



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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April 14, 2023

To: The Officials of the Shelby Eastern Schools
Shelby Eastern Schools
2451 N 600 E
Shelbyville, IN 46176

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

We call your attention to the finding included in the report on pages 41 and 42. Please see the Schedule of Findings and Questioned Costs for complete details related to the finding. Management's Corrective Action Plan appears on page 45.

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 Shelby Eastern Schools 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.

Handwritten signature of Tammy R. White in cursive.

Tammy R. White, CPA
Deputy State Examiner

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

PERIOD OF JULY 1, 2020 TO JUNE 30, 2022



CPAs | CONSULTANTS | WEALTH ADVISORS

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**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
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**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
SCHEDULE OF OFFICIALS - UNAUDITED**

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Chris Scott	07-01-20 to 06-30-23
Superintendent of Schools	Todd Hitchcock	07-01-20 to 06-30-23
President of the School Board	Ben Kuhn	07-01-20 to 06-30-23



INDEPENDENT AUDITORS' REPORT

The Officials of the Shelby Eastern Schools
Shelby County, Indiana

Report on the Audit of the Financial Statement

Opinions

We have audited the accompanying financial statement of the Shelby Eastern Schools, 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 Shelby Eastern Schools 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 Shelby Eastern Schools 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 Shelby Eastern Schools, 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 Shelby Eastern Schools 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 is 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 Shelby Eastern Schools' 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 Shelby Eastern Schools' 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 Shelby Eastern Schools' 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 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 reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement

The Officials of the Shelby Eastern Schools
Shelby County, Indiana

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 Shelby Eastern Schools' 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 Shelby Eastern Schools' 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 Shelby Eastern Schools' internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Indianapolis, Indiana
March 31, 2023

**SHELBY EASTERN SCHOOLS
SHELBY 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	\$ 1,306,495	\$ 7,995,921	\$ 6,917,026	\$ -	\$ 2,385,390	\$ 8,624,075	\$ 7,617,727	\$ -	\$ 3,391,738
Debt Service	1,573,621	3,180,614	3,129,345	-	1,624,890	2,941,135	3,037,125	-	1,528,900
Retirement/Severance Bond Debt Service	(28,595)	28,401	-	-	(194)	-	-	-	(194)
Operations	1,458,456	3,095,122	3,982,763	-	570,815	3,438,120	4,275,950	-	(267,015)
Local Rainy Day	2,000,000	-	-	-	2,000,000	-	-	-	2,000,000
Construction Bond 2019	-	-	-	-	-	64,244	64,703	-	(459)
School Lunch	155,059	797,402	601,623	-	350,838	750,645	783,676	-	317,807
Curricular Materials Rental	454,611	234,664	233,049	-	456,226	101,283	323,801	-	233,708
Preschool	86,189	30,979	16,129	-	101,039	84,277	35,637	-	149,679
Educational License Plates	443	38	-	-	481	19	821	-	(321)
2019 Ffa Grants For Growing	757	1,000	234	-	1,523	1,000	-	-	2,523
Mhp Sports Facility Grant	1,258	5,000	5,015	-	1,243	5,000	1,226	-	5,017
Aleks Program Blue River Grant	7,643	4,470	5,406	-	6,707	4,700	6,125	-	5,282
2022 Wortman Grant- Science Lab Support	-	-	-	-	-	5,970	-	-	5,970
2022 Wortman Grant-Guitars&Ukuleles For	-	-	-	-	-	4,991	-	-	4,991
Blue River Foundation T Runn	18	-	18	-	-	-	-	-	-
Coca Cola Grant	9,756	-	-	-	9,756	-	14,802	-	(5,046)
Paul O Goble Memorial Donation	1,720	-	-	-	1,720	-	-	-	1,720
Robotics Team Corp 2019	3,678	72	-	-	3,750	60	-	-	3,810
E-Sports Program	310	-	151	-	159	-	-	-	159
Ilene Bailey Scholarship 2021	-	600	-	-	600	200	800	-	-
Formative Assessment	21,273	11,530	11,190	-	21,613	-	340	-	21,273
Hb 1008 Student Learning Recovery Grant	-	-	-	-	-	7,398	17,772	-	(10,374)
Drug Free Coalition Grant	300	-	-	-	300	-	-	-	300
Secured Schools Safety Grant	(12,708)	65,206	33,392	-	19,106	34,163	43,381	-	9,888
Alternative Education Grant	2,818	-	-	-	2,818	-	-	-	2,818
Early Intervention Grant	(4,623)	3,420	3,420	-	(4,623)	3,061	1,200	-	(2,762)
Career And Technical Performance Grant	20,922	-	1,250	-	19,672	-	4,047	-	15,625
Teacher Appreciation Grant	-	-	-	-	-	43,400	43,465	-	(65)
High Ability Students	3,324	23,784	27,108	-	-	25,771	26,146	-	(375)
State Connectivity Grant	16,441	-	15,746	-	695	-	-	-	695
Project Lead The Way	-	15,600	12,963	-	2,637	-	190	-	2,447
Title I Grant 2015/2016	2,495	-	-	(2,495)	-	-	-	-	-
Title I Grant 2017/2018	(991)	-	-	991	-	-	-	-	-

