



STATE OF INDIANA
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STATE BOARD OF ACCOUNTS
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April 14, 2023

To: The Officials of the South Montgomery Community School Corporation
South Montgomery Community School Corporation
6401 US 231 South
Crawfordsville, IN 47933

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of South Montgomery Community School Corporation. We have reviewed the audit report opined upon by CliftonLarsonAllen LLP, Independent Public Accountants, for the period July 1, 2020 to June 30, 2022. Per the *Independent Auditors' Report*, 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, 2022, and its cash receipts, cash disbursements, and other financing sources (uses) for the period of July 1, 2020 to June 30, 2022 in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

We call your attention to the findings included in the report on pages 45 through 52. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on pages 55 through 58.

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

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

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

A handwritten signature in cursive script that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

PERIOD OF JULY 1, 2020 TO JUNE 30, 2022



CPAs | CONSULTANTS | WEALTH ADVISORS

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**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
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**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SCHEDULE OF OFFICIALS - UNAUDITED**

Office	Official	Term
Chief Financial Officer	Kristin Charles	07-01-20 to 06-30-23
Superintendent of Schools	Dr. Chad Cripe	07-01-20 to 06-30-23
President of the School Board	Daryl Hutson	07-01-20 to 06-30-23



INDEPENDENT AUDITORS' REPORT

The Officials of the South Montgomery Community School Corporation
Montgomery County, Indiana

Report on the Audit of the Financial Statement

Opinions

We have audited the accompanying financial statement of the South Montgomery Community School Corporation, which comprise the Statement of Receipts, Disbursements, Other Financing Sources, and Cash and Investment Balances - Regulatory Basis as of June 30, 2022 and for the period of July 1, 2020 to June 30, 2022, and the related notes to the financial statement.

Unmodified Opinion on Regulatory Basis of Accounting

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Basis for Opinions

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

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

As described in Note 1 to the financial statement, the South Montgomery Community 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 required 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.

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

Responsibilities of Management for the Financial statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial statement

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statement that collectively comprise the South Montgomery Community School Corporation's financial statement. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and

The Officials of the South Montgomery Community School Corporation
Montgomery County, Indiana

reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with GAAS. 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 on the basis of accounting described in Note 1.

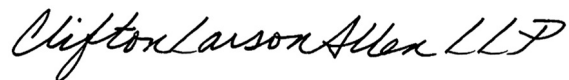
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Schedule of Officials, Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents but does not include the financial statement and our auditors' report thereon. Our opinions on the financial statement do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2023, on our consideration of the South Montgomery Community 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 solely 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 South Montgomery Community 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 South Montgomery Community School Corporation's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Indianapolis, Indiana
March 31, 2023

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Fund	Cash and Investments 07-01-2020	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2021	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2022
Education	\$ 3,208,871	\$ 10,924,968	\$ 9,849,668	\$ (1,577,907)	\$ 2,706,264	\$ 11,454,801	\$ 9,176,005	\$ (1,381,000)	\$ 3,604,060
Debt Service	763,291	3,800,570	3,608,498	-	955,363	3,615,428	3,605,250	-	965,541
Retirement/Severance Bond Debt Service	87,338	73,200	146,858	-	13,680	-	-	-	13,680
Operations	1,996,864	5,594,009	5,758,799	977,907	2,809,981	6,229,754	6,201,315	881,000	3,719,420
Local Rainy Day	632,029	-	-	(504,678)	127,351	-	-	500,000	627,351
Retirement/Severance Bond	554,640	-	-	-	554,640	-	-	-	554,640
Clinic Construction	(1,637)	1,637	-	-	-	-	-	-	-
2019 Go Bond	1,333,261	-	1,181,117	-	152,144	-	145,633	-	6,511
School Lunch	73,401	1,156,522	915,051	42,477	357,349	1,107,933	948,405	54,289	571,166
Curricular Materials Rental	89,435	299,441	90,420	18,598	317,054	192,006	342,560	-	166,500
Advanced Manufacturing	(7,519)	-	(7,519)	-	-	-	-	-	-
Fire & Rescue	(10,591)	-	(10,591)	-	-	-	-	-	-
Criminal Justice	3,995	-	3,995	-	-	-	-	-	-
Resilient Youth Initiative Implementatio	20,107	58,939	47,072	-	31,974	40,343	36,152	-	36,165
Holocaust Education Grant(Mcef)	-	24,469	6,672	-	17,797	-	5,995	-	11,802
Mcef 2020-2021 Grants	9,248	-	6,489	-	2,759	-	2,759	-	-
Little Mountie Preschool	122,556	112,729	126,470	-	108,815	135,203	144,667	-	99,351
Whin Grant	-	-	-	-	-	36,000	32,797	-	3,203
Build Learn Grow Grant	-	-	-	-	-	211,818	1,200	-	210,618
Mcef Grants 22/23 Sy	-	-	-	-	-	3,624	-	-	3,624
Lily Comprehensive Cnsl Implm	41,712	-	14,634	-	27,078	-	26,563	-	515
Early Learning Programs	-	-	-	-	-	75,000	2,587	-	72,413
Close The Gap Grant	-	-	-	-	-	100,000	-	-	100,000
Alternative Ed	4,504	4,846	9,350	-	-	-	-	-	-
Early Intervention 2012-2013	2,295	-	2,295	-	-	-	-	-	-
2018 Mcef Grants 2018-2019	5,216	-	5,216	-	-	-	-	-	-
Mcef-2019-2020 School Year0	1,251	-	1,251	-	-	-	-	-	-
Mccf Three Year Old Preschool Grant 2019	1,676	-	1,676	-	-	-	-	-	-
Come Back Stronger Grant - Lilly Endowme	-	20,000	5,515	-	14,485	-	-	-	14,485
20-21 Inmac Grant- Purdue University	-	20,000	-	-	20,000	-	20,000	-	-
Miscellaneous Programs	700	-	700	-	-	-	-	-	-
Resiliency Grant	881	-	881	-	-	-	-	-	-
Jr High Survey	500	-	500	-	-	-	-	-	-
H.S. Survey 2011	350	-	350	-	-	-	-	-	-
Ahead Coalit/Sch Officer	1,750	-	1,750	-	-	-	-	-	-

See accompanying Notes to Financial Statement.

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS (CONTINUED)
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Fund	Cash and Investments 07-01-2020	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2021	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2022
Formative Assessment	(3,368)	-	(3,368)	-	-	17,751	12,100	-	5,651
Special Education Excess Costs	16,209	-	16,209	-	-	-	-	-	-
Secured Schools Safety Grant	2,983	50,000	51,725	-	1,258	50,000	63,900	-	(12,642)
Alternative Education Grant	-	-	(4,625)	-	4,625	4,425	9,050	-	-
Early Intervention Grant- 2018/2019	7,001	-	-	-	7,001	-	-	-	7,001
Early Intervention Grant- 20/21	6,036	4,787	4,192	-	6,631	-	4,787	-	1,844
Early Intervention Grant	-	-	-	-	-	6,910	-	-	6,910
Nesp	-	-	-	-	-	703	703	-	-
Non-English Speaking Prog	110	-	-	-	110	-	110	-	-
State Connectivity Grant W/ Ena	18,777	-	-	-	18,777	-	18,777	-	-
Performance Based Awards	6,780	-	6,780	-	-	-	-	-	-
20/21 Teacher Appreciation Grant	-	-	-	-	-	58,326	58,327	-	(1)
2018/2019 Teacher Appreciation Grant	7,060	-	7,060	-	-	-	-	-	-
19/20 Teacher Appreciation Grant	-	58,655	58,654	-	1	-	-	-	1
High Ability Students	62,438	32,623	12,610	-	82,451	29,783	21,720	-	90,514
State Connectivity Grant	8,072	-	-	-	8,072	-	(2,085)	-	10,157
Career Ladders Grant	3,974	-	-	-	3,974	-	-	-	3,974
Fy15 Secured School Safety	(20,850)	-	(3,475)	-	(17,375)	-	(17,375)	-	-
Title I School Year 2016/2017	(83,904)	-	(65,198)	-	(18,706)	-	(18,706)	-	-
Title I -School Year 18/19	(107,287)	-	2,505	-	(109,792)	-	(109,792)	-	-
2019-2020 Title I	70,273	123,393	193,666	-	-	-	-	-	-
Title I - School Year 20/21	-	-	-	-	-	218,367	218,367	-	-
Title I 21/22 Sy	-	-	-	-	-	-	91,802	-	(91,802)
Title Vi Grant	(10,000)	-	(10,000)	-	-	-	-	-	-
Special Ed Part B Sect 611	(450,209)	-	119,480	-	(569,689)	-	(569,689)	-	-
Special Ed Part B Sect 611 Fy 2019 (Sy)	(84,107)	-	(84,107)	-	-	-	-	-	-
Special Ed 611-Fy 2020 (Sy19/20)	(418)	456,556	(418)	-	456,556	(5,294)	451,262	-	-
Special Ed 619-Fy 2020 (Sy19/20)	(113,339)	-	(113,339)	-	-	14,920	14,920	-	-
Special Ed 611-Fy 2021 (Sy 20/21)	-	-	-	-	-	456,556	456,556	-	-
Special Ed 619-Fy 2020 (Sy21/22)	-	-	-	-	-	-	462,120	-	(462,120)
2019 Preschool Special Ed Grant	-	14,550	-	-	14,550	-	14,550	-	-
Title Iv	15,165	-	10,000	-	5,165	-	7,008	-	(1,843)
Mccf Grant-Holocaust Ed Grant	3,158	-	3,158	-	-	-	-	-	-
Mccf Holocaust Grant- 19/20 School Year	23,308	-	23,308	-	-	-	-	-	-
Title Ii 20/21 Sy	-	-	-	-	-	57,388	57,388	-	-
Title Ii 21/22 Sy	-	-	-	-	-	-	59,800	-	(59,800)
Title Ii A-17/19-Sy 2017-2018	5,886	-	5,886	-	-	-	-	-	-

