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STATE BOARD OF ACCOUNTS
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April 14, 2023

To: The Officials of the Lake Ridge School Corporation
Lake Ridge School Corporation
6111 W. Ridge Road
Gary, IN 46408

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Lake Ridge School Corporation. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period July 1, 2019 to June 30, 2021. Per the *Independent Auditor's Report*, the financial statements referred to above present fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2021, and its cash receipts, cash disbursements, and other financing sources (uses) for the period of July 1, 2019 to June 30, 2021 in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

We call your attention to the findings included in the report on pages 38 through 43. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on pages 44 through 46.

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 Lake Ridge School Corporation was prepared in accordance with the guidelines established by the State Board of Accounts.

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

A handwritten signature in black ink that reads "Tammy R. White". The signature is written in a cursive style.

Tammy R. White, CPA
Deputy State Examiner

LAKE RIDGE SCHOOL CORPORATION
Lake County, Indiana

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

LAKE RIDGE SCHOOL CORPORATION
Lake County, Indiana

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

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LAKE RIDGE SCHOOL CORPORATION
SCHEDULE OF OFFICIALS (Unaudited)
For the period July 1, 2019 to June 30, 2021

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|-------------------------------|-----------------------------|----------------------|
| Treasurer | Christina Akers | 07-01-19 to 06-30-21 |
| Superintendent of Schools | Dr. Sharon Johnson- Shirley | 07-01-19 to 06-30-21 |
| President of the School Board | Glenn Johnson | 07-01-19 to 06-30-21 |

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Lake Ridge School Corporation
Lake County, Indiana

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

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

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

(Continued)

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the School Corporation as of June 30, 2021, or changes in net position for the period of July 1, 2019 to June 30, 2021.

Unmodified Opinion on Regulatory Basis of Accounting

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

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The accompanying Schedule of Expenditures of Federal Awards as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Schedule of Officials, Supplementary Information Schedules, and State Reporting Information are presented for purposes of additional analysis and are not a required part of the financial statement.

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

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

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2023, on our consideration of the School Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 31, 2023

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

| Fund | Cash and Investments | | | Other Financing | Cash and Investments | | | Other Financing | Cash and Investments |
|------------------------|----------------------|---------------|---------------|-----------------|----------------------|---------------|---------------|-----------------|----------------------|
| | 07-01-2019 | Receipts | Disbursements | Sources (Uses) | 06-30-2020 | Receipts | Disbursements | Sources (Uses) | 06-30-2021 |
| Education | \$ 2,308,153 | \$ 15,484,127 | \$ 11,106,964 | \$ (4,300,004) | \$ 2,385,312 | \$ 14,716,384 | \$ 10,239,840 | \$ (4,100,000) | \$ 2,761,856 |
| Debt Service | 96,469 | 2,799,255 | 2,734,287 | 561,818 | 723,255 | 3,704,884 | 3,496,349 | (129,784) | 802,006 |
| Exempt Debt | 676,919 | 1,010,906 | 1,126,007 | (561,818) | - | - | - | - | - |
| Operations Fund | 3,296,050 | 1,693,351 | 5,434,098 | 3,025,525 | 2,580,828 | 1,781,753 | 5,258,166 | 3,401,744 | 2,506,159 |
| Local Rainy Day | 4,910,995 | - | 1,895,911 | 680,000 | 3,695,084 | - | 193,498 | 500,000 | 4,001,586 |
| Post Retirement | 1,009,610 | - | 50,004 | - | 959,606 | - | 44,002 | - | 915,604 |
| Common School F | 11,492 | - | - | - | 11,492 | - | - | - | 11,492 |
| 2017 Go Bond | 100,713 | - | 500 | - | 100,213 | - | 100,713 | - | (500) |
| West Gym | 242 | - | - | - | 242 | - | - | - | 242 |
| School Lunch Fu | 1,187,958 | 1,885,601 | 2,781,132 | - | 292,427 | 3,110,573 | 2,121,058 | - | 1,281,942 |
| Textbook Rental | 844,696 | 122,673 | 482,181 | - | 485,188 | 117,877 | 381,968 | 129,784 | 350,881 |
| Self Insurance | 975,493 | 1,403,209 | 1,583,155 | 600,000 | 1,395,547 | 1,499,062 | 1,618,086 | 200,000 | 1,476,523 |
| Safe Schl Comm | 2,798 | - | - | - | 2,798 | - | - | - | 2,798 |
| Education Licen | 1,200 | 131 | - | - | 1,331 | 113 | - | - | 1,444 |
| Donations New T | 5,177 | - | 393 | - | 4,784 | - | - | - | 4,784 |
| Head Start Don. | 3,835 | 100 | 100 | 71 | 3,906 | 525 | - | - | 4,431 |
| Organization/Donations | 16,131 | - | - | (16,131) | - | - | - | - | - |
| Admin/Donation | - | - | 3,512 | 16,131 | 12,619 | - | 414 | - | 12,205 |
| Athlct Donation | 5,544 | 1 | - | - | 5,545 | 1 | - | - | 5,546 |
| Vending Income | - | 1,559 | - | 17,599 | 19,158 | 128 | - | - | 19,286 |
| Scoreboard Adv. | 8,931 | - | - | - | 8,931 | - | - | - | 8,931 |
| Library Grant | (663) | 663 | - | - | - | - | - | - | - |
| Chs Scholarship | 13,304 | - | 6,500 | - | 6,804 | - | 5,500 | - | 1,304 |
| Act Aspire Stud | 1,000 | - | - | 250 | 1,250 | - | - | - | 1,250 |
| Prof Dvlpmt | - | - | - | 5,082 | 5,082 | - | - | - | 5,082 |
| Vending Income | - | - | - | - | - | - | - | - | - |
| Act Aspire Stud | 250 | - | - | (250) | - | - | - | - | - |
| Formative Asses | - | 21,490 | 20,153 | - | 1,337 | 17,185 | 18,260 | - | 262 |
| Tech. Prep. Sta | 1,764 | - | - | (1,764) | - | - | - | - | - |
| Technical Assis | 12,639 | - | - | - | 12,639 | - | - | - | 12,639 |
| Tech Prep | - | - | - | 2,314 | 2,314 | - | - | - | 2,314 |
| State Ae 18/19 | (56,134) | 55,611 | - | 523 | - | - | - | - | - |
| High Ability 17 | (4) | - | - | 4 | - | - | - | - | - |
| Hi Ability 18 | 7,025 | - | 6,836 | (189) | - | - | - | - | - |
| Medicaid | - | - | - | - | - | 7,858 | 5,430 | - | 2,428 |
| Secured Safety | - | - | 50,990 | - | (50,990) | 50,990 | 97,433 | - | (97,433) |
| Secure Safety | (50,000) | 50,000 | - | - | - | - | - | - | - |
| Ind Early Lit | - | 5,250 | 5,700 | - | (450) | - | (450) | - | - |
| Early Int 20/21 | - | - | - | - | - | 4,329 | - | - | 4,329 |
| 17/18 Lilly Gr | 122 | - | - | - | 122 | - | - | - | 122 |
| 18/19 Lilly Gr | 100,649 | - | 60,265 | - | 40,384 | - | 24,062 | - | 16,322 |
| Nesp 19/20 | - | 25,067 | 17,805 | - | 7,262 | - | 7,241 | - | 21 |
| Nesp 20/21 | - | - | - | - | - | 24,311 | 7,735 | - | 16,576 |
| Nesp 18/19 | 5,134 | - | 4,081 | - | 1,053 | - | - | - | 1,053 |
| Nesp 17/18 | 1 | - | - | (1) | - | - | - | - | - |

(Continued)

