Service Director will collect food service amounts that have been collected at each school building through our online management system in skyward. Our Food Service Director will then give the numbers to our Food Service Treasurer where she will review the data and approve the numbers as she submits them for reimbursement through the state.

Anticipated Completion Date:6/01/2023

FINDING 2022-004

Contact Person Responsible for Corrective Action: ***Dan Durrwachter***
Contact Phone Number: 765-473-3081

Views of Responsible Official: ***We agree with these findings.***

Description of Corrective Action Plan:

Our Food Service Director will receive the poverty status application and review them as they are inputted into skyward. Our Food Service Treasurer will review to make sure the application was completed correctly and calculated accurately. Additionally, the food service treasurer will review and approve the uploaded direct certification and income guidelines.

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Anticipated Completion Date: 6/01/2023

FINDING 2022-005

Contact Person Responsible for Corrective Action: ***Dan Durrwachter***
Contact Phone Number: 765-473-3081

Views of Responsible Official: ***We agree with these findings.***

Description of Corrective Action Plan:

The Title 1 treasurer will review all expenditures that are reported at the end of year report. The title 1 treasurer will then have the corporation treasurer review the final report to help ensure that the required level of expenditures for Parental Involvement were spent.

Anticipated Completion Date: 6/01/2023

FINDING 2022-006

Contact Person Responsible for Corrective Action: ***Dan Durrwachter***
Contact Phone Number: 765-473-3081

Views of Responsible Official: ***We agree with these findings.***

Description of Corrective Action Plan: Corporation Test Coordinator will train the site test coordinators. The STCs will then train staff and have staff sign they have been trained. The STC will then give all signed agreements to the CTC who will then check with all signed agreement to all employees who work in the testing schools.

Anticipated Completion Date: 6/01/2023

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FINDING 2022-007

Contact Person Responsible for Corrective Action: ***Dan Durrwachter***
Contact Phone Number: 765-473-3081

Views of Responsible Official: ***We agree with these findings.***

Description of Corrective Action Plan:

We will have our Financial Assistant become the point person for the management of equipment and real property. We will have a semiannual update to our inventory and keep an active identification number, a source of funding for the property, and a use and condition of the property. This report will be signed semiannually as well by the corporation treasurer.

Anticipated Completion Date: : 6/01/2023

FINDING 2022-008

Contact Person Responsible for Corrective Action: ***Dan Durrwachter***
Contact Phone Number: 765-473-3081

Views of Responsible Official: ***We agree with these findings.***

Description of Corrective Action Plan: The financial specialist will prepare a report the data for the reports and will be approved by the treasure to ensure accurate FTE is reported before submitting the reports.

Anticipated Completion Date: : 6/01/2023

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2020-001

Fiscal year in which the finding initially occurred: FY 18-19, FY 19-20

Condition and Context: SEFA reporting procedures were modified to include a third person to verify the report, prior to submittal. Audit adjustments have already been made to the SEFA. SEFA will be prepared by the Deputy Treasurer and then reviewed by our Financial Specialist. Once both agree it will then be review by the Treasurer and submitted. With a proper system of internal control in place that operates effectively, material will be stated more accurately. We also began monthly monitoring of all accounts to make sure they are accurate as well.

Status: This finding is recurring in the current year as Finding 2022-001.

FINDING 2020-002

Fiscal year in which the finding initially occurred: FY 18-19, FY 19-20

Condition and Context: An effective internal control system was not in place at the School Corporation to ensure compliance with requirements related to the grant agreement and the Allowable Costs/Cost Principles and Cash Management compliance requirements. All findings related to 2020-002 have been corrected and are no longer valid. The new procedure for improved controls was put in place by January 1, 2020. The new control utilizes digital timecards, which must have several approvals to improve internal controls. Therefore, the action has since been corrected. Additionally, the corporation treasurer states the cash balance to the school board and states what amount will not be exceed for the that fiscal year.

Status: This finding has been resolved.

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