See accompanying Notes to Financial Statement.

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS (CONTINUED)
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Fund	Cash and Investments 07-01-2020	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2021	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2022
Title Ii Part A-Sy 18/19	38,863	-	38,863	-	-	-	-	-	-
Title Ii Part A - Sy 19/20	-	52,842	52,842	-	-	-	-	-	-
Arp -Special Ed	-	-	-	-	-	-	49,896	-	(49,896)
Esser Cares Act Iii	-	-	-	-	-	-	401,541	-	(401,541)
Esser Cares Act Ii	-	-	164,400	-	(164,400)	-	454,197	-	(618,597)
Esser Cares Act I	-	-	-	-	-	178,572	178,572	-	-
Prepaid School Lunch Accounts	25,772	89,725	208	(84,328)	30,961	117,802	73,733	(54,289)	20,741
Insurance Sboa Cl Acct Corr.	(1,161,324)	56,647	-	1,104,678	1	-	-	-	1
Clearing-Fed Withhold Tax	(12,538)	-	1,578	-	(14,116)	-	(53,435)	-	39,319
Clearing-Fica Teaching	(5,008)	-	436	(5,008)	(5,444)	-	93,811	-	(99,255)
Clearing-State Tax	(22,354)	-	(50,390)	-	28,036	-	27,227	-	809
Clearing-County Tax	(12,417)	-	(38,723)	-	26,306	-	18,668	-	7,638
Clearing-Insurance	68	-	-	-	68	-	852	-	(784)
Life Insurance \$1	1	-	(1)	-	2	-	(2)	-	4
Clearing-Ista	74	-	(224)	-	298	-	-	-	298
Clearing-Aflac	133	-	(41)	-	174	-	431	-	(257)
Roth Ira Er Share	1,058	-	18	-	1,040	-	(50)	-	1,090
Emp Share Def Comp	103	-	-	-	103	-	-	-	103
Roth Ira	(626)	-	42	-	(668)	-	(1,141)	-	473
Clearing-H.M. Insurance	-	-	-	-	-	-	-	-	-
Pacific Life	630	-	-	-	630	-	(3,407)	-	4,037
Clearing-Child Support	1,997	-	2,010	-	(13)	-	-	-	(13)
Garnishment-Clearing	(494)	-	-	(494)	(494)	-	-	-	(494)
Clearing-Muffy	(49)	-	-	-	(49)	-	(452)	-	403
Ltd	4,633	-	97	-	4,536	-	(887)	-	5,423
Dental Insurance	2,937	-	131	-	2,806	-	5,771	-	(2,965)
Dental \$1	-	-	-	-	-	-	(40)	-	40
Vision Insurance	949	-	22	-	927	-	627	-	300
Vision\$1	-	-	-	-	-	-	(44)	-	44
Retiree Insurance	135,826	127,945	2,227	-	261,544	141,353	1,623	-	401,274
Health Insurance	12,878	17,387	10,651	-	19,614	22,363	(29,916)	-	71,893
Clearing-403B	9,196	-	(4,848)	-	14,044	-	(14,461)	-	28,505
Clearing-Roth	(9,196)	-	4,848	(9,196)	(14,044)	-	1,824	-	(15,868)
VEBA Medical Trust	868,307	21,774	140,020	-	750,061	18,929	133,020	-	635,970
American Fidelity	-	-	-	-	-	-	(12,895)	-	12,895
Totals	\$ 8,199,291	\$ 23,198,214	\$ 22,321,986	\$ (23,253)	\$ 9,052,266	\$ 24,590,764	\$ 23,322,551	\$ -	\$ 10,320,479

See accompanying Notes to Financial Statement.

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
NOTES TO FINANCIAL STATEMENT
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Note 1. Summary of Significant Accounting Policies

A. 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.

B. 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, 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.

C. 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.

D. 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.

SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
NOTES TO FINANCIAL STATEMENT
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022

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

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

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

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

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

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.

E. 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.

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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.

F. 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.

G. 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 unit itself.

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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.

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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.

Note 6. Pension Plans

A. 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.

The Retirement Savings Plan for Public Employees (My Choice) is a multiple-employer defined contribution plan. It is administered through the 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.

New employees hired have a one-time election to join either the PERF Hybrid or the My Choice.

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

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Contributions

Members' contributions are set by state statute at 3 percent of compensation for both the defined contribution component of PERF Hybrid and My Choice. The employer may elect to make the contribution on behalf of the member of the defined contribution component of PERF Hybrid and My Choice members may receive additional employer contribution in lieu of the PERF DB. Contributions to the PERF DB are determined by INPRS Board based on actuarial valuation.

B. 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 Teacher' 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

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Contributions

The School Corporation contributes the employer's share to Teachers' 1996 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 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) 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 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of reimbursable grants, which were expended, but not reimbursed by June 30, 2021, and June 30, 2022.

Note 8. Negative Receipts and Disbursements

The financial statement contains some receipts and/or disbursements which appear as negative entries. This is a result of the reimbursable grants that were expended in prior periods. Since the original entry was made in separate periods, a negative receipt or disbursement was shown in the current period.

Note 9. Holding Corporations

The School Corporation has entered into a lease with the Southmont School Building Corporation (the lessor). The lessor was organized as a (for-profit) (not-for-profit) corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years 2021 and 2022 totaled \$3,589,900 and \$3,608,498, respectively.