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

| Fund | Cash and Investments 07-01-2019 | | | Other Financing Sources (Uses) | | Cash and Investments 06-30-2020 | | | Other Financing Sources (Uses) | | Cash and Investments 06-30-2021 | |
|--|------------------------------------|----------------------|----------------------|-----------------------------------|----------------------|------------------------------------|----------------------|-----------------|-----------------------------------|-----------|------------------------------------|--|
| | Receipts | Disbursements | | | | Receipts | Disbursements | | | | | |
| Erate Reimburse | \$ - | \$ 3,694 | \$ - | \$ - | \$ 3,694 | \$ - | \$ - | \$ - | \$ - | \$ 3,694 | | |
| Hi Ability | - | 33,105 | 22,154 | 189 | 11,140 | 26,873 | 16,878 | - | - | 21,135 | | |
| Tech Literacy | 550 | - | - | (550) | - | - | - | - | - | - | | |
| Vending | 15,965 | 1,767 | 134 | (17,598) | - | - | - | - | - | - | | |
| Ti Basic 19/20 | - | 631,311 | 992,562 | - | (361,251) | 525,953 | 167,871 | - | - | (3,169) | | |
| Ti Basic 20/21 | - | - | - | - | - | - | 906,427 | - | - | (906,427) | | |
| Title I School | (173,173) | 322,514 | 149,341 | - | - | - | - | - | - | - | | |
| Hp Sig 18/19 Sy | (36,466) | 44,833 | 8,367 | - | - | - | - | - | - | - | | |
| Fed Adult Ed | 6,440 | - | - | (6,440) | - | - | - | - | - | - | | |
| Adult Ed 17/18 | 16 | - | - | (16) | - | - | - | - | - | - | | |
| 18/19 Adult Ed | (39,180) | 38,657 | - | 523 | - | - | - | - | - | - | | |
| Title Iv Fy19 | - | 2,230 | 13,514 | - | (11,284) | 11,284 | 29,463 | - | - | (29,463) | | |
| Title Iv 17-18 | (18,028) | 39,853 | 21,825 | - | - | - | - | - | - | - | | |
| Title Iv Fy18 | - | 22,615 | 25,422 | - | (2,807) | 2,807 | - | - | - | - | | |
| Wellness Grant | 414 | - | - | - | 414 | - | - | - | - | 414 | | |
| Hd St. Duration | (5,353) | 5,353 | - | - | - | - | - | - | - | - | | |
| 2018 Head Start | 71 | - | - | (71) | - | - | - | - | - | - | | |
| Head Start | (54,965) | 90,673 | 35,708 | - | - | - | - | - | - | - | | |
| Head St. 19/20 | - | 430,190 | 430,190 | - | - | - | - | - | - | - | | |
| Head St. 20/21 | - | 155,589 | 305,902 | - | (150,313) | 687,117 | 536,804 | - | - | - | | |
| Head Start Stim | - | - | - | - | - | 94,070 | 94,070 | - | - | - | | |
| Head St. 21/22 | - | - | - | - | - | 193,314 | 299,648 | - | - | (106,334) | | |
| Hs Summer 2021 | - | - | - | - | - | - | 3,865 | - | - | (3,865) | | |
| 21St Cent 19/20 | (9,222) | 86,934 | 140,747 | - | (63,035) | 88,066 | 25,032 | - | - | (1) | | |
| 21St Cent 20/21 | - | - | - | - | - | 93,660 | 127,257 | - | - | (33,597) | | |
| 21St Cent 21/22 | - | - | - | - | - | - | 6,133 | - | - | (6,133) | | |
| 18-19 Hi-Def | (6,144) | 31,510 | 25,366 | - | - | - | - | - | - | - | | |
| Title Ii Part A | 5,082 | - | - | (5,082) | - | - | - | - | - | - | | |
| Tii A 19/21 | - | - | 12,835 | - | (12,835) | 12,835 | 11,578 | - | - | (11,578) | | |
| Tii A 21/23 | - | - | - | - | - | - | 2,540 | - | - | (2,540) | | |
| Title Ii Part A | 96 | - | - | - | 96 | - | - | - | - | 96 | | |
| Title Ii Part A | (6,938) | 78,016 | 71,078 | - | - | - | - | - | - | - | | |
| Tiia 18/20 | - | 30,655 | 50,165 | - | (19,510) | 19,510 | - | - | - | - | | |
| Title Iii 17/19 | (279) | 2,914 | 2,635 | - | - | - | - | - | - | - | | |
| Governor's Emergency Education Relief (GEER) | - | - | 3,277 | - | (3,277) | - | 226,502 | - | - | (229,779) | | |
| ESSER I | - | - | - | - | - | - | 233,580 | - | - | (233,580) | | |
| Prepaid School Lunch | 84,036 | 152,424 | 153,946 | - | 82,514 | 24,713 | 24,713 | - | - | 82,514 | | |
| Payroll Clearing | (81,525) | 4,010,928 | 3,897,406 | - | 31,997 | 3,657,311 | 3,662,954 | - | - | 26,354 | | |
| Chs Clearing | - | - | 1,140 | - | (1,140) | - | 27,897 | - | - | (29,037) | | |
| Replacement Cks | - | - | - | - | - | 2,252 | 518 | - | - | 1,734 | | |
| Totals | \$ 15,178,890 | \$ 30,774,759 | \$ 33,734,288 | \$ 115 | \$ 12,219,476 | \$ 30,475,738 | \$ 30,023,035 | \$ 1,744 | \$ 12,673,923 | | | |

See notes to financial statement.

LAKE RIDGE SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
As of June 30, 2021, and for the period July 1, 2019 to June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

LAKE RIDGE SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENTS
As of June 30, 2021, and for the period July 1, 2019 to June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

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.

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 statements 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, 2020, and 2021. Deficits in other fund balances, including the 2017 Go Bonds and CHS Clearing 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 a series of capital leases with the Lake Ridge Multi School Building Corp. (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments for the period July 1, 2019 to June 30, 2020 totaled \$577,750. Lease payments for the period July 1, 2020 to June 30, 2021 totaled \$582,750.

NOTE 8 - PENSION PLANS

Public Employees' Retirement Fund

Plan Description

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

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

Financial Report

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

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

Contributions

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

(Continued)

NOTE 8 - PENSION PLANS (Continued)

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.

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

(Continued)

NOTE 8 - PENSION PLANS (Continued)

Contributions

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

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

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

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS

The School Corporation provides the following benefits: participation in the School Corporation's health insurance plan solely at the retiree's expense, to eligible retirees and their spouses. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation.

NOTE 10 - SUBSEQUENT EVENTS

In November 2022, the Holding Corporation closed on subsequent debt in the amount of \$20,850,000, to help finance capital improvements to and acquisition of equipment for Calumet High School.

SUPPLEMENTARY INFORMATION

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

| | Education | Debt Service | Exempt Debt | Operations Fund | Local Rainy Day | Post Retirement | Common School F | 2017 Go Bond | West Gym | School Lunch Fu | Textbook Rental |
|---|--------------|--------------|-------------|-----------------|-----------------|-----------------|--------------------|--------------|----------|-----------------|-----------------|
| Cash and investments - beginning | \$ 2,308,153 | \$ 96,469 | \$ 676,919 | \$ 3,296,050 | \$ 4,910,995 | \$ 1,009,610 | \$ 11,492 | \$ 100,713 | \$ 242 | \$ 1,187,958 | \$ 844,696 |
| Receipts: | | | | | | | | | | | |
| Local sources | 545,641 | 2,799,255 | 1,010,906 | 1,690,832 | - | - | - | - | - | 94,923 | 11,733 |
| Intermediate sources | 4 | - | - | 1,730 | - | - | - | - | - | - | - |
| State sources | 14,936,832 | - | - | - | - | - | - | - | - | 1,540 | 110,940 |
| Federal sources | - | - | - | - | - | - | - | - | - | 1,789,138 | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Other receipts | 1,650 | - | - | 789 | - | - | - | - | - | - | - |
| Total receipts | 15,484,127 | 2,799,255 | 1,010,906 | 1,693,351 | - | - | - | - | - | 1,885,601 | 122,673 |
| Disbursements: | | | | | | | | | | | |
| Instruction | 8,202,590 | - | - | - | 3,249 | - | - | - | - | - | - |
| Support services | 2,502,521 | - | - | 5,292,487 | - | 50,004 | - | - | - | 420 | 482,181 |
| Noninstructional services | 401,853 | - | - | 2,138 | - | - | - | - | - | 1,746,143 | - |
| Facilities acquisition and construction | - | - | - | 139,473 | 1,892,662 | - | - | 500 | - | 1,034,569 | - |
| Debt services | - | 2,734,287 | 1,126,007 | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | 11,106,964 | 2,734,287 | 1,126,007 | 5,434,098 | 1,895,911 | 50,004 | - | 500 | - | 2,781,132 | 482,181 |
| Excess (deficiency) of receipts over disbursements | 4,377,163 | 64,968 | (115,101) | (3,740,747) | (1,895,911) | (50,004) | - | (500) | - | (895,531) | (359,508) |
| Other financing sources (uses): | | | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | 115 | - | - | - | - | - | - | - |
| Transfers in | 1 | 561,818 | - | 4,305,410 | 680,000 | - | - | - | - | - | - |
| Transfers out | (4,300,005) | - | (561,818) | (1,280,000) | - | - | - | - | - | - | - |
| Total other financing sources (uses) | (4,300,004) | 561,818 | (561,818) | 3,025,525 | 680,000 | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 77,159 | 626,786 | (676,919) | (715,222) | (1,215,911) | (50,004) | - | (500) | - | (895,531) | (359,508) |
| Cash and investments - ending | \$ 2,385,312 | \$ 723,255 | \$ - | \$ 2,580,828 | \$ 3,695,084 | \$ 959,606 | \$ 11,492 | \$ 100,213 | \$ 242 | \$ 292,427 | \$ 485,188 |

(Continued)