See accompanying Notes to Financial Statements.

**SHELBY EASTERN SCHOOLS
SHELBY 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 I Grant 2018/2019	500	-	-	(500)	-	-	-	-	-
Title I Grant 2019/2020	(74,084)	81,435	5,780	2,004	3,575	-	-	-	3,575
Title I Grant 2020/2021 Sy	-	74,557	79,326	-	(4,769)	27,425	22,656	-	-
Title I Grant 2021/2022 Sy	-	-	-	-	-	56,539	78,848	-	(22,309)
Special Ed Part B Idea Fy 2019	(52,894)	41,218	(11,676)	-	-	-	-	-	-
Special Ed Preschool Idea 2020	(15,941)	16,384	444	-	(1)	-	-	-	(1)
Special Ed Part B Idea Fy 2020	(25,130)	251,679	266,857	-	(40,308)	40,308	-	-	-
Special Ed Preschool Idea 2021	-	-	16,471	-	(16,471)	16,471	-	-	-
Special Ed Part B Idea Fy 2021	-	-	-	-	-	271,181	279,062	-	(7,881)
Special Ed Part B Idea FY 611	-	-	-	-	-	-	36,591	-	(36,591)
Student Support Title Iv 2019	(2,536)	2,536	7,464	-	(7,464)	7,464	-	-	-
Student Support Title Iv 2020	-	-	8,041	-	(8,041)	10,000	1,959	-	-
Student Support Title Iv Ffy 2021	-	-	-	-	-	-	505	-	(505)
Title Ii Part A 2018/2019	(24,416)	24,416	-	-	-	-	-	-	-
Title Ii Part A 2019/2020	-	-	20,685	-	(20,685)	25,324	4,639	-	-
Title Ii Part A Ffy2020	-	-	-	-	-	-	22,263	-	(22,263)
Title Ii Part A Ffy 2021	-	-	-	-	-	-	1,802	-	(1,802)
Title Ii Part A Fy22 Teacher Leaders Boo	-	-	-	-	-	-	3,633	-	(3,633)
Esser Iii	-	-	16,191	-	(16,191)	284,248	311,046	-	(42,989)
Child Care Development Block Grant Progr	-	-	-	-	-	192,035	2,153	-	189,882
Emergency Relief Ii	-	-	213,572	-	(213,572)	269,077	55,504	-	1
Federal Stimulus - 18002 Governoryçôs Emer	-	-	2,010	-	(2,010)	30,000	27,990	-	-
Federal Stimulus - 18003 Educ. Stab Reli	-	61,193	63,039	-	(1,846)	20,978	19,132	-	-
Prepaid School Lunch Accounts	(10,643)	84,515	74,427	-	(555)	57,121	44,433	-	12,133
Federal Tax	83	465,006	465,006	-	83	493,795	492,552	-	1,326
Social Security	6,142	387,239	387,239	-	6,142	419,010	419,517	-	5,635
State Tax	47,691	195,823	193,896	-	49,618	211,665	210,767	-	50,516
County Tax	(30,301)	99,277	97,909	-	(28,933)	111,358	111,052	-	(28,627)
Ind State Teachers Retire	(2,768)	-	-	-	(2,768)	-	-	-	(2,768)
Public Empl Retirement (Perf)	5,055	19,321	19,321	-	5,055	21,145	21,145	-	5,055
Health Life Ltd Insurance	15,406	439,602	415,745	-	39,263	476,128	444,569	-	70,822
Annuities	1,007	201,853	201,853	-	1,007	192,662	192,662	-	1,007
Social Security - Medicare	(6,359)	90,565	90,565	-	(6,359)	97,995	98,114	-	(6,478)
Secta	21	40,929	40,929	-	21	6,246	6,246	-	21
Unreimbursed Medical-Sec 125	7,944	24,757	24,757	-	7,944	22,468	22,468	-	7,944
Garnishments	(146)	20,844	20,721	-	(23)	21,679	21,679	-	(23)

See accompanying Notes to Financial Statements.