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YEAR ENDED JUNE 30, 2022**

	Education	Debt Service	Retirement/S everance Bond Debt Service	Operations	Local Rainy Day	Retirement/S everance Bond	2019 Go Bond	School Lunch	Curricular Materials Rental	Resilient Youth Initiative Implementatio
Cash and investments - beginning	\$ 2,706,264	\$ 955,363	\$ 13,680	\$ 2,809,981	\$ 127,351	\$ 554,640	\$ 152,144	\$ 357,349	\$ 317,054	\$ 31,974
Receipts:										
Local sources	3,778	3,615,428	-	5,654,746	-	-	-	27	150,305	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	11,198,130	-	-	-	-	-	-	-	41,701	40,343
Federal sources	-	-	-	-	-	-	-	1,107,906	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	252,893	-	-	575,008	-	-	-	-	-	-
Total receipts	11,454,801	3,615,428	-	6,229,754	-	-	-	1,107,933	192,006	40,343
Disbursements:										
Instruction	7,679,870	-	-	-	-	-	-	-	-	-
Support services	1,401,548	-	-	5,366,688	-	-	-	-	342,560	36,152
Noninstructional services	94,587	-	-	141,364	-	-	-	948,405	-	-
Facilities acquisition and construction	-	-	-	693,263	-	-	-	-	-	-
Debt services	-	3,605,250	-	-	-	-	145,633	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	9,176,005	3,605,250	-	6,201,315	-	-	145,633	948,405	342,560	36,152
Excess (deficiency) of receipts over disbursements	2,278,796	10,178	-	28,439	-	-	(145,633)	159,528	(150,554)	4,191
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	1,381,000	500,000	-	-	54,289	-	-
Transfers out	(1,381,000)	-	-	(500,000)	-	-	-	-	-	-
Total other financing sources (uses)	(1,381,000)	-	-	881,000	500,000	-	-	54,289	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	897,796	10,178	-	909,439	500,000	-	(145,633)	213,817	(150,554)	4,191
Cash and investments - ending	\$ 3,604,060	\$ 965,541	\$ 13,680	\$ 3,719,420	\$ 627,351	\$ 554,640	\$ 6,511	\$ 571,166	\$ 166,500	\$ 36,165

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YEAR ENDED JUNE 30, 2022**

	Holocaust Education Grant(Mcef)	Mcef 2020- 2021 Grants	Little Mountie Preschool	Whin Grant	Build Learn Grow Grant	Mcef Grants 22/23 Sy	Lily Comprehensive Cnsl Implm	Early Learning Programs	Close The Gap Grant	Come Back Stronger Grant - Lilly Endowme
Cash and investments - beginning	\$ 17,797	\$ 2,759	\$ 108,815	\$ -	\$ -	\$ -	\$ 27,078	\$ -	\$ -	\$ 14,485
Receipts:										
Local sources	-	-	135,203	-	211,818	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	36,000	-	3,624	-	-	-	-
Federal sources	-	-	-	-	-	-	-	75,000	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	100,000	-
Total receipts	-	-	135,203	36,000	211,818	3,624	-	75,000	100,000	-
Disbursements:										
Instruction	5,995	2,759	144,667	-	1,200	-	-	2,587	-	-
Support services	-	-	-	32,797	-	-	26,563	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	5,995	2,759	144,667	32,797	1,200	-	26,563	2,587	-	-
Excess (deficiency) of receipts over disbursements	(5,995)	(2,759)	(9,464)	3,203	210,618	3,624	(26,563)	72,413	100,000	-
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,995)	(2,759)	(9,464)	3,203	210,618	3,624	(26,563)	72,413	100,000	-
Cash and investments - ending	\$ 11,802	\$ -	\$ 99,351	\$ 3,203	\$ 210,618	\$ 3,624	\$ 515	\$ 72,413	\$ 100,000	\$ 14,485

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YEAR ENDED JUNE 30, 2022**

	20-21 Inmac Grant- Purdue University	Formative Assessment	Secured Schools Safety Grant	Alternative Education Grant	Early Intervention Grant- 2018/2019	Early Intervention Grant- 20/21	Early Intervention Grant	Nesp	Non-English Speaking Prog	State Connectivity Grant W/ Ena
Cash and investments - beginning	\$ 20,000	\$ -	\$ 1,258	\$ 4,625	\$ 7,001	\$ 6,631	\$ -	\$ -	\$ 110	\$ 18,777
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	17,751	50,000	4,425	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	6,910	703	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	17,751	50,000	4,425	-	-	6,910	703	-	-
Disbursements:										
Instruction	-	-	-	9,050	-	4,787	-	703	110	-
Support services	20,000	12,100	63,900	-	-	-	-	-	-	18,777
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	20,000	12,100	63,900	9,050	-	4,787	-	703	110	18,777
Excess (deficiency) of receipts over disbursements	(20,000)	5,651	(13,900)	(4,625)	-	(4,787)	6,910	-	(110)	(18,777)
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	(20,000)	5,651	(13,900)	(4,625)	-	(4,787)	6,910	-	(110)	(18,777)
Cash and investments - ending	\$ -	\$ 5,651	\$ (12,642)	\$ -	\$ 7,001	\$ 1,844	\$ 6,910	\$ -	\$ -	\$ -

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	20/21 Teacher Appreciation Grant	19/20 Teacher Appreciation Grant	High Ability Students	State Connectivity Grant	Career Ladders Grant	Fy15 Secured School Safety	Title I School Year 2016/2017	Title I -School Year 18/19	Title I - School Year 20/21	Title I 21/22 Sy
Cash and investments - beginning	\$ -	\$ 1	\$ 82,451	\$ 8,072	\$ 3,974	\$ (17,375)	\$ (18,706)	\$ (109,792)	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	58,326	-	29,783	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	218,367	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	58,326	-	29,783	-	-	-	-	-	218,367	-
Disbursements:										
Instruction	58,327	-	21,720	-	-	(17,375)	(957)	(109,792)	194,094	91,802
Support services	-	-	-	(2,085)	-	-	(17,749)	-	24,273	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	58,327	-	21,720	(2,085)	-	(17,375)	(18,706)	(109,792)	218,367	91,802
Excess (deficiency) of receipts over disbursements	(1)	-	8,063	2,085	-	17,375	18,706	109,792	-	(91,802)
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)	-	8,063	2,085	-	17,375	18,706	109,792	-	(91,802)
Cash and investments - ending	\$ (1)	\$ 1	\$ 90,514	\$ 10,157	\$ 3,974	\$ -	\$ -	\$ -	\$ -	\$ (91,802)

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	Special Ed Part B Sect 611	Special Ed 611- Fy 2020 (Sy19/20)	Special Ed 619- Fy 2020 (Sy19/20)	Special Ed 611- Fy 2021 (Sy 20/21)	Special Ed 619- Fy 2020 (Sy21/22)	2019 Preschool Special Ed Grant	Title Iv	Title li 20/21 Sy	Title li 21/22 Sy	Arp -Special Ed
Cash and investments - beginning	\$ (569,689)	\$ 456,556	\$ -	\$ -	\$ -	\$ 14,550	\$ 5,165	\$ -	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	(5,294)	14,920	456,556	-	-	-	57,388	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	(5,294)	14,920	456,556	-	-	-	57,388	-	-
Disbursements:										
Instruction	(586,465)	451,262	14,920	456,556	462,120	14,550	-	57,388	6,575	49,896
Support services	16,776	-	-	-	-	-	7,008	-	53,225	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	(569,689)	451,262	14,920	456,556	462,120	14,550	7,008	57,388	59,800	49,896
Excess (deficiency) of receipts over disbursements	569,689	(456,556)	-	-	(462,120)	(14,550)	(7,008)	-	(59,800)	(49,896)
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	569,689	(456,556)	-	-	(462,120)	(14,550)	(7,008)	-	(59,800)	(49,896)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ (462,120)	\$ -	\$ (1,843)	\$ -	\$ (59,800)	\$ (49,896)

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
COMBINING SCHEDULES OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES-REGULATORY BASIS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Esser Cares Act Iii	Esser Cares Act Ii	Esser Cares Act I	Prepaid School Lunch Accounts	Insurance Sboa CI Acct Corr.	Clearing-Fed Withhold Tax	Clearing-Fica Teaching	Clearing-State Tax	Clearing- County Tax	Clearing- Insurance
Cash and investments - beginning	\$ -	\$ (164,400)	\$ -	\$ 30,961	\$ 1	\$ (14,116)	\$ (5,444)	\$ 28,036	\$ 26,306	\$ 68
Receipts:										
Local sources	-	-	-	117,802	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	178,572	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	178,572	117,802	-	-	-	-	-	-
Disbursements:										
Instruction	176,729	125,089	-	-	-	-	-	-	-	-
Support services	61,155	329,108	178,572	-	-	-	-	-	-	-
Noninstructional services	-	-	-	73,733	-	-	-	-	-	-
Facilities acquisition and construction	163,657	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	(53,435)	93,811	27,227	18,668	852
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	401,541	454,197	178,572	73,733	-	(53,435)	93,811	27,227	18,668	852
Excess (deficiency) of receipts over disbursements	(401,541)	(454,197)	-	44,069	-	53,435	(93,811)	(27,227)	(18,668)	(852)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	(54,289)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(54,289)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(401,541)	(454,197)	-	(10,220)	-	53,435	(93,811)	(27,227)	(18,668)	(852)
Cash and investments - ending	\$ (401,541)	\$ (618,597)	\$ -	\$ 20,741	\$ 1	\$ 39,319	\$ (99,255)	\$ 809	\$ 7,638	\$ (784)