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

| | Self Insurance | Safe Schl Comm | Education Licen | Donations New T | Head Start Don. | Organization/Don ations | Admin/Donation | Athlctc Donation | Vending Income | Scoreboard Adv. | Library Grant | Chs Scholarship |
|---|----------------|-------------------|--------------------|-----------------|-----------------|----------------------------|----------------|---------------------|-------------------|--------------------|---------------|--------------------|
| Cash and investments - beginning | \$ 975,493 | \$ 2,798 | \$ 1,200 | \$ 5,177 | \$ 3,835 | \$ 16,131 | \$ - | \$ 5,544 | \$ - | \$ 8,931 | \$ (663) | \$ 13,304 |
| Receipts: | | | | | | | | | | | | |
| Local sources | 1,391,899 | - | - | - | 100 | - | - | 1 | 1,559 | - | 663 | - |
| Intermediate sources | - | - | 131 | - | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - | - |
| Other receipts | 11,310 | - | - | - | - | - | - | - | - | - | - | - |
| Total receipts | 1,403,209 | - | 131 | - | 100 | - | - | 1 | 1,559 | - | 663 | - |
| Disbursements: | | | | | | | | | | | | |
| Instruction | - | - | - | - | 100 | - | 1,000 | - | - | - | - | - |
| Support services | - | - | - | 393 | - | - | 2,512 | - | - | - | - | - |
| Noninstructional services | - | - | - | - | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | 1,583,155 | - | - | - | - | - | - | - | - | - | - | 6,500 |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | 1,583,155 | - | - | 393 | 100 | - | 3,512 | - | - | - | - | 6,500 |
| Excess (deficiency) of receipts over disbursements | (179,946) | - | 131 | (393) | - | - | (3,512) | 1 | 1,559 | - | 663 | (6,500) |
| Other financing sources (uses): | | | | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers in | 600,000 | - | - | - | 71 | - | 16,131 | - | 18,736 | - | - | - |
| Transfers out | - | - | - | - | - | (16,131) | - | - | (1,137) | - | - | - |
| Total other financing sources (uses) | 600,000 | - | - | - | 71 | (16,131) | 16,131 | - | 17,599 | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 420,054 | - | 131 | (393) | 71 | (16,131) | 12,619 | 1 | 19,158 | - | 663 | (6,500) |
| Cash and investments - ending | \$ 1,395,547 | \$ 2,798 | \$ 1,331 | \$ 4,784 | \$ 3,906 | \$ - | \$ 12,619 | \$ 5,545 | \$ 19,158 | \$ 8,931 | \$ - | \$ 6,804 |

(Continued)

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

| | Act Aspire Stud | Prof Dvlpmt | Vending Income | Act Aspire Stud | Formative Asses | Tech. Prep. Sta | Technical Assis | Tech Prep | State Ae 18/19 | High Ability 17 | Hi Ability 18 | Secured Safety |
|---|-----------------|-------------|-------------------|--------------------|--------------------|-----------------|--------------------|-----------|----------------|-----------------|---------------|----------------|
| Cash and investments - beginning | \$ 1,000 | \$ - | \$ - | \$ 250 | \$ - | \$ 1,764 | \$ 12,639 | \$ - | \$ (56,134) | \$ (4) | \$ 7,025 | \$ - |
| Receipts: | | | | | | | | | | | | |
| Local sources | - | - | - | - | - | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | 21,490 | - | - | - | 55,611 | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - | - | - | - | - | - |
| Total receipts | - | - | - | - | 21,490 | - | - | - | 55,611 | - | - | - |
| Disbursements: | | | | | | | | | | | | |
| Instruction | - | - | - | - | 20,153 | - | - | - | - | - | 6,836 | - |
| Support services | - | - | - | - | - | - | - | - | - | - | - | 50,990 |
| Noninstructional services | - | - | - | - | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | - | - | - | - | 20,153 | - | - | - | - | - | 6,836 | 50,990 |
| Excess (deficiency) of receipts over disbursements | - | - | - | - | 1,337 | - | - | - | 55,611 | - | (6,836) | (50,990) |
| Other financing sources (uses): | | | | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers in | 250 | 5,082 | 17,598 | - | - | - | - | 2,314 | 523 | 4 | - | - |
| Transfers out | - | - | (17,598) | (250) | - | (1,764) | - | - | - | - | (189) | - |
| Total other financing sources (uses) | 250 | 5,082 | - | (250) | - | (1,764) | - | 2,314 | 523 | 4 | (189) | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 250 | 5,082 | - | (250) | 1,337 | (1,764) | - | 2,314 | 56,134 | 4 | (7,025) | (50,990) |
| Cash and investments - ending | \$ 1,250 | \$ 5,082 | \$ - | \$ - | \$ 1,337 | \$ - | \$ 12,639 | \$ 2,314 | \$ - | \$ - | \$ - | \$ (50,990) |

(Continued)

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

| | Secure Safety | Ind Early Lit | 17/18 Lilly Gr | 18/19 Lilly Gr | Nesp 19/20 | Nesp 18/19 | Nesp 17/18 | Erate Reimburse | Hi Ability | Tech Literacy | Vending |
|---|---------------|---------------|----------------|----------------|------------|------------|------------|-----------------|------------|---------------|-----------|
| Cash and investments - beginning | \$ (50,000) | \$ - | \$ 122 | \$ 100,649 | \$ - | \$ 5,134 | \$ 1 | \$ - | \$ - | \$ 550 | \$ 15,965 |
| Receipts: | | | | | | | | | | | |
| Local sources | - | - | - | - | - | - | - | 3,694 | - | - | 1,767 |
| Intermediate sources | - | - | - | - | - | - | - | - | - | - | - |
| State sources | 50,000 | 5,250 | - | - | 25,067 | - | - | - | 33,105 | - | - |
| Federal sources | - | - | - | - | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - | - | - | - | - |
| Total receipts | 50,000 | 5,250 | - | - | 25,067 | - | - | 3,694 | 33,105 | - | 1,767 |
| Disbursements: | | | | | | | | | | | |
| Instruction | - | 450 | - | - | 8,444 | 4,081 | - | - | 22,154 | - | - |
| Support services | - | 5,250 | - | 60,265 | 8,132 | - | - | - | - | - | 134 |
| Noninstructional services | - | - | - | - | 1,229 | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | - | 5,700 | - | 60,265 | 17,805 | 4,081 | - | - | 22,154 | - | 134 |
| Excess (deficiency) of receipts over disbursements | 50,000 | (450) | - | (60,265) | 7,262 | (4,081) | - | 3,694 | 10,951 | - | 1,633 |
| Other financing sources (uses): | | | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - | 189 | - | - |
| Transfers out | - | - | - | - | - | - | (1) | - | - | (550) | (17,598) |
| Total other financing sources (uses) | - | - | - | - | - | - | (1) | - | 189 | (550) | (17,598) |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 50,000 | (450) | - | (60,265) | 7,262 | (4,081) | (1) | 3,694 | 11,140 | (550) | (15,965) |
| Cash and investments - ending | \$ - | \$ (450) | \$ 122 | \$ 40,384 | \$ 7,262 | \$ 1,053 | \$ - | \$ 3,694 | \$ 11,140 | \$ - | \$ - |

(Continued)

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

| | Ti Basic 19/20 | Ti Basic 20/21 | Title I School | Hp Sig 18/19 Sy | Fed Adult Ed | Adult Ed 17/18 | 18/19 Adult Ed | Title Iv Fy19 | Title Iv 17-18 | Title Iv Fy18 |
|---|----------------|----------------|----------------|-----------------|----------------|----------------|----------------|---------------|----------------|---------------|
| Cash and investments - beginning | \$ - | \$ - | \$ (173,173) | \$ (36,466) | \$ 6,440 | \$ 16 | \$ (39,180) | \$ - | \$ (18,028) | \$ - |
| Receipts: | | | | | | | | | | |
| Local sources | - | - | - | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | 38,657 | - | - | - |
| Federal sources | 631,311 | - | 322,514 | 44,833 | - | - | - | 2,230 | 39,853 | 22,615 |
| Temporary loans | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - | - | - | - |
| Total receipts | 631,311 | - | 322,514 | 44,833 | - | - | 38,657 | 2,230 | 39,853 | 22,615 |
| Disbursements: | | | | | | | | | | |
| Instruction | 647,607 | - | 64,706 | - | - | - | - | - | - | - |
| Support services | 328,817 | - | 77,044 | 8,367 | - | - | - | 13,514 | 21,825 | 25,422 |
| Noninstructional services | 16,138 | - | 7,591 | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | 992,562 | - | 149,341 | 8,367 | - | - | - | 13,514 | 21,825 | 25,422 |
| Excess (deficiency) of receipts over disbursements | (361,251) | - | 173,173 | 36,466 | - | - | 38,657 | (11,284) | 18,028 | (2,807) |
| Other financing sources (uses): | | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | 523 | - | - | - |
| Transfers out | - | - | - | - | (6,440) | (16) | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | (6,440) | (16) | 523 | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (361,251) | - | 173,173 | 36,466 | (6,440) | (16) | 39,180 | (11,284) | 18,028 | (2,807) |
| Cash and investments - ending | \$ (361,251) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (11,284) | \$ - | \$ (2,807) |