**SHELBY EASTERN SCHOOLS
SHELBY 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
United	-	15	15	-	-	-	-	-	-
Perf - Voluntary Deduction	143	-	-	-	143	-	-	-	143
Istr - Voluntary Deduction	2,429	-	-	-	2,429	-	-	-	2,429
Istr Voluntary Deductions	(234)	-	-	-	(234)	-	-	-	(234)
Payroll Other Deductions	187	-	-	-	187	-	-	-	187
Life Fringe Benefits	11	-	-	-	11	-	-	-	11
Totals	<u>\$ 6,921,837</u>	<u>\$ 18,116,987</u>	<u>\$ 17,716,415</u>	<u>\$ -</u>	<u>\$ 7,322,409</u>	<u>\$ 19,521,834</u>	<u>\$ 19,251,921</u>	<u>\$ -</u>	<u>\$ 7,592,322</u>

See accompanying Notes to Financial Statements.

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
NOTES TO FINANCIAL STATEMENTS
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.

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.

**SHELBY EASTERN SCHOOLS
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NOTES TO FINANCIAL STATEMENTS
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

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.

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.

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
NOTES TO FINANCIAL STATEMENTS
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

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.

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.

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
NOTES TO FINANCIAL STATEMENTS
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

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

Note 5. Risk Management

The School Corporation may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the School Corporation to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

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.

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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

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.

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

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

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

Financial Report

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

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

Contributions

The School Corporation contributes the employer's share to Teachers' 1996 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.

**SHELBY EASTERN SCHOOLS
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Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of the reimbursements for expenditures made by the School Corporation were not received by June 30, 2021, and June 30, 2022.

Note 8. Holding Corporation

The School Corporation has entered into leases with the Shelby Eastern Schools Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years ended June 30, 2021 and 2022, totaled \$2,792,525 and \$2,825,125, respectively.

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
COMBINING SCHEDULES OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS
PERIOD ENDED JUNE 30, 2022**

	Education	Debt Service	Operations	Local Rainy Day	Bond Refinance 2021	School Lunch	Curricular Materials Rental	Preschool	Educational License Plates	2019 Ffa Grants For Growing
Cash and investments - beginning	\$ 2,385,390	\$ 1,624,890	\$ 570,815	\$ 2,000,000	\$ -	\$ 350,838	\$ 456,226	\$ 101,039	\$ 481	\$ 1,523
Receipts:										
Local sources	89,986	2,941,135	3,434,281	-	64,244	82,839	63,963	84,277	-	1,000
Intermediate sources	70	-	-	-	-	-	-	-	19	-
State sources	8,534,019	-	-	-	-	6,219	36,920	-	-	-
Federal sources	-	-	-	-	-	661,587	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	3,839	-	-	-	400	-	-	-
Total receipts	8,624,075	2,941,135	3,438,120	-	64,244	750,645	101,283	84,277	19	1,000
Disbursements:										
Instruction	5,559,267	-	118,193	-	-	-	-	35,637	821	-
Support services	1,809,245	-	3,635,339	-	-	9,932	323,801	-	-	-
Noninstructional services	249,215	-	23,649	-	-	773,744	-	-	-	-
Facilities acquisition and construction	-	-	468,248	-	64,703	-	-	-	-	-
Debt services	-	3,037,125	30,521	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	7,617,727	3,037,125	4,275,950	-	64,703	783,676	323,801	35,637	821	-
Excess (deficiency) of receipts over disbursements	1,006,348	(95,990)	(837,830)	-	(459)	(33,031)	(222,518)	48,640	(802)	1,000
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	1,006,348	(95,990)	(837,830)	-	(459)	(33,031)	(222,518)	48,640	(802)	1,000
Cash and investments - ending	\$ 3,391,738	\$ 1,528,900	\$ (267,015)	\$ 2,000,000	\$ (459)	\$ 317,807	\$ 233,708	\$ 149,679	\$ (321)	\$ 2,523