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
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YEAR ENDED JUNE 30, 2022**

	Life Insurance \$1	Clearing-Ista	Clearing-Aflac	Roth Ira Er Share	Emp Share Def Comp	Roth Ira	Pacific Life	Clearing-Child Support	Garnishment- Clearing	Clearing-Muffy	Ltd
Cash and investments - beginning	\$ 2	\$ 298	\$ 174	\$ 1,040	\$ 103	\$ (668)	\$ 630	\$ (13)	\$ (494)	\$ (49)	\$ 4,536
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-	-	-	-	-
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	(2)	-	431	(50)	-	(1,141)	(3,407)	-	-	(452)	(887)
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	(2)	-	431	(50)	-	(1,141)	(3,407)	-	-	(452)	(887)
Excess (deficiency) of receipts over disbursements	2	-	(431)	50	-	1,141	3,407	-	-	452	887
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	2	-	(431)	50	-	1,141	3,407	-	-	452	887
Cash and investments - ending	\$ 4	\$ 298	\$ (257)	\$ 1,090	\$ 103	\$ 473	\$ 4,037	\$ (13)	\$ (494)	\$ 403	\$ 5,423

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YEAR ENDED JUNE 30, 2022

	Dental Insurance	Dental \$1	Vision Insurance	Vision\$1	Retiree Insurance	Health Insurance	Clearing-403B	Clearing-Roth	VEBA Medical Trust	American Fidelity	Totals
Cash and investments - beginning	\$ 2,806	\$ -	\$ 927	\$ -	\$ 261,544	\$ 19,614	\$ 14,044	\$ (14,044)	\$ 750,061	\$ -	\$ 9,052,266
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	9,889,107
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	11,480,083
Federal sources	-	-	-	-	-	-	-	-	-	-	2,111,028
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	141,353	22,363	-	-	18,929	-	1,110,546
Total receipts	-	-	-	-	141,353	22,363	-	-	18,929	-	24,590,764
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	9,318,167
Support services	-	-	-	-	-	-	-	-	-	-	7,971,368
Noninstructional services	-	-	-	-	-	-	-	-	-	-	1,258,089
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	856,920
Debt services	-	-	-	-	-	-	-	-	-	-	3,750,883
Nonprogrammed charges	5,771	(40)	627	(44)	1,623	(29,916)	(14,461)	1,824	133,020	(12,895)	167,124
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	5,771	(40)	627	(44)	1,623	(29,916)	(14,461)	1,824	133,020	(12,895)	23,322,551
Excess (deficiency) of receipts over disbursements	(5,771)	40	(627)	44	139,730	52,279	14,461	(1,824)	(114,091)	12,895	1,268,213
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	1,935,289
Transfers out	-	-	-	-	-	-	-	-	-	-	(1,935,289)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,771)	40	(627)	44	139,730	52,279	14,461	(1,824)	(114,091)	12,895	1,268,213
Cash and investments - ending	\$ (2,965)	\$ 40	\$ 300	\$ 44	\$ 401,274	\$ 71,893	\$ 28,505	\$ (15,868)	\$ 635,970	\$ 12,895	\$ 10,320,479

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YEAR ENDED JUNE 30, 2021**

	Education	Debt Service	Retirement/Severance Bond Debt Service	Operations	Local Rainy Day	Retirement/Severance Bond	Clinic Construction	2019 Go Bond	School Lunch	Curricular Materials Rental
Cash and investments - beginning	\$ 3,208,871	\$ 763,291	\$ 87,338	\$ 1,996,864	\$ 632,029	\$ 554,640	\$ (1,637)	\$ 1,333,261	\$ 73,401	\$ 89,435
Receipts:										
Local sources	5,249	3,800,570	73,200	5,544,981	-	-	-	-	68,706	253,828
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	10,725,295	-	-	-	-	-	-	-	-	45,613
Federal sources	-	-	-	-	-	-	-	-	1,087,816	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	194,424	-	-	49,028	-	-	1,637	-	-	-
Total receipts	10,924,968	3,800,570	73,200	5,594,009	-	-	1,637	-	1,156,522	299,441
Disbursements:										
Instruction	8,248,063	-	-	-	-	-	-	-	-	-
Support services	1,601,605	-	-	4,792,703	-	-	-	-	-	90,420
Noninstructional services	-	-	-	222,466	-	-	-	-	915,051	-
Facilities acquisition and construction	-	-	-	743,630	-	-	-	-	-	-
Debt services	-	3,608,498	146,858	-	-	-	-	1,181,117	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	9,849,668	3,608,498	146,858	5,758,799	-	-	-	1,181,117	915,051	90,420
Excess (deficiency) of receipts over disbursements	1,075,300	192,072	(73,658)	(164,790)	-	-	1,637	(1,181,117)	241,471	209,021
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	1,577,907	600,000	-	-	-	44,791	18,598
Transfers out	(1,577,907)	-	-	(600,000)	(1,104,678)	-	-	-	(2,314)	-
Total other financing sources (uses)	(1,577,907)	-	-	977,907	(504,678)	-	-	-	42,477	18,598
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(502,607)	192,072	(73,658)	813,117	(504,678)	-	1,637	(1,181,117)	283,948	227,619
Cash and investments - ending	\$ 2,706,264	\$ 955,363	\$ 13,680	\$ 2,809,981	\$ 127,351	\$ 554,640	\$ -	\$ 152,144	\$ 357,349	\$ 317,054

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YEAR ENDED JUNE 30, 2021**

	Advanced Manufacturing	Fire & Rescue	Criminal Justice	Resilient Youth Initiative Implementatio	Holocaust Education Grant(Mcef)	Mcef 2020- 2021 Grants	Little Mountie Preschool	Lily Comprehensiv e Cnsl Implm	Alternative Ed	Early Intervention 2012-2013	2018 Mcef Grants 2018- 2019
Cash and investments - beginning	\$ (7,519)	\$ (10,591)	\$ 3,995	\$ 20,107	\$ -	\$ 9,248	\$ 122,556	\$ 41,712	\$ 4,504	\$ 2,295	\$ 5,216
Receipts:											
Local sources	-	-	-	-	-	-	112,729	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	58,939	24,469	-	-	-	4,846	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	58,939	24,469	-	112,729	-	4,846	-	-
Disbursements:											
Instruction	(7,519)	(10,591)	3,995	-	6,672	6,489	126,470	-	9,350	2,295	5,216
Support services	-	-	-	47,072	-	-	-	14,634	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	(7,519)	(10,591)	3,995	47,072	6,672	6,489	126,470	14,634	9,350	2,295	5,216
Excess (deficiency) of receipts over disbursements	7,519	10,591	(3,995)	11,867	17,797	(6,489)	(13,741)	(14,634)	(4,504)	(2,295)	(5,216)
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	7,519	10,591	(3,995)	11,867	17,797	(6,489)	(13,741)	(14,634)	(4,504)	(2,295)	(5,216)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 31,974	\$ 17,797	\$ 2,759	\$ 108,815	\$ 27,078	\$ -	\$ -	\$ -