(Continued)

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

| | Wellness Grant | Hd St. Duration | 2018 Head Start | Head Start | Head St. 19/20 | Head St. 20/21 | 21St Cent 19/20 | 18-19 Hi-Def | Title li Part A | Tii A 19/21 |
|---|----------------|-----------------|-----------------|-------------|----------------|----------------|-----------------|--------------|-----------------|-------------|
| Cash and investments - beginning | \$ 414 | \$ (5,353) | \$ 71 | \$ (54,965) | \$ - | \$ - | \$ (9,222) | \$ (6,144) | \$ 5,082 | \$ - |
| Receipts: | | | | | | | | | | |
| Local sources | - | - | - | 332 | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - | - | - | - |
| Federal sources | - | 5,353 | - | 90,341 | 430,190 | 155,589 | 86,934 | 31,510 | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - | - | - | - |
| Total receipts | - | 5,353 | - | 90,673 | 430,190 | 155,589 | 86,934 | 31,510 | - | - |
| Disbursements: | | | | | | | | | | |
| Instruction | - | - | - | 34,335 | 421,223 | 302,721 | 54,476 | 25,266 | - | 8,502 |
| Support services | - | - | - | 1,373 | 8,233 | 3,170 | 86,271 | 100 | - | 4,333 |
| Noninstructional services | - | - | - | - | 734 | 11 | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | - | - | - | 35,708 | 430,190 | 305,902 | 140,747 | 25,366 | - | 12,835 |
| Excess (deficiency) of receipts over disbursements | - | 5,353 | - | 54,965 | - | (150,313) | (53,813) | 6,144 | - | (12,835) |
| Other financing sources (uses): | | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - | - | - |
| Transfers out | - | - | (71) | - | - | - | - | - | (5,082) | - |
| Total other financing sources (uses) | - | - | (71) | - | - | - | - | - | (5,082) | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | 5,353 | (71) | 54,965 | - | (150,313) | (53,813) | 6,144 | (5,082) | (12,835) |
| Cash and investments - ending | \$ 414 | \$ - | \$ - | \$ - | \$ - | \$ (150,313) | \$ (63,035) | \$ - | \$ - | \$ (12,835) |

(Continued)

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

| | Title li Part A | Title li Part A | Tiia 18/20 | Title lii 17/19 | Governor's Emergency Education Relief (GEER) | Prepaid School Lunch | Payroll Clearing | Chs Clearing | Totals |
|---|-----------------|-----------------|-------------|-----------------|---|-------------------------|------------------|--------------|---------------|
| Cash and investments - beginning | \$ 96 | \$ (6,938) | \$ - | \$ (279) | \$ - | \$ 84,036 | \$ (81,525) | \$ - | \$ 15,178,890 |
| Receipts: | | | | | | | | | |
| Local sources | - | - | - | - | - | - | - | - | 7,553,305 |
| Intermediate sources | - | - | - | - | - | - | - | - | 1,865 |
| State sources | - | - | - | - | - | - | - | - | 15,278,492 |
| Federal sources | - | 78,016 | 30,655 | 2,914 | - | - | - | - | 3,763,996 |
| Temporary loans | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | 152,424 | 4,010,928 | - | 4,177,101 |
| Total receipts | - | 78,016 | 30,655 | 2,914 | - | 152,424 | 4,010,928 | - | 30,774,759 |
| Disbursements: | | | | | | | | | |
| Instruction | - | 56,979 | 39,687 | 2,635 | - | - | - | - | 9,927,194 |
| Support services | - | 14,099 | 10,478 | - | 3,277 | - | - | - | 9,061,612 |
| Noninstructional services | - | - | - | - | - | - | - | - | 2,175,837 |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | 3,067,204 |
| Debt services | - | - | - | - | - | - | - | - | 3,860,294 |
| Nonprogrammed charges | - | - | - | - | - | 153,946 | 3,897,406 | 1,140 | 5,642,147 |
| Interfund loans | - | - | - | - | - | - | - | - | - |
| Total disbursements | - | 71,078 | 50,165 | 2,635 | 3,277 | 153,946 | 3,897,406 | 1,140 | 33,734,288 |
| Excess (deficiency) of receipts over disbursements | - | 6,938 | (19,510) | 279 | (3,277) | (1,522) | 113,522 | (1,140) | (2,959,529) |
| Other financing sources (uses): | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | 115 |
| Transfers in | - | - | - | - | - | - | - | - | 6,208,650 |
| Transfers out | - | - | - | - | - | - | - | - | (6,208,650) |
| Total other financing sources (uses) | - | - | - | - | - | - | - | - | 115 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | 6,938 | (19,510) | 279 | (3,277) | (1,522) | 113,522 | (1,140) | (2,959,414) |
| Cash and investments - ending | \$ 96 | \$ - | \$ (19,510) | \$ - | \$ (3,277) | \$ 82,514 | \$ 31,997 | \$ (1,140) | \$ 12,219,476 |

LAKE RIDGE 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 | Exempt Debt | Operations Fund | Local Rainy Day | Post Retirement | Common School F | 2017 Go Bond | West Gym | School Lunch Fu | Textbook Rental |
|---|--------------|--------------|-------------|-----------------|-----------------|-----------------|--------------------|--------------|----------|-----------------|-----------------|
| Cash and investments - beginning | \$ 2,385,312 | \$ 723,255 | \$ - | \$ 2,580,828 | \$ 3,695,084 | \$ 959,606 | \$ 11,492 | \$ 100,213 | \$ 242 | \$ 292,427 | \$ 485,188 |
| Receipts: | | | | | | | | | | | |
| Local sources | 438,579 | 3,704,884 | - | 1,781,753 | - | - | - | - | - | 7,738 | 117,877 |
| Intermediate sources | 7 | - | - | - | - | - | - | - | - | - | - |
| State sources | 14,275,998 | - | - | - | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - | - | 3,102,835 | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Other receipts | 1,800 | - | - | - | - | - | - | - | - | - | - |
| Total receipts | 14,716,384 | 3,704,884 | - | 1,781,753 | - | - | - | - | - | 3,110,573 | 117,877 |
| Disbursements: | | | | | | | | | | | |
| Instruction | 7,475,254 | - | - | - | - | - | - | - | - | - | - |
| Support services | 2,369,522 | - | - | 5,257,435 | - | 44,002 | - | 100,213 | - | - | 381,968 |
| Noninstructional services | 395,064 | - | - | - | - | - | - | - | - | 2,115,708 | - |
| Facilities acquisition and construction | - | - | - | 731 | 193,498 | - | - | 500 | - | 5,350 | - |
| Debt services | - | 3,496,349 | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | 10,239,840 | 3,496,349 | - | 5,258,166 | 193,498 | 44,002 | - | 100,713 | - | 2,121,058 | 381,968 |
| Excess (deficiency) of receipts over disbursements | 4,476,544 | 208,535 | - | (3,476,413) | (193,498) | (44,002) | - | (100,713) | - | 989,515 | (264,091) |
| Other financing sources (uses) | | | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | 1,744 | - | - | - | - | - | - | - |
| Transfers in | - | - | - | 3,900,000 | 500,000 | - | - | - | - | - | 129,784 |
| Transfers out | (4,100,000) | (129,784) | - | (500,000) | - | - | - | - | - | - | - |
| Total other financing sources (uses) | (4,100,000) | (129,784) | - | 3,401,744 | 500,000 | - | - | - | - | - | 129,784 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 376,544 | 78,751 | - | (74,669) | 306,502 | (44,002) | - | (100,713) | - | 989,515 | (134,307) |
| Cash and investments - ending | \$ 2,761,856 | \$ 802,006 | \$ - | \$ 2,506,159 | \$ 4,001,586 | \$ 915,604 | \$ 11,492 | \$ (500) | \$ 242 | \$ 1,281,942 | \$ 350,881 |

(Continued)