**SHELBY EASTERN SCHOOLS
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PERIOD ENDED JUNE 30, 2022**

	Mhp Sports Facility Grant	Aleks Program Blue River Grant	2022 Wortman Grant- Science Lab Support	2022 Wortman Grant- Guitars&Ukuleles For	Coca Cola Grant	Paul O Goble Memorial Donation	Robotics Team Corp 2019	E-Sports Program	Ilene Bailey Scholarship 2021	Formative Assessment
Cash and investments - beginning	\$ 1,243	\$ 6,707	\$ -	\$ -	\$ 9,756	\$ 1,720	\$ 3,750	\$ 159	\$ 600	\$ 21,613
Receipts:										
Local sources	5,000	4,700	5,970	4,991	-	-	60	-	200	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	5,000	4,700	5,970	4,991	-	-	60	-	200	-
Disbursements:										
Instruction	-	-	-	-	14,802	-	-	-	-	340
Support services	1,226	6,125	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	800	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,226	6,125	-	-	14,802	-	-	-	800	340
Excess (deficiency) of receipts over disbursements	3,774	(1,425)	5,970	4,991	(14,802)	-	60	-	(600)	(340)
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	3,774	(1,425)	5,970	4,991	(14,802)	-	60	-	(600)	(340)
Cash and investments - ending	\$ 5,017	\$ 5,282	\$ 5,970	\$ 4,991	\$ (5,046)	\$ 1,720	\$ 3,810	\$ 159	\$ -	\$ 21,273

**SHELBY EASTERN SCHOOLS
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AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS (CONTINUED)
PERIOD ENDED JUNE 30, 2022**

	Hb 1008 Student Learning Recovery Grant	Drug Free Coalition Grant	Secured Schools Safety Grant	Alternative Education Grant	Early Intervention Grant	Career And Technical Performance Grant	Teacher Appreciation Grant	High Ability Students	State Connectivity Grant	Project Lead The Way
Cash and investments - beginning	\$ -	\$ 300	\$ 19,106	\$ 2,818	\$ (4,623)	\$ 19,672	\$ -	\$ -	\$ 695	\$ 2,637
Receipts:										
Local sources	7,398	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	34,163	-	3,061	-	43,400	25,771	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	7,398	-	34,163	-	3,061	-	43,400	25,771	-	-
Disbursements:										
Instruction	17,772	-	-	-	1,200	4,047	43,465	26,146	-	-
Support services	-	-	43,381	-	-	-	-	-	-	190
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	17,772	-	43,381	-	1,200	4,047	43,465	26,146	-	190
Excess (deficiency) of receipts over disbursements	(10,374)	-	(9,218)	-	1,861	(4,047)	(65)	(375)	-	(190)
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	(10,374)	-	(9,218)	-	1,861	(4,047)	(65)	(375)	-	(190)
Cash and investments - ending	\$ (10,374)	\$ 300	\$ 9,888	\$ 2,818	\$ (2,762)	\$ 15,625	\$ (65)	\$ (375)	\$ 695	\$ 2,447

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PERIOD ENDED JUNE 30, 2022**

	Title I Grant 2019/2020	Title I Grant 2020/2021 Sy	Title I Grant 2021/2022 Sy	Special Ed Preschool Idea 2020	Special Ed Special Ed Part B Idea Fy 2020	Special Ed Preschool Idea 2021	Special Ed Part Special Ed Part B Idea Fy 2021	Special Ed Part B Idea 611 FY 2022	Student Support Title Iv 2019	Student Support Title Iv 2020
Cash and investments - beginning	\$ 3,575	\$ (4,769)	\$ -	\$ (1)	\$ (40,308)	\$ (16,471)	\$ -	\$ -	\$ (7,464)	\$ (8,041)
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	27,425	56,539	-	40,308	16,471	271,181	-	7,464	10,000
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	27,425	56,539	-	40,308	16,471	271,181	-	7,464	10,000
Disbursements:										
Instruction	-	22,656	78,592	-	-	-	279,062	36,591	-	1,959
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	256	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	22,656	78,848	-	-	-	279,062	36,591	-	1,959
Excess (deficiency) of receipts over disbursements	-	4,769	(22,309)	-	40,308	16,471	(7,881)	(36,591)	7,464	8,041
Other financing sources (uses)										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	4,769	(22,309)	-	40,308	16,471	(7,881)	(36,591)	7,464	8,041
Cash and investments - ending	\$ 3,575	\$ -	\$ (22,309)	\$ (1)	\$ -	\$ -	\$ (7,881)	\$ (36,591)	\$ -	\$ -