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YEAR ENDED JUNE 30, 2021**

	Mcef-2019- 2020 School Year0	Mccf Three Year Old Preschool Grant 2019	Come Back Stronger Grant Lilly Endowme	20-21 Inmac Grant- Purdue University	Miscellaneous Programs	Resiliency Grant	Jr High Survey	H.S. Survey 2011	Ahead Coalit/Sch Officer	Formative Assessment	Special Education Excess Costs
Cash and investments - beginning	\$ 1,251	\$ 1,676	\$ -	\$ -	\$ 700	\$ 881	\$ 500	\$ 350	\$ 1,750	\$ (3,368)	\$ 16,209
Receipts:											
Local sources	-	-	20,000	20,000	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	20,000	20,000	-	-	-	-	-	-	-
Disbursements:											
Instruction	1,251	1,676	5,515	-	700	-	500	350	-	(3,368)	16,209
Support services	-	-	-	-	-	881	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	1,750	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,251	1,676	5,515	-	700	881	500	350	1,750	(3,368)	16,209
Excess (deficiency) of receipts over disbursements	(1,251)	(1,676)	14,485	20,000	(700)	(881)	(500)	(350)	(1,750)	3,368	(16,209)
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	(1,251)	(1,676)	14,485	20,000	(700)	(881)	(500)	(350)	(1,750)	3,368	(16,209)
Cash and investments - ending	\$ -	\$ -	\$ 14,485	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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	Secured Schools Safety Grant	Alternative Education Grant	Early Intervention Grant- 2018/2019	Early Intervention Grant- 20/21	Non-English Speaking Prog	State Connectivity Grant W/ Ena	Performance Based Awards	2018/2019 Teacher Appreciation Grant	19/20 Teacher Appreciation Grant	High Ability Students	State Connectivity Grant
Cash and investments - beginning	\$ 2,983	\$ -	\$ 7,001	\$ 6,036	\$ 110	\$ 18,777	\$ 6,780	\$ 7,060	\$ -	\$ 62,438	\$ 8,072
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	50,000	-	-	4,787	-	-	-	-	58,655	32,623	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	50,000	-	-	4,787	-	-	-	-	58,655	32,623	-
Disbursements:											
Instruction	-	(4,625)	-	4,192	-	-	6,780	7,060	58,654	12,610	-
Support services	51,725	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	51,725	(4,625)	-	4,192	-	-	6,780	7,060	58,654	12,610	-
Excess (deficiency) of receipts over disbursements	(1,725)	4,625	-	595	-	-	(6,780)	(7,060)	1	20,013	-
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	(1,725)	4,625	-	595	-	-	(6,780)	(7,060)	1	20,013	-
Cash and investments - ending	\$ 1,258	\$ 4,625	\$ 7,001	\$ 6,631	\$ 110	\$ 18,777	\$ -	\$ -	\$ 1	\$ 82,451	\$ 8,072

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AND CASH AND INVESTMENT BALANCES-REGULATORY BASIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

	Career Ladders Grant	Fy15 Secured School Safety	Title I School Year 2016/2017	Title I -School Year 18/19	2019-2020 Title I	Title Vi Grant	Special Ed Part B Sect 611	Special Ed Part B Sect 611 Fy 2019 (Sy)	Special Ed 611-Fy 2020 (Sy19/20)	Special Ed 619-Fy 2020 (Sy19/20)	2019 Preschool Special Ed Grant
Cash and investments - beginning	\$ 3,974	\$ (20,850)	\$ (83,904)	\$ (107,287)	\$ 70,273	\$ (10,000)	\$ (450,209)	\$ (84,107)	\$ (418)	\$ (113,339)	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	123,393	-	-	456,556	-	-	14,550
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	123,393	-	-	456,556	-	-	14,550
Disbursements:											
Instruction	-	(3,475)	(101,775)	2,505	193,666	-	136,256	(84,107)	(418)	(113,339)	-
Support services	-	-	36,577	-	-	(10,000)	(16,776)	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	(3,475)	(65,198)	2,505	193,666	(10,000)	119,480	(84,107)	(418)	(113,339)	-
Excess (deficiency) of receipts over disbursements	-	3,475	65,198	(2,505)	(70,273)	10,000	(119,480)	84,107	456,974	113,339	14,550
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	3,475	65,198	(2,505)	(70,273)	10,000	(119,480)	84,107	456,974	113,339	14,550
Cash and investments - ending	\$ 3,974	\$ (17,375)	\$ (18,706)	\$ (109,792)	\$ -	\$ -	\$ (569,689)	\$ -	\$ 456,556	\$ -	\$ 14,550

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
COMBINING SCHEDULES OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES)
AND CASH AND INVESTMENT BALANCES-REGULATORY BASIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

	Title Iv	Mccf Grant- Holocaust Ed Grant	Mccf Holocaust Grant- 19/20 School Year	Title li A-17/19- Sy 2017-2018	Title li Part A- Sy 18/19	Title li Part A - Sy 19/20	Esser Cares Act li	Prepaid School Lunch Accounts	Insurance Sboa Cl Acct Corr.	Clearing-Fed Withhold Tax	Clearing-Fica Teaching
Cash and investments - beginning	\$ 15,165	\$ 3,158	\$ 23,308	\$ 5,886	\$ 38,863	\$ -	\$ -	\$ 25,772	\$ (1,161,324)	\$ (12,538)	\$ (5,008)
Receipts:											
Local sources	-	-	-	-	-	-	-	89,725	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	52,842	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	56,647	-	-
Total receipts	-	-	-	-	-	52,842	-	89,725	56,647	-	-
Disbursements:											
Instruction	-	3,158	23,308	4,386	-	-	164,400	-	-	-	-
Support services	-	-	-	1,500	38,863	52,842	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	208	-	-	-
Facilities acquisition and construction	10,000	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	1,578	436
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	10,000	3,158	23,308	5,886	38,863	52,842	164,400	208	-	1,578	436
Excess (deficiency) of receipts over disbursements	(10,000)	(3,158)	(23,308)	(5,886)	(38,863)	-	(164,400)	89,517	56,647	(1,578)	(436)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	1,104,678	-	-
Transfers out	-	-	-	-	-	-	-	(84,328)	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	(84,328)	1,104,678	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(10,000)	(3,158)	(23,308)	(5,886)	(38,863)	-	(164,400)	5,189	1,161,325	(1,578)	(436)
Cash and investments - ending	\$ 5,165	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (164,400)	\$ 30,961	\$ 1	\$ (14,116)	\$ (5,444)

SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
COMBINING SCHEDULES OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES)
AND CASH AND INVESTMENT BALANCES-REGULATORY BASIS (CONTINUED)
YEAR ENDED JUNE 30, 2021

	Clearing-State Tax	Clearing- County Tax	Clearing- Insurance	Life Insurance \$1	Clearing-Ista	Clearing-Aflac	Roth Ira Er Share	Emp Share Def Comp	Roth Ira	Pacific Life	Clearing-Child Support
Cash and investments - beginning	\$ (22,354)	\$ (12,417)	\$ 68	\$ 1	\$ 74	\$ 133	\$ 1,058	\$ 103	\$ (626)	\$ 630	\$ 1,997
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-	-	-	-	-
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	(50,390)	(38,723)	-	(1)	(224)	(41)	18	-	42	-	2,010
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	(50,390)	(38,723)	-	(1)	(224)	(41)	18	-	42	-	2,010
Excess (deficiency) of receipts over disbursements	50,390	38,723	-	1	224	41	(18)	-	(42)	-	(2,010)
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	50,390	38,723	-	1	224	41	(18)	-	(42)	-	(2,010)
Cash and investments - ending	\$ 28,036	\$ 26,306	\$ 68	\$ 2	\$ 298	\$ 174	\$ 1,040	\$ 103	\$ (668)	\$ 630	\$ (13)

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
COMBINING SCHEDULES OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES)
AND CASH AND INVESTMENT BALANCES-REGULATORY BASIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

	Garnishment- Clearing	Clearing-Muffy	Ltd	Dental Insurance	Vision Insurance	Retiree Insurance	Health Insurance	Clearing-403B	Clearing-Roth	VEBA Medical Trust	Totals
Cash and investments - beginning	\$ (494)	\$ (49)	\$ 4,633	\$ 2,937	\$ 949	\$ 135,826	\$ 12,878	\$ 9,196	\$ (9,196)	\$ 868,307	\$ 8,199,291
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	9,988,988
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	11,005,227
Federal sources	-	-	-	-	-	-	-	-	-	-	1,735,157
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	127,945	17,387	-	-	21,774	468,842
Total receipts	-	-	-	-	-	127,945	17,387	-	-	21,774	23,198,214
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	8,722,509
Support services	-	-	-	-	-	-	-	-	-	-	6,702,046
Noninstructional services	-	-	-	-	-	-	-	-	-	-	1,139,475
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	753,630
Debt services	-	-	-	-	-	-	-	-	-	-	4,936,473
Nonprogrammed charges	-	-	97	131	22	2,227	10,651	(4,848)	4,848	140,020	67,853
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	97	131	22	2,227	10,651	(4,848)	4,848	140,020	22,321,986
Excess (deficiency) of receipts over disbursements	-	-	(97)	(131)	(22)	125,718	6,736	4,848	(4,848)	(118,246)	876,228
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	3,345,974
Transfers out	-	-	-	-	-	-	-	-	-	-	(3,369,227)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	(23,253)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(97)	(131)	(22)	125,718	6,736	4,848	(4,848)	(118,246)	852,975
Cash and investments - ending	\$ (494)	\$ (49)	\$ 4,536	\$ 2,806	\$ 927	\$ 261,544	\$ 19,614	\$ 14,044	\$ (14,044)	\$ 750,061	\$ 9,052,266