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

| | Self Insurance | Safe Schl Comm | Education Licen | Donations New T | Head Start Don. | Admin/Donation | Athltc Donation | Vending Income | Scoreboard Adv. | Chs Scholarship | Act Aspire Stud |
|---|----------------|-------------------|-----------------|--------------------|-----------------|----------------|-----------------|----------------|-----------------|-----------------|-----------------|
| Cash and investments - beginning | \$ 1,395,547 | \$ 2,798 | \$ 1,331 | \$ 4,784 | \$ 3,906 | \$ 12,619 | \$ 5,545 | \$ 19,158 | \$ 8,931 | \$ 6,804 | \$ 1,250 |
| Receipts: | | | | | | | | | | | |
| Local sources | 1,487,758 | - | - | - | 525 | - | 1 | 128 | - | - | - |
| Intermediate sources | - | - | 113 | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Other receipts | 11,304 | - | - | - | - | - | - | - | - | - | - |
| Total receipts | 1,499,062 | - | 113 | - | 525 | - | 1 | 128 | - | - | - |
| Disbursements: | | | | | | | | | | | |
| Instruction | - | - | - | - | - | - | - | - | - | - | - |
| Support services | - | - | - | - | - | 414 | - | - | - | - | - |
| Noninstructional services | - | - | - | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | 1,618,086 | - | - | - | - | - | - | - | - | 5,500 | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | 1,618,086 | - | - | - | - | 414 | - | - | - | 5,500 | - |
| Excess (deficiency) of receipts over disbursements | (119,024) | - | 113 | - | 525 | (414) | 1 | 128 | - | (5,500) | - |
| Other financing sources (uses) | | | | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - | - | - | - |
| Transfers in | 200,000 | - | - | - | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | 200,000 | - | - | - | - | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 80,976 | - | 113 | - | 525 | (414) | 1 | 128 | - | (5,500) | - |
| Cash and investments - ending | \$ 1,476,523 | \$ 2,798 | \$ 1,444 | \$ 4,784 | \$ 4,431 | \$ 12,205 | \$ 5,546 | \$ 19,286 | \$ 8,931 | \$ 1,304 | \$ 1,250 |

(Continued)

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

| | Prof Dvlpmt | Formative Asses | Technical Assis | Tech Prep | Medicaid | Secured Safety | Ind Early Lit | Early Int 20/21 | 17/18 Lilly Gr | 18/19 Lilly Gr | Nesp 19/20 |
|---|-------------|-----------------|-----------------|-----------|----------|----------------|---------------|-----------------|----------------|----------------|------------|
| Cash and investments - beginning | \$ 5,082 | \$ 1,337 | \$ 12,639 | \$ 2,314 | \$ - | \$ (50,990) | \$ (450) | \$ - | \$ 122 | \$ 40,384 | \$ 7,262 |
| Receipts: | | | | | | | | | | | |
| Local sources | - | - | - | - | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - | - | - | - |
| State sources | - | 17,185 | - | - | 7,858 | 50,990 | - | 4,329 | - | - | - |
| Federal sources | - | - | - | - | - | - | - | - | - | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - | - | - | - | - |
| Total receipts | - | 17,185 | - | - | 7,858 | 50,990 | - | 4,329 | - | - | - |
| Disbursements: | | | | | | | | | | | |
| Instruction | - | 18,260 | - | - | - | - | (450) | - | - | - | - |
| Support services | - | - | - | - | 5,430 | 97,433 | - | - | - | 24,062 | 7,050 |
| Noninstructional services | - | - | - | - | - | - | - | - | - | - | 191 |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | - | 18,260 | - | - | 5,430 | 97,433 | (450) | - | - | 24,062 | 7,241 |
| Excess (deficiency) of receipts over disbursements | - | (1,075) | - | - | 2,428 | (46,443) | 450 | 4,329 | - | (24,062) | (7,241) |
| 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 | - | (1,075) | - | - | 2,428 | (46,443) | 450 | 4,329 | - | (24,062) | (7,241) |
| Cash and investments - ending | \$ 5,082 | \$ 262 | \$ 12,639 | \$ 2,314 | \$ 2,428 | \$ (97,433) | \$ - | \$ 4,329 | \$ 122 | \$ 16,322 | \$ 21 |

(Continued)

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

| | Nesp 20/21 | Nesp 18/19 | Erate Reimburse | Hi Ability | Ti Basic 19/20 | Ti Basic 20/21 | Title Iv Fy19 | Title Iv Fy18 | Wellness Grant | Head St. 20/21 |
|---|------------|------------|-----------------|------------|----------------|----------------|---------------|---------------|----------------|----------------|
| Cash and investments - beginning | \$ - | \$ 1,053 | \$ 3,694 | \$ 11,140 | \$ (361,251) | \$ - | \$ (11,284) | \$ (2,807) | \$ 414 | \$ (150,313) |
| Receipts: | | | | | | | | | | |
| Local sources | - | - | - | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - | - | - |
| State sources | 24,311 | - | - | 26,873 | - | - | - | - | - | - |
| Federal sources | - | - | - | - | 525,953 | - | 11,284 | 2,807 | - | 687,117 |
| Temporary loans | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - | - | - | - |
| Total receipts | 24,311 | - | - | 26,873 | 525,953 | - | 11,284 | 2,807 | - | 687,117 |
| Disbursements: | | | | | | | | | | |
| Instruction | 5,122 | - | - | 16,878 | 94,369 | 494,436 | - | - | - | 525,692 |
| Support services | 2,587 | - | - | - | 71,751 | 358,699 | 29,463 | - | - | 10,681 |
| Noninstructional services | 26 | - | - | - | 1,751 | 53,292 | - | - | - | 431 |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | 7,735 | - | - | 16,878 | 167,871 | 906,427 | 29,463 | - | - | 536,804 |
| Excess (deficiency) of receipts over disbursements | 16,576 | - | - | 9,995 | 358,082 | (906,427) | (18,179) | 2,807 | - | 150,313 |
| 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 | 16,576 | - | - | 9,995 | 358,082 | (906,427) | (18,179) | 2,807 | - | 150,313 |
| Cash and investments - ending | \$ 16,576 | \$ 1,053 | \$ 3,694 | \$ 21,135 | \$ (3,169) | \$ (906,427) | \$ (29,463) | \$ - | \$ 414 | \$ - |

(Continued)

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

| | Head Start Stim | Head St. 21/22 | Hs Summer 2021 | 21St Cent 19/20 | 21St Cent 20/21 | 21St Cent 21/22 | 18-19 Hi-Def | Tii A 19/21 | Tii A 21/23 | Title li Part A |
|---|-----------------|----------------|----------------|-----------------|-----------------|-----------------|--------------|-------------|-------------|-----------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ (63,035) | \$ - | \$ - | \$ - | \$ (12,835) | \$ - | \$ 96 |
| Receipts: | | | | | | | | | | |
| Local sources | - | - | - | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - | - | - | - |
| Federal sources | 94,070 | 193,314 | - | 88,066 | 93,660 | - | - | 12,835 | - | - |
| Temporary loans | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | - | - | - | - |
| Total receipts | 94,070 | 193,314 | - | 88,066 | 93,660 | - | - | 12,835 | - | - |
| Disbursements: | | | | | | | | | | |
| Instruction | 92,750 | 296,300 | 3,865 | 22,774 | 122,565 | 6,133 | - | 11,578 | 2,540 | - |
| Support services | 1,320 | 3,168 | - | 2,258 | 4,692 | - | - | - | - | - |
| Noninstructional services | - | 180 | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - | - | - |
| Total disbursements | 94,070 | 299,648 | 3,865 | 25,032 | 127,257 | 6,133 | - | 11,578 | 2,540 | - |
| Excess (deficiency) of receipts over disbursements | - | (106,334) | (3,865) | 63,034 | (33,597) | (6,133) | - | 1,257 | (2,540) | - |
| 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 | - | (106,334) | (3,865) | 63,034 | (33,597) | (6,133) | - | 1,257 | (2,540) | - |
| Cash and investments - ending | \$ - | \$ (106,334) | \$ (3,865) | \$ (1) | \$ (33,597) | \$ (6,133) | \$ - | \$ (11,578) | \$ (2,540) | \$ 96 |

(Continued)

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

| | Tiia 18/20 | Governor's Emergency Education Relief (GEER) | ESSER I | Prepaid Meals | Pr/Withholding | Chs Clearing | Replacement Cks | Totals |
|---|-------------|---|--------------|---------------|----------------|--------------|--------------------|---------------|
| Cash and investments - beginning | \$ (19,510) | \$ (3,277) | \$ - | \$ 82,514 | \$ 31,997 | \$ (1,140) | \$ - | \$ 12,219,476 |
| Receipts: | | | | | | | | |
| Local sources | - | - | - | - | - | - | 518 | 7,539,761 |
| Intermediate sources | - | - | - | - | - | - | - | 120 |
| State sources | - | - | - | - | - | - | - | 14,407,544 |
| Federal sources | 19,510 | - | - | - | - | - | - | 4,831,451 |
| Temporary loans | - | - | - | - | - | - | - | - |
| Interfund loans | - | - | - | - | - | - | - | - |
| Other receipts | - | - | - | 24,713 | 3,657,311 | - | 1,734 | 3,696,862 |
| Total receipts | 19,510 | - | - | 24,713 | 3,657,311 | - | 2,252 | 30,475,738 |
| Disbursements: | | | | | | | | |
| Instruction | - | - | 3,917 | - | - | 27,897 | 518 | 9,220,398 |
| Support services | - | 226,502 | 229,663 | - | - | - | - | 9,228,313 |
| Noninstructional services | - | - | - | - | - | - | - | 2,566,643 |
| Facilities acquisition and construction | - | - | - | - | - | - | - | 200,079 |
| Debt services | - | - | - | - | - | - | - | 3,496,349 |
| Nonprogrammed charges | - | - | - | 24,713 | 3,662,954 | - | - | 5,311,253 |
| Interfund loans | - | - | - | - | - | - | - | - |
| Total disbursements | - | 226,502 | 233,580 | 24,713 | 3,662,954 | 27,897 | 518 | 30,023,035 |
| Excess (deficiency) of receipts over disbursements | 19,510 | (226,502) | (233,580) | - | (5,643) | (27,897) | 1,734 | 452,703 |
| Other financing sources (uses) | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | 1,744 |
| Transfers in | - | - | - | - | - | - | - | 4,729,784 |
| Transfers out | - | - | - | - | - | - | - | (4,729,784) |
| Total other financing sources (uses) | - | - | - | - | - | - | - | 1,744 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | 19,510 | (226,502) | (233,580) | - | (5,643) | (27,897) | 1,734 | 454,447 |
| Cash and investments - ending | \$ - | \$ (229,779) | \$ (233,580) | \$ 82,514 | \$ 26,354 | \$ (29,037) | \$ 1,734 | \$ 12,673,923 |