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SCHEDULE OF PAYABLES AND RECEIVABLES
YEAR ENDED JUNE 30, 2022**

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

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SCHEDULE OF LEASES AND DEBT
YEAR ENDED JUNE 30, 2022**

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Southmont School Building Corporation Ad Valorem Bonds	Constructions Renovations and Other Upgrades and Improvements	\$ 797,700	7/15/2018	1/15/2033
Total of annual lease payments		<u>\$ 797,700</u>		

Type	Description of Debt	Purpose	Ending Principal Balance	Principal Due Within One Year
Governmental activities:				
General Obligation Bonds	SOUTH MONTGOMERY COMM SCHOOL CORP GENERAL OBLIGATION BONDS OF 2019		\$ 1,900,100	\$ 770,000
Totals			<u>\$ 1,900,100</u>	<u>\$ 770,000</u>

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SCHEDULE OF CAPITAL ASSETS
YEAR ENDED JUNE 30, 2022**

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 750,000
Infrastructure	515,000
Buildings	110,720,523
Machinery, equipment, and vehicles	6,856,674
Books and other	<u>1,066,545</u>
Total governmental activities	<u>119,908,742</u>
Total capital assets	<u><u>\$ 119,908,742</u></u>



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

The Officials of the South Montgomery Community School Corporation
Montgomery 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 South Montgomery Community School Corporation, as of June 30, 2022 and for the period of July 1, 2020 to June 30, 2022, and the related notes to the financial statement, which collectively comprise the South Montgomery Community School Corporation's basic financial statement, and have issued our report thereon dated March 31, 2023, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered South Montgomery Community 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 opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of South Montgomery Community School Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of South Montgomery Community School Corporation's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a material weaknesses.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2022-002 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether South Montgomery Community School Corporation's financial statement are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial 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.

South Montgomery Community School Corporation's Response to Findings

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

Purpose of This Report

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



CliftonLarsonAllen LLP

Indianapolis Indiana
March 31, 2023



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Officials of the South Montgomery Community School Corporation
Montgomery County, Indiana

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

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

Qualified Opinion on Special Education Cluster (IDEA)

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

Unmodified Opinion on Each of the Other Major Programs

In our opinion, South Montgomery Community School Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the period of July 1, 2020 to June 30, 2022.

Basis for Qualified and Unmodified Opinions

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

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

Matters Giving Rise to Qualified Opinions on Special Education Cluster

As described in the accompanying schedule of findings and questioned costs, South Montgomery Community School Corporation did not comply with requirements regarding Assistance Listing Numbers 84.027 and 84.173 Special Education Cluster as described in finding number 2022-004 for Allowable Costs.

Compliance with such requirements is necessary, in our opinion, for South Montgomery Community School Corporation to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding South Montgomery Community School Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of South Montgomery Community School Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of South Montgomery Community School Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

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

Report on Internal Control Over Compliance

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

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

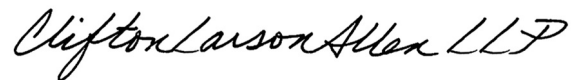
A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-003, 2022-005 and 2022-006 to be significant deficiencies.

The Officials of the South Montgomery Community School Corporation
Montgomery County, Indiana

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

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

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

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Indianapolis Indiana
March 31, 2023

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022**

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient 06-30-21	Total Federal Awards Expended 06-30-21	Pass-Through To Subrecipient 06-30-22	Total Federal Awards Expended 06-30-22
<u>Department of Agriculture</u>							
Child Nutrition Cluster							
National School Lunch Program	Indiana Department of Education						
National School Lunch Program		10.555	FY 2022	\$ -	\$ -	\$ -	\$ 1,067,789
Commodities		10.555		-	126,057	-	113,225
Total - National School Lunch Program				-	126,057	-	1,181,014
Summer Food Service Program for Children							
Summer Food Service Program for Children	Indiana Department of Education	10.559	FY 2021	-	1,105,928	-	-
Summer Food Service Program for Children		10.559	FY 2022	-	-	-	14,453
Total - Summer Food Service Program for Children				-	1,105,928	-	14,453
Total - Child Nutrition Cluster				-	1,231,985	-	1,195,467
Child and Adult Care Food Program							
Child and Adult Care Food Program	Indiana Department of Education	10.558	FY 2021	-	64,368	-	-
Child and Adult Care Food Program		10.558	FY 2022	-	-	-	3,140
Total - Child and Adult Care Food Program				-	64,368	-	3,140
Farm to School Grant	Indiana Department of Education	10.575	FY2022	-	-	-	10,000
Child Nutrition Discretionary Grants Limited Availability	Indiana Department of Education	10.579	FY2022	-	-	-	21,910
Pandemic EBT Administrative Costs	Indiana Department of Education	10.649	FY2022	-	-	-	614
Total - Department of Agriculture				-	1,296,353	-	1,231,131

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient 06-30-21	Total Federal Awards Expended 06-30-21	Pass-Through To Subrecipient 06-30-22	Total Federal Awards Expended 06-30-22
<u>Department of Education</u>							
Special Education Cluster(IDEA)							
FY 2019 Part B grants for Special Education							
Special Ed Part B - 611	Indiana Department of Education	84.027	19611-76-PN01	-	456,556	-	451,262
Special Ed Part B -619		84.173	19619-76-PN01	-	14,550	-	14,920
Total - FY 2019 Part B grants for Special Education				-	471,106	-	466,182
Total - Special Education Cluster(IDEA)				-	471,106	-	466,182
Title I Grants to Local Educational Agencies							
Title I	Indiana Department of Education	84.010	S010A190014	-	123,393	-	218,367
Total - Title I Grants to Local Educational Agencies				-	123,393	-	218,367
Supporting Effective Instruction State Grants							
Title II	Indiana Department of Education	84.367	S367A200013	-	-	-	-
Title II		84.367	S367A200013	-	52,842	-	57,388
Total - Supporting Effective Instruction State Grants				-	52,842	-	57,388
Title VI Grants to Local Educational Agencies							
Title VI	Indiana Department of Education	84.424	S424A200015	-	15,382	-	703
Total - Title VI Grants to Local Educational Agencies				-	15,382	-	703
Covid-19 Elementary and Secondary School Emergency Relief Fund							
USED ESSER II	IN Dept of Education	84.425D	S425D210013	-	-	-	178,572
Total - Department of Education				-	662,723	-	921,212

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient 06-30-21	Total Federal Awards Expended 06-30-21	Pass-Through To Subrecipient 06-30-22	Total Federal Awards Expended 06-30-22
<u>Department of Education</u>							
Medicaid Cluster							
Medical Assistance Program	IN Dept of Family and Social Services						
Medicaid Reimbursement - MAC		93.778	FY2021	-	36,796	-	-
Medicaid Reimbursement MAC		93.778	FY2022	-	-	-	49,040
Total - Medical Assistance Program				-	36,796	-	49,040
Total - Medicaid Cluster							
Total - Department of Health and Human Services				-	36,796	-	49,040
<u>Department of Homeland Security</u>							
FEMA COVID REIMBURSEMENT	Indiana Department of Homeland Security						
FEMA COVID REIMBURSEMENT		97.036	FY2021	-	-	-	6,032
Total - Department of Homeland Security				-	-	-	6,032
Total federal awards expended				\$ -	\$ 1,995,872	\$ -	\$ 2,207,415

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Note 1. Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the years ended June 30, 2021 and 2022. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position or changes in 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, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or 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 allowed under the Uniform Guidance.