LAKE RIDGE SCHOOLS
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2021

| <u>Government or Enterprise</u> | <u>Accounts Payable</u> | <u>Accounts Receivable</u> |
|---------------------------------|-----------------------------|--------------------------------|
| Governmental activities | \$ 3,924,861 | \$ 1,566,463 |

LAKE RIDGE SCHOOLS
SCHEDULE OF LEASES AND DEBT
June 30, 2021

| <u>Lessor</u> | <u>Purpose</u> | <u>Annual Lease Payment</u> | <u>Lease Beginning Date</u> | <u>Lease Ending Date</u> |
|---|--------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| Governmental activities: | | | | |
| Lake Ridge Multi School Building Corp. | Outdoor Athletic Complex | \$ 346,000 | 6/30/2017 | 12/31/2035 |
| Lake Ridge Multi School Building Corp. | CNTH - Pool | <u>240,250</u> | 6/30/2016 | 12/31/2024 |
| Total governmental activities | | <u>586,250</u> | | |
| Total of annual lease payments | | <u>\$ 586,250</u> | | |

| <u>Description of Debt</u> | | <u>Ending Principal Balance</u> | <u>Principal and Interest Due Within One Year</u> |
|-------------------------------|--------------------|---|---|
| <u>Type</u> | <u>Purpose</u> | | |
| Governmental activities: | | | |
| Notes and Loans Payable | Common School Loan | <u>\$ 18,647,795</u> | <u>\$2,573,133</u> |
| Total governmental activities | | <u>18,647,795</u> | <u>2,573,133</u> |
| Totals | | <u>\$ 18,647,795</u> | <u>\$2,573,133</u> |

LAKE RIDGE SCHOOLS
SCHEDULE OF CAPITAL ASSETS
June 30, 2021

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

| | <u>Ending Balance</u> |
|------------------------------------|---------------------------|
| Governmental activities: | |
| Land | \$ 148,300 |
| Buildings | 57,689,884 |
| Improvements other than buildings | 15,549,818 |
| Machinery, equipment, and vehicles | <u>2,595,161</u> |
| Total governmental activities | <u>75,983,163</u> |
| Total capital assets | <u>\$ 75,983,163</u> |

LAKE RIDGE SCHOOL CORPORATION
STATE REPORTING INFORMATION
July 1, 2019 - June 30, 2021

Financial Statement and Accompanying Notes:

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

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

Indiana Department of Education Reporting:

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

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

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

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

| Federal Grantor Agency Cluster Title/Program Title/Project Title | Pass-Through Entity or Direct Grant | Assistance Listing Number | Pass-Through Entity (or Other) Identifying Number | Total Federal Awards Expended 06-30-20 | Total Federal Awards Expended 06-30-21 | Total Federal Awards Expended 07-01-19 to 06-30-21 |
|---|-------------------------------------|---------------------------------|--|---|---|--|
| <u>Department of Agriculture</u> | | | | | | |
| Child Nutrition Cluster | Indiana Department of Education | | | | | |
| School Breakfast Program | | 10.553 | FY2020, FY2021 | \$ 596,485 | \$ 500,338 | \$ 1,096,823 |
| National School Lunch Program | | 10.555 | FY2020, FY2021 | 1,072,949 | 2,568,883 | 3,641,832 |
| Commodities | | 10.555 | FY2020, FY2021 | 89,017 | 134,612 | 223,629 |
| Total - Child Nutrition Cluster | | | | <u>1,758,451</u> | <u>3,203,833</u> | <u>4,962,284</u> |
| Child and Adult Care Food Program | Indiana Department of Education | | | | | |
| Child and Adult Care Food Program | | 10.558 | FY2020, FY2021 | 91,450 | 33,615 | 125,065 |
| Total - Child and Adult Care Food Program | | | | <u>91,450</u> | <u>33,615</u> | <u>125,065</u> |
| Fresh Fruit and Vegetable Program | Indiana Department of Education | | | | | |
| Fresh Fruit and Vegetable Program | | 10.582 | FY2020, FY2021 | 20,254 | - | 20,254 |
| Total - Fresh Fruit and Vegetable Program | | | | <u>20,254</u> | <u>-</u> | <u>20,254</u> |
| Total - Department of Agriculture | | | | <u>1,870,155</u> | <u>3,237,448</u> | <u>5,107,603</u> |
| <u>Department of Education</u> | | | | | | |
| Special Education Cluster(IDEA) | Indiana Department of Education | | | | | |
| Special Education Grants to States | | | | | | |
| Special Ed-PartB | | 84.027 | 18611-045-PN01 | 4,741 | - | 4,741 |
| Special Ed-PartB | | 84.027 | 19611-043-PN01 | - | - | - |
| Special Ed-PartB | | 84.027 | 19611-045-PN01 | 95,613 | 1,292 | 96,905 |
| Special Ed-PartB | | 84.027 | 20611-045-PN01 | 378,201 | 106,758 | 484,959 |
| Special Ed-PartB | | 84.027 | 21611-043-PN01 | - | 373,239 | 373,239 |
| Total - Special Education Grants to States | | | | <u>478,555</u> | <u>481,289</u> | <u>959,844</u> |
| Special Education - Preschool Grants | | | | | | |
| Special Ed Preschool | | 84.173 | 19619-045-PN01 | 6,599 | - | 6,599 |
| Special Ed Preschool | | 84.173 | 20619-045-PN01 | 9,650 | 3,297 | 12,947 |
| Special Ed Preschool | | 84.173 | 21619-043-PN01 | - | 9,080 | 9,080 |
| Total - Special Education Preschool Grants | | | | <u>16,249</u> | <u>12,377</u> | <u>28,626</u> |
| Total - Special Education Cluster(IDEA) | | | | <u>494,804</u> | <u>493,666</u> | <u>988,470</u> |

(Continued)

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

| Federal Grantor Agency Cluster Title/Program Title/Project Title | Pass-Through Entity or Direct Grant | Assistance Listing Number | Pass-Through Entity (or Other) Identifying Number | Total Federal Awards Expended 06-30-20 | Total Federal Awards Expended 06-30-21 | Total Federal Awards Expended 07-01-19 to 06-30-21 |
|--|-------------------------------------|---------------------------------|--|---|---|--|
| Adult Education-Basic Grants to States Adult Education | Center of Workforce Innovations | 84.002 | CWI-AE-08-PY16 | \$ 39,180 | \$ - | \$ 39,180 |
| Title I Grants to Local Educational Agencies Title I, Part A | Indiana Department of Education | 84.010 | S010A180014 | 322,514 | - | 322,514 |
| Title I, Part A | | 84.010 | S010A190014 | 631,311 | 525,953 | 1,157,264 |
| Total - Title I Grants to Local Educational Agencies | | | | <u>953,825</u> | <u>525,953</u> | <u>1,479,778</u> |
| School Improvement Grants School Improvement Grant | Indiana Department of Education | 84.377 | S377A140015 | 44,833 | - | 44,833 |
| Total - School Improvement Grants | | | | <u>44,833</u> | <u>-</u> | <u>44,833</u> |
| Twenty-First Century Community Learning Centers Twenty-First Century Community Learning Centers | Indiana Department of Education | 84.287 | 2019-2020 | 86,934 | 88,066 | 175,000 |
| Twenty-First Century Community Learning Centers | | 84.287 | S287C170014 | 31,511 | - | 31,511 |
| Twenty First Century Community Learning Centers | | 84.287 | S287C190014 | - | 93,660 | 93,660 |
| Total - Twenty First Century Community Learning Centers | | | | <u>118,445</u> | <u>181,726</u> | <u>300,171</u> |
| English Language Acquisition State Grants Title III, Part A | Indiana Department of Education | 84.365 | 0118-048-PN01 | 2,914 | - | 2,914 |
| Total - English Language Acquisition State Grants | | | | <u>2,914</u> | <u>-</u> | <u>2,914</u> |
| Title II Supporting Effective Instruction State Grants Title II, Part A | Indiana Department of Education | 84.367 | S367A1700013 | 78,016 | - | 78,016 |
| Title II, Part A | | 84.367 | S367A180013 | 30,655 | 19,510 | 50,165 |
| Title II, Part A | | 84.367 | S367A190013 | - | 12,835 | 12,835 |
| Total - Title II Supporting Effective Instruction State Grants | | | | <u>108,671</u> | <u>32,345</u> | <u>141,016</u> |
| Title IV Student Support and Academic Enrichment Program Title IV, Part A | Indiana Department of Education | 84.424 | S424A170015 | 39,853 | - | 39,853 |
| Title IV, Part A | | 84.424 | S424A180015 | 22,615 | 2,807 | 25,422 |
| Title IV, Part A | | 84.424 | S424A190015 | 2,230 | 11,284 | 13,514 |
| Total - State Support and Academic Enrichment Program | | | | <u>64,698</u> | <u>14,091</u> | <u>78,789</u> |
| Total - Department of Education | | | | <u>1,827,370</u> | <u>1,247,781</u> | <u>3,075,151</u> |