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Section I – Summary of Auditors’ Results

Financial Statement

1. Type of auditors’ report issued: GAAP: Adverse, Regulatory Basis: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? X yes no
 - Significant deficiency(ies) identified? X yes none reported
3. Noncompliance material to financial statements noted? yes X no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? X yes no
 - Significant deficiency(ies) identified? X yes none reported
2. Type of auditors’ report issued on compliance for major federal programs: Qualified – Special Education Cluster (IDEA)
Unmodified - Child Nutrition Cluster
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? X yes no

Identification of Major Federal Programs

ALN Number(s)

10.553/10.555/10.559
84.027/84.173

Name of Federal Program or Cluster

Child Nutrition Cluster
Special Education Cluster (IDEA)

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 yes X no

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Section II – Financial Statement Findings

2022 – 001 – Preparation of the Schedule of Expenditures of Federal Awards

Type of Finding: Material Weakness on Internal Control over Financial Reporting

Condition: The School Corporation had not established effective internal controls over the federal award information entered into the Indiana Gateway for Government Units (Gateway) financial reporting system, which was the source of the School Corporation's Schedule of Expenditures of Federal Awards (SEFA). The School Corporation failed to properly review the federal grant information prepared and submitted in Gateway. Although one employee prepared and entered the federal award information into Gateway, and another employee reviewed and approved the information entered, the internal control was not effective and did not detect and allow correction of errors prior to submission.

Due to the lack of effective internal controls, the SEFA presented for audit contained incorrect program names, pass-through entities, identifying numbers and splits between Assistance Listing numbers. Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA presented in this report.

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. . . ."

2 CFR 200.303 states in part: "The non-Federal entity must: . . .
(a) Establish and maintain effective internal control . . ."

2 CFR 200.62 states in part: "Internal control over compliance requirements for Federal awards means a process implemented by a non-Federal entity designed to provide reasonable assurance regarding the achievement of the following objectives for Federal awards:

(a) Transactions are properly recorded and accounted for, in order to:
(1) Permit the preparation of reliable financial statements . . ."

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. . . ."

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Section II – Financial Statement Findings (Continued)

2022 – 001 – Preparation of the Schedule of Expenditures of Federal Awards (Continued)

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..."

Cause: Management had not established an effective system of internal controls that would have ensured proper reporting of the SEFA.

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

Repeat Finding: Yes

Recommendation: We recommend South Montgomery Community School Corporation add internal controls over SEFA including a review process and reconciliation process before submission.

Views of Responsible Officials: There is no disagreement with the audit finding.

2022 – 002 – Accounting Records

Type of Finding: Significant Deficiency in Internal Control over Financial Reporting

Condition: The School Corporation had not established effective internal controls over accounting records and lacked a comprehensive formal journal entry system. The School Corporation was only able to provide invoices and vouchers payables as support and a Journal Entry system was not used. The School Corporation was not able to provide a population of journal entries, including, journal entry number, the journal entry postdates, account number, the credit and debit of the transaction and who authorized the journal entry.

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. . . .

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Section II – Financial Statement Findings (Continued)

2022 – 002 – Accounting Records (Continued)

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

(a) Establish and maintain effective internal control . . ."

Cause: Management had not established an effective system of internal controls over accounting records that meet the minimum standards.

Effect: Without a proper system of internal controls in place that operated effectively, material misstatements of the Financial Statement may go undetected.

Repeat Finding: No

Recommendation: We recommend that the School Corporation implements the following items; a formal journal entry system to ensure that all expenditures and revenues are recorded within one system, have a formal review process in place, additional training on the general ledger system, and have a designated area where support is kept and located.

Views of Responsible Officials: There is no disagreement with the audit finding.

Section III – Findings and Questioned Costs – Major Federal Programs

2022 – 003 – Special Education Cluster – Suspension and Debarment

Federal Agency: U.S. Department of Education

Federal Program Title: Special Education Cluster (IDEA)

Assistance Listing Number: 84.027/84.173

Federal Award Identification Number and Year: FY 21 and FY 22

Pass-Through Entity: Indiana Department of Education

Pass-Through Entity Number: 19611-76-PN01

Award Period: July 1, 2020 through June 30, 2022

Type of Finding:

- Significant Deficiency in Internal Control over Compliance.

Criteria: "2 CFR 200.303 states in part:

"The non-Federal entity must:

Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2022 – 003 – Special Education Cluster – Suspension and Debarment (Continued)

the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

2 CFR 180.300 states:

"When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by: (a) Checking SAM Exclusions; or (b) Collecting a certification from that person; or (c) Adding a clause or condition to the covered transaction with that person."

Condition: During our testing, we noted Suspension and debarment checks were not performed on the contract sampled. Per the school's procurement policy, it stated that a certification of suspension and debarment needed to be completed prior to entering into a contract for all contracts over the \$25,000 threshold.

Questioned costs: None

Context: Using a statistically valid sample, 1 covered transaction was selected for testing. The Transaction selected did not have a suspension and debarment certification prior to entering in a contract with the vendor.

Cause: Improper understanding and implementation of existing policies.

Effect: Contracts could be entered into with suspended or debarred vendors leading to noncompliance.

Repeat Finding: No.

Recommendation: We recommend the South Montgomery Community School Corporation increased training for those individuals involved in procurement and contract approval to ensure suspension and debarment checks are performed prior to awarding contracts.

View of Responsible Officials: There is no disagreement with the audit finding.

2022 – 004 – Special Education Cluster (IDEA) Activities Allowed or Unallowed & Allowable Costs/Cost Principles

Federal Agency: U.S. Department of Education

Federal Program Title: Special Education Cluster (IDEA)

Assistance Listing Number: 84.027/84.173

Federal Award Identification Number and Year: FY 21 and FY 22

Pass-Through Entity: Indiana Department of Education

Pass-Through Entity Number: 19611-76-PN01

Award Period: July 1, 2020 through June 30, 2022

Type of Finding:

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2022 – 004 – Special Education Cluster (IDEA) Activities Allowed or Unallowed & Allowable Costs/Cost Principles (Continued)

- Material Weakness in Internal Control over Compliance, Material Noncompliance (Modified Opinion)

Criteria: Per 2 CFR 200.430, charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- (ii) Be incorporated into the official records of the non-Federal entity;
- (iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity,
- (iv) Encompass both federally assisted and all other activities compensated by the non-Federal entity on an integrated basis, but may include the use of subsidiary records as defined in the non-Federal entity's written policy;
- (v) Comply with the established accounting policies and practices of the non-Federal entity (See paragraph (h)(1)(ii) above for treatment of incidental work for IHEs.); and
- (vi) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.

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: During our testing we that an effective internal control system was not in place to ensure compliance with requirements related to allowable costs. Additionally, time and effort procedures were not in place during the audit period.

Questioned costs: Known - \$80,310.67, Likely - \$330,748.52. Known and questioned costs exceed program materiality.

Context: In a statistically valid sample, 40 of 40 selections did not have adequate time and effort documentation along with proper timesheets, resulting in questioned costs.

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2022 – 004 – Special Education Cluster (IDEA) Activities Allowed or Unallowed & Allowable Costs/Cost Principles (Continued)

Cause: Per discussion with business manager and per testing performed, CLA noted the school did not have time and effort implemented, as they believe they were not required to.

Effect: Activities or costs could be charged to a federal grant which do not meet the allowability standards, leading to noncompliance.

Repeat Finding: No.

Recommendation: We recommend the management ensure controls are consistently in place. Training over the organization's controls may be beneficial.

View of Responsible Officials: There is no disagreement with the audit finding.

2022 – 005 – Child Nutrition Cluster – Suspension and Debarment

Federal Agency: U.S. Department of Education

Federal Program Title: Child Nutrition Cluster

Assistance Listing Number: 10.553/10.555

Federal Award Identification Number and Year: FY 21 and FY 22

Pass-Through Entity: Indiana Department of Education

Pass-Through Entity Number: FY 2021 and FY 2022

Award Period: July 1, 2020 through June 30, 2022

Type of Finding:

- Significant Deficiency in Internal Control over Compliance

Criteria:

2 CFR 200.303 states in part:

"The non-Federal entity must:

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

2 CFR 180.300 states:

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2022 – 005 – Child Nutrition Cluster – Suspension and Debarment

"When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by: (a) Checking SAM Exclusions; or (b) Collecting a certification from that person; or (c) Adding a clause or condition to the covered transaction with that person."