(Continued)

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

| Federal Grantor Agency Cluster Title/Program Title/Project Title | Pass-Through Entity or Direct Grant | Assistance Listing Number | Pass-Through Entity (or Other) Identifying Number | Total Federal Awards Expended 06-30-20 | Total Federal Awards Expended 06-30-21 | Total Federal Awards Expended 07-01-19 to 06-30-21 |
|---|-------------------------------------|---------------------------------|--|---|---|--|
| <u>Department of Health and Human Services</u> | | | | | | |
| Head Start Cluster | | | | | | |
| Head Start | | | | | | |
| | Geminus Corporation | | | | | |
| Head Start Grant | | 93.600 | FY2019PY | \$ 96,026 | \$ - | \$ 96,026 |
| Head Start Grant | | 93.600 | FY2020PY | 430,190 | - | 430,190 |
| Head Start Grant | | 93.600 | FY2021PY | 149,904 | 781,187 | 931,091 |
| Head Start Grant | | 93.600 | FY2022 PY | - | 193,314 | 193,314 |
| Total - Head Start Cluster | | | | <u>676,120</u> | <u>974,501</u> | <u>1,650,621</u> |
| Medicaid Cluster | | | | | | |
| Medicaid | | | | | | |
| | Indiana Department of Education | | | | | |
| | | 93.778 | FY2020, FY2021 | <u>762</u> | <u>6,983</u> | <u>7,745</u> |
| Total - Medicaid Cluster | | | | <u>762</u> | <u>6,983</u> | <u>7,745</u> |
| Total - Department of Health and Human Services | | | | <u>676,882</u> | <u>981,484</u> | <u>1,658,366</u> |
| Total federal awards expended | | | | <u>\$ 4,374,407</u> | <u>\$ 5,466,713</u> | <u>\$ 9,841,120</u> |

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

LAKE RIDGE SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period of July 1, 2019 to June 30, 2021

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

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

B. Other Significant Accounting Policies

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

NOTE 2 - INDIRECT COST RATE

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

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

The School Corporation is a member of the Northwest Indiana Special Ed Coop 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.

NOTE 4 - OTHER INFORMATION

The School Corporation did not have any subrecipient activity for the period July 1, 2019 to June 30, 2021.

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
Lake Ridge School Corporation
Lake 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 Lake Ridge School Corporation ("School Corporation"), which comprise the statement of receipts, disbursements, other financing sources (uses), and cash and investment balances of the School Corporation as of June 30, 2021 and for the period July 1, 2019 to June 30, 2021 and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement, and have issued our report thereon dated March 31, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, 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 statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2021-001, that we consider to be a material weakness.

(Continued)

Compliance and Other Matters

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

School Corporation's Response to Finding

The School Corporation's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The School Corporation's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 31, 2023

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

Those Charged with Governance
Lake Ridge School Corporation
Lake County, Indiana

Report on Compliance for Each Major Federal Program

We have audited Lake Ridge School Corporation (the School Corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the School Corporation's major federal program for the period July 1, 2019 to June 30, 2021. The School Corporation's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School Corporation's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

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

(Continued)

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2021-002, to be a material weakness.

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

The School Corporation's response to the internal control over compliance findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The School Corporation's response was not subjected to the 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 31, 2023

LAKE RIDGE SCHOOL CORPORATION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 July 1, 2019 to June 30, 2021

Section 1 – Summary of Auditor’s Results

Financial Statements

| | | | |
|--|--|-----|----------------------------|
| 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> | <u>Name of Federal Program or Cluster</u> |
|----------------------------------|---|
| 84.010 | Title I |
| 84.027, 84.173 | Special Education Cluster |
| 93.600 | Head Start |

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 |
|--|-------|-----|--------------|----|

(Continued)

LAKE RIDGE SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

Section II – Financial Statement Findings

FINDING 2021-001

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)

LAKE RIDGE SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

Section II – Financial Statement Findings (Continued)

FINDING 2021-001 (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 gross overstatement of federal awards expended by \$669,848 and the gross understatement of federal awards expended by \$670,770. These errors resulted in the net understatement of the total federal awards expended on the SEFA by \$922 for the period July 1, 2019 through June 30, 2021:

1. A reclassification was needed to increase the Child Nutrition Cluster (ALN 10.553, 10.555, 10.559) expenditures by \$663,025 and decrease the Child and Adult Care Food Program (ALN 10.558) by the same.
2. The Special Education Cluster (ALN 84.027, 84.173) expenditures were overstated by \$1,138.
3. The Head Start (ALN 93.600) program expenditures were overstated by \$5,685.
4. The Medicaid Cluster (93.778) expenditures were understated by \$7,745.

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 2019-002.

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)

LAKE RIDGE SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

Section III – Federal Award Findings and Questioned Costs

FINDING 2021-002

Information on the federal program:

Subject: Title I Grants to Local Educational Agencies - Internal Controls
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): S010A180014, S010A190014
Pass-Through Entity: Indiana Department of Education
Compliance Requirements: Reporting
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 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). . . ."

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

Cause: Management had not properly developed a system of internal control to ensure compliance with the Reporting compliance requirements.

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

Questioned Costs: There were no questioned costs identified.

Context: The Title I Director and the Treasurer worked together to prepare the Annual Expenditure Report. There was no documentation of an oversight or review process to ensure that the Annual Expenditure Report amounts were accurate prior to submission.

Identification as a repeat finding: Yes. Identified as Finding 2019-003 in the prior audit report.

Recommendation: We recommended that the School Corporation's management establish controls related to the grant agreement and the Reporting compliance requirement.

Views of Responsible Officials and Planned Corrective Actions: For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

(Continued)

LAKE RIDGE SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

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

FINDING 2021-003

Information on the federal program:

Subject: Title I Grants to Local Educational Agencies - Internal Controls

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): S010A180014, S010A190014

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Special Tests and Provisions – Annual Report Card, High School Graduation Rate

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 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). . . ."

34 CFR 200.19(b) states in part:

"High schools—

(1) Graduation rate. Consistent with paragraphs (b)(4) and (b)(5) of this section regarding reporting and determining AYP, respectively, each State must calculate a graduation rate, defined as follows, for all public high schools in the State:

(i)

(A) A State must calculate a 'four-year adjusted cohort graduation rate,' defined as the number of students who graduate in four years with a regular high school diploma divided by the number of students who form the adjusted cohort for that graduating class. . . .

(ii) The term 'adjusted cohort' means the students who enter grade 9 (or the earliest high school grade) and any students who transfer into the cohort in grades 9 through 12 minus any students removed from the cohort.

(A) The term "students who transfer into the cohort" means the students who enroll after the beginning of the entering cohort's first year in high school, up to and including in grade 12.

(B) To remove a student from the cohort, a school or LEA must confirm in writing that the student transferred out, emigrated to another country, or is deceased.

(Continued)

LAKE RIDGE SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

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

FINDING 2021-003 (Continued)

(1) To confirm that a student transferred out, the school or LEA must have official written documentation that the student enrolled in another school or in an educational program that culminates in the award of a regular high school diploma. . . .

(2) Transitional graduation rate.

(i) Prior to the deadline in paragraph (b)(4)(ii)(A) of this section, a State must calculate graduation rate as defined in paragraph (b)(1) of this section or use, on a transitional basis—

(A) A graduation rate that measures the percentage of students from the beginning of high school who graduate with a regular high school diploma in the standard number or years; or . . .

(ii) For a transitional graduation rate calculated under paragraph (b)(2)(i) of this section—

(A) 'Regular high school diploma' has the same meaning as in paragraph (b)(1)(iv) of this section;

(B) 'Standard number of years' means four years unless a high school begins after ninth grade, in which case the standard number of years is the number of grades in the school; and

(C) A dropout may not be counted as a transfer. . . ."

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 - Annual Report Card, High School Graduation Rate compliance requirement.

Cause: The School Corporation had not developed a system of internal control to ensure compliance with the Special Tests and Provisions - Annual Report Card, High School Graduation Rate compliance requirement.

Effect: The School Corporation had not developed a system of internal control to ensure compliance with the Special Tests and Provisions - Annual Report Card, High School Graduation Rate compliance requirement.

Questioned Costs: There were no questioned costs identified.

Context: The School Corporation did not comply with the Special Tests and Provisions - Annual Report Card, High School Graduation Rate requirement, which necessitated that for the students removed from the High School cohort graduation rate for mobility reasons there was written documentation that the student was enrolled in another school or in an educational program that culminated in the award of a high school diploma, or emigrated to another country, or was deceased. Of the 5 students tested, 1 did not have the required supporting documentation to substantiate removal from the cohort for mobility reasons.

Identification as a repeat finding: Yes. Identified as Finding 2019-004 in the prior audit report.

(Continued)

LAKE RIDGE SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2019 to June 30, 2021

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

FINDING 2021-003 (Continued)

Recommendation: We recommended that the School Corporation's management establish controls to ensure compliance and comply with the Special Tests and Provisions - Annual Report Card, High School Graduation Rate compliance requirement.

Views of Responsible Officials and Planned Corrective Actions: For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

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CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS

June 30, 2021

FINDING 2021-001

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

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).

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 gross overstatement of federal awards expended by \$669,848 and the gross understatement of federal awards expended by \$670,770. These errors resulted in the net understatement of the total federal awards expended on the SEFA by \$922 for the period July 1, 2019 through June 30, 2021:

1. The Child Nutrition Cluster expenditures were understated by \$663,025. The School Corporation had incorrectly recorded this amount under the Child and Adult Care Food Program.
2. The Child and Adult Care Food Program expenditures were overstated by \$663,025.
3. The Special Education Cluster expenditures were overstated by \$1,138.
4. The Head Start program expenditures were overstated by \$5,685.
5. The Medicaid Cluster expenditures were understated by \$7,745.

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

Views of Responsible Officials: We concur with the finding.

Description of Corrective Action Plan: We will keep a spreadsheet on all grants received in order to make sure the federal funds are correctly tracked to the appropriate program. This spreadsheet will be used to compare with the report from our accounting system to make sure all grants are listed. The Treasurer will complete the report and the Business Manager will review it. The Business Manager and Treasurer will compare grant award letters match the information on the SEFA report.

Responsible Party and Timeline for Completion: Responsible parties are listed above and timeline for completion will be immediately.

SUPERINTENDENT

Sharon Johnson-Shirley, Ed.D.

ASSISTANT SUPERINTENDENT

Cynthia Mose-Trevino

Business Manager

Adrian Wilkerson

BOARD OF SCHOOL TRUSTEES

Mr. Kenneth Buckley

Mr. Dan Diehl

Mrs. Louise Neese

Mrs. Kimberly Osteen, President

Mr. Samuel Roberts

FINDING 2021-002

Information on the federal program:

Subject: Title I Grants to Local Educational Agencies - Internal Controls
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): S010A180014, S010A190014
Pass-Through Entity: Indiana Department of Education
Compliance Requirements: Reporting
Audit Finding: Material Weakness

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

Context: The Title I Director and the Treasurer worked together to prepare the Annual Expenditure Report. A documented oversight or review process had not been established to ensure that the Annual Expenditure Report amounts were accurate prior to submission.

Views of Responsible Officials: We concur with the finding.

Description of Corrective Action Plan: The CFO, Treasurer, and Title I Director, and all Federal Grant Directors will meet to develop a review process to ensure that the Annual Expenditure Report amounts are accurate prior to submission. Payroll detail reports have been obtained immediately from the payroll department at the conclusion of each pay process.

Responsible Party and Timeline for Completion: The responsible parties are listed above and the timeline for completion will be immediately.

FINDING 2021-003

Information on the federal program:

Subject: Title I Grants to Local Educational Agencies - Internal Controls

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): S010A180014, S010A190014

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Special Tests and Provisions – Annual Report Card, High School Graduation Rate

Audit Finding: Significant Deficiency

Condition: An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - Annual Report Card, High School Graduation Rate compliance requirement.

Context: The School Corporation failed to comply with the Special Tests and Provisions - Annual Report Card, High School Graduation Rate requirement, which necessitated that for the students removed from the High School cohort graduation rate for mobility reasons there was written documentation that the student was enrolled in another school or in an educational program that culminated in the award of a high school diploma, or emigrated to another country, or was deceased. Of the 5 students tested, 1 did not have the required supporting documentation to substantiate removal from the cohort for mobility reasons.

Views of Responsible Officials: We concur with the finding.

Description of Corrective Action Plan: The Title I Director will meet with the District Data Specialist to ensure the buildings are coding student withdrawals correctly and are obtaining the proper documentation. The District Data Specialist will review with registrars the proper documentation that must be kept on hand; continued training will occur to meet the internal control requirement.

Responsible Party and Timeline for Completion: The responsible parties are listed above and the timeline for completion will be immediately.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2019-001

Subject: Financial Transaction

Audit Findings: Material Weakness, Noncompliance

Condition and Context: There were deficiencies in the internal control system of the School Corporation related to financial transactions. The School Corporation had not designed or implemented proper segregation of duties related to receipts and payroll disbursements.

Receipts - One employee issued receipts, posted receipts to the ledger, prepared deposits, and took the deposits to the bank. There was no segregation of duties, such as an oversight, review, or approval process.

Payroll Disbursements - Payroll detail was entered and reviewed by the same individual. The fiscal officer certified the payroll claim in total without reviewing the detail by employee and fund. The lack of effective internal controls allowed noncompliance to go undetected. The School Board approved Clerical Unit Contract did not include all Technology Department employees' rates of pay.

Status: This finding has been resolved.

FINDING 2019-002

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

Condition and Context: The School Corporation did not have an effective system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The federal grant information entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the SEFA. An oversight or review process had been implemented; however, the review was not effective as evidenced by the errors noted on the SEFA.

Status: This finding is repeated in the current year as Finding 2021-001.

FINDING 2019-003

Information on the federal program:

Subject: Title I Grants to Local Educational Agencies - Internal Controls

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): 17-4650, 18-4650, 19-4650

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Matching, Level of Effort, Earmarking; Reporting

Audit Finding: Material Weakness

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

Level of Effort - Maintenance of Effort and Reporting

The Indiana Department of Education (State) used the Form 9 financial reports submitted by the School Corporation to determine if the School Corporation met the required maintenance of effort, and in the State's submission of the average State per pupil expenditure data submitted to the National Center for Education Statistics. These reports were comprised of the School Corporation's transactions recorded during the audit period. Controls were not in place to ensure that expenditures were recorded to the proper fund, account, and object code.

Reporting

The Title I Director and the Treasurer worked together to prepare the Annual Expenditure Report. An oversight or review process had not been established to ensure that the Annual Expenditure Report amounts were accurate prior to submission.

Status: The Level of Effort portion of the finding has been resolved. The Reporting portion of the finding is repeated in the current year as Finding 2021-002.

FINDING 2019-004

Information on the federal program:

Subject: Title I Grants to Local Educational Agencies – Special Tests and Provision – Annual Report Card, High School Graduation Rate

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): 17-4650, 18-4650, 19-4650

Pass-Through Entity: Indiana Department of Education

Compliance Requirements: Special Tests and Provisions – Annual Report Card, High School Graduation Rate

Audit Finding: Material Weakness, Other Matters

Condition and Context: An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - Annual Report Card, High School Graduation Rate compliance requirement.

The School Corporation failed to comply with the Special Tests and Provisions - Annual Report Card, High School Graduation Rate requirement, which necessitated that for the students removed from the High School cohort graduation rate for mobility reasons there was written documentation that the student was enrolled in another school or in an educational program that culminated in the award of a high school diploma, or emigrated to another country, or was deceased. Of the 14 students tested, 4 did not have the required supporting documentation to substantiate removal from the cohort for mobility reasons.

Status: This finding is repeated in the current year as Finding 2021-003.

FINDING 2019-005

Information on the federal program:

Subject: Headstart - Internal Controls

Federal Agency: Department of Health and Human Services

Federal Program: Headstart

Assistance Listing Number: 93.600

Federal Award Numbers and Years (or Other Identifying Numbers): 2017-2018 PY, 2018-2019 PY Pass-Through Entity: Geminus Corporation

Compliance Requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles

Audit Finding: Material Weakness

Condition and Context: An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Activities Allowed or Unallowed and Allowable Costs/Cost Principles compliance requirements.

The School Corporation had not designed or implemented adequate internal controls to ensure that payroll disbursements were properly recorded and were for the correct amounts. The reports used to approve payroll disbursements for the program were not detailed reports from which the School Corporation could ensure that the supporting documentation agreed with the payroll disbursements, or that the employees' pay was proper or adequate.

Status: This finding has been resolved.