Condition: During our testing, we noted Suspension and debarment checks were not performed on the contract sampled. Per the school's procurement policy, it stated that a certification of suspension and debarment needed to be completed prior to entering into a contract for all contracts over the \$25,000 threshold.

Questioned costs: None

Context: Using a statistically valid sample, 1 covered transaction was selected for testing. The Transaction selected did not have a suspension and debarment certification prior to entering in a contract with the vendor.

Cause: Improper understanding and implementation of existing policies.

Effect: Contracts could be entered into with suspended or debarred vendors leading to noncompliance.

Repeat Finding: No.

Recommendation: We recommend the South Montgomery Community School Corporation increased training for those individuals involved in procurement and contract approval to ensure suspension and debarment checks are performed prior to awarding contracts.

View of Responsible Officials: There is no disagreement with the audit finding.

2022 – 006 – Child Nutrition Cluster – Special Tests and Provisions

Federal Agency: U.S. Department of Education

Federal Program Title: Child Nutrition Cluster

Assistance Listing Number: 10.553/10.555

Federal Award Identification Number and Year: FY 21 and FY 22

Pass-Through Entity: Indiana Department of Education

Pass-Through Entity Number: FY 2021 and FY 2022

Award Period: July 1, 2020 through June 30, 2022

Type of Finding:

- Significant Deficiency in Internal Control over Compliance

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2022 – 006 – Child Nutrition Cluster – Special Tests and Provisions (Continued)

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). . . ."

"An SFA is required to account for all revenues and expenditures of its non-profit school food service in accordance with state and federal requirements. An SFA must operate its food services on a non-profit basis; all revenue generated by the school food service must be used to operate and improve its food services (7 CFR sections 210.14(a), 210.14(c), 210.19(a)(2), 215.7(d)(1), 220.2, and 220.7(e)(1)(i))."

Condition: During our testing, we noted Transfers to and from the holding account to the school lunch program were not approved by the business manager and board of school trustees. 4 out of 4 transfer samples that were selected did not have proper approval.

Questioned costs: None.

Context: Using a statistically valid sample, 4 of 4 selections did not have proper approval from the business manager and board of school trustees.

Cause: Improper understanding and implementation of existing policies.

Effect: Costs could be charged to a federal grant which do not meet the allowability standards, leading to noncompliance.

Repeat Finding: No.

Recommendation: We recommend the South Montgomery Community School Corporation ensures controls are consistently in place. Training over the organization's controls may be beneficial.

View of Responsible Officials: There is no disagreement with the audit finding.

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Indiana State Board of Accounts

South Montgomery Community School Corporation respectfully submits the following summary schedule of prior audit findings for the period of July 1, 2020 to June 30, 2022.

Audit period: July 1, 2020 to June 30, 2022

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

2020 – 001 - Preparation of the Schedule of Expenditures of Federal Awards

Condition: The School Corporation had not established effective internal controls over the federal award information entered into the Indiana Gateway for Government Units (Gateway) financial reporting system, which was the source of the School Corporation's Schedule of Expenditures of Federal Awards (SEFA). The School Corporation failed to properly review the federal grant information prepared and submitted in Gateway. Although one employee prepared and entered the federal award information into Gateway, and another employee reviewed and approved the information entered, the internal control was not effective and did not detect and allow correction of errors prior to submission.

Status: Repeat Finding.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

2020 – 002 – Child Nutrition Cluster – Cash Management, Procurement and Suspension and Debarment

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

Status: Resolved.

2020 – 003 – Child Nutrition Cluster – Program Income

Condition: Transfers from the School Lunch Prepaid Accts fund to the School Lunch fund were made monthly; however, the transfers were not based on actual sales to students as shown on the sales activity reports provided by the Food Service Director.

Due to the lack of effective internal controls, program income was overreported.

Status: Resolved.

**SOUTH MONTGOMERY COMMUNITY SCHOOL CORPORATION
MONTGOMERY COUNTY, INDIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

2020 – 004 – Special Education Cluster (IDEA) – Period of Performance

Condition: An effective internal control system was not in place at the School Corporation to ensure compliance with requirements related to the grant agreement and the Period of Performance compliance requirement. Federal funds for the Special Education Cluster (IDEA) were not separated for each grant year. The intermingling of funds did not allow the testing of the Period of Performance compliance requirement. The lack of internal controls was a systemic issue, which occurred throughout the audit period. The lack of supporting documentation prevented the determination of the School Corporation's compliance with the Period of Performance compliance requirement.

Status: Resolved.



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FINDING 2022-001

Contact Person Responsible for Corrective Action: Kristin Charles

Contact Phone Number: 765-866-0203

Views of the Responsible Official: The School Corporation is in agreement with the Finding.

Description of Corrective Action Plan: We will work with colleagues to ensure that the SEFA is correct when posting the AFR. We will work to put together a draft now that is a live document so that we can capture all the information at the time of application and then as we receive reimbursements from the state.

Anticipated Completion Date: The 7/1/2022-6/30/2023 AFR Report

FINDING 2022-002

Contact Person Responsible for Corrective Action: Kristin Charles

Contact Phone Number: 765-866-0203

Views of the Responsible Official: The School Corporation is in agreement with the Finding.

Description of Corrective Action Plan: We did provide the sheet of No Vendor expenditures which is in essence our "journal entries", there would not be any other documentation; however moving forward we will get a second signature on these whenever they do happen and will work to scan them into an audit folder on Google in preparation for the next audit. We will do our best to go back and review any that have occurred since 7/1/2022.

Anticipated Completion Date: Starting 4/1/2023 and will do our best to work retroactively back to 7/1/2022 start of the next audit period.



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FINDING 2022-003

Contact Person Responsible for Corrective Action: Kristin Charles

Contact Phone Number: 765-866-0203

Views of the Responsible Official: The School Corporation is in agreement with the Finding.

Description of Corrective Action Plan: We have added for the upcoming contract with West Central Special Education Co-Op that they are responsible to report to us if they are under or could be under the threat of any suspension and debarment issues. We will also add this language into any other contract if we are ever in the position to use Federal Grant Funds.

Anticipated Completion Date: 4/1/2023

FINDING 2022-004

Contact Person Responsible for Corrective Action: Kristin Charles

Contact Phone Number: 765-866-0203

Views of the Responsible Official: The School Corporation is in agreement with the Finding.

Description of Corrective Action Plan: This should not be an issue moving forward as now write our grant to be used for our Co-Op Bill and do not pay salaries directly. In the future if we plan to pay with Federal Funding, we will require time and effort logs.

Anticipated Completion Date: 4/1/2023



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FINDING 2022-005

Contact Person Responsible for Corrective Action: Kristin Charles

Contact Phone Number: 765-866-0203

Views of the Responsible Official: The School Corporation is in agreement with the Finding.

Description of Corrective Action Plan: We will provide additional training to our Food Service team about the processes with suspension and debarment. We had assumed we had done enough due diligence since we passed our IDOE Child Nutrition audit; on the same token that audit may not have encompassed the sample that was randomly selected by CLA. We will also add suspension and debarment language into any other contract we anyone that we enter where there is a chance that Federal Dollars could be used for the purchase.

Anticipated Completion Date: ASAP

FINDING 2022-006

Contact Person Responsible for Corrective Action: Kristin Charles

Contact Phone Number: 765-866-0203

Views of the Responsible Official: The School Corporation is in agreement with the Finding.

Description of Corrective Action Plan: This was the best process at the time. We are now doing negative expenditures to move the funds. The CAP is to contact another Komputrol school and see how they are processing the movement of funds from 8400 which is where the prepaid lunch money is supposed to go and how it is being moved into fund 800. The board has in essence through the superintendent for me to make posting corrections to get the amount into the proper funds. As the CFO/HR as well as the named treasurer, since this is not enough then we will work together to make sure it is clearly stated in resolution that the CFO/HR or named treasurer has the authority to make these moves in the funds.



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Anticipated Completion Date: ASAP

OTHER REPORTS

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/>.



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