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
COMBINING SCHEDULES OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS (CONTINUED)
PERIOD ENDED JUNE 30, 2022**

	Student Support Title IV 2021	Title Ii Part A 2019/2020	Title Ii Part A Ffy2020	Title Ii Part A Ffy 2021	Title Ii Part A Fy22 Teacher Leaders Boo	Esser Iii	Child Care Development Block Grant Progr	Emergency Relief Ii	Federal Stimulus - 18002 Governoryçös Emer	Federal Stimulus - 18003 Educ. Stab Reli
Cash and investments - beginning	\$ -	\$ (20,685)	\$ -	\$ -	\$ -	\$ (16,191)	\$ -	\$ (213,572)	\$ (2,010)	\$ (1,846)
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	25,324	-	-	-	284,248	192,035	269,077	30,000	20,978
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-
Total receipts	-	25,324	-	-	-	284,248	192,035	269,077	30,000	20,978
Disbursements:										
Instruction	505	4,639	13,763	1,802	3,633	198,420	2,153	22,000	27,990	11,116
Support services	-	-	8,500	-	-	112,626	-	33,504	-	8,016
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	505	4,639	22,263	1,802	3,633	311,046	2,153	55,504	27,990	19,132
Excess (deficiency) of receipts over disbursements	(505)	20,685	(22,263)	(1,802)	(3,633)	(26,798)	189,882	213,573	2,010	1,846
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	(505)	20,685	(22,263)	(1,802)	(3,633)	(26,798)	189,882	213,573	2,010	1,846
Cash and investments - ending	\$ (505)	\$ -	\$ (22,263)	\$ (1,802)	\$ (3,633)	\$ (42,989)	\$ 189,882	\$ 1	\$ -	\$ -

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
COMBINING SCHEDULES OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS (CONTINUED)
PERIOD ENDED JUNE 30, 2022**

	Prepaid School Lunch Accounts	Federal Tax	Social Security	State Tax	County Tax	Ind State Teachers Retire	Public Empl Retirement (Perf)	Health Life Ltd Insurance	Annuities	Social Security - Medicare
Cash and investments - beginning	\$ (555)	\$ 83	\$ 6,142	\$ 49,618	\$ (28,933)	\$ (2,768)	\$ 5,055	\$ 39,263	\$ 1,007	\$ (6,359)
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	57,121	493,795	419,010	211,665	111,358	-	21,145	476,128	192,662	97,995
Total receipts	57,121	493,795	419,010	211,665	111,358	-	21,145	476,128	192,662	97,995
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	44,433	492,552	419,517	210,767	111,052	-	21,145	444,569	192,662	98,114
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	44,433	492,552	419,517	210,767	111,052	-	21,145	444,569	192,662	98,114
Excess (deficiency) of receipts over disbursements	12,688	1,243	(507)	898	306	-	-	31,559	-	(119)
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	12,688	1,243	(507)	898	306	-	-	31,559	-	(119)
Cash and investments - ending	\$ 12,133	\$ 1,326	\$ 5,635	\$ 50,516	\$ (28,627)	\$ (2,768)	\$ 5,055	\$ 70,822	\$ 1,007	\$ (6,478)

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
COMBINING SCHEDULES OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS (CONTINUED)
PERIOD ENDED JUNE 30, 2022**

	Secta	Unreimbursed Medical-Sec 125	Garnishments	United	Perf - Voluntary Deduction	Istr - Voluntary Deduction	Istr Voluntary Deductions	Payroll Other Deductions	Life Fringe Benefits	Totals
Cash and investments - beginning	\$ 21	\$ 7,944	\$ (23)	\$ -	\$ 143	\$ 2,429	\$ (234)	\$ 187	\$ 11	\$ 7,322,409
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	6,790,044
Intermediate sources	-	-	-	-	-	-	-	-	-	89
State sources	-	-	-	-	-	-	-	-	-	8,683,553
Federal sources	-	-	-	-	-	-	-	-	-	1,912,637
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	6,246	22,468	21,679	-	-	-	-	-	-	2,135,511
Total receipts	6,246	22,468	21,679	-	-	-	-	-	-	19,521,834
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	6,526,571
Support services	-	-	-	-	-	-	-	-	-	5,991,885
Noninstructional services	-	-	-	-	-	-	-	-	-	1,046,864
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	532,951
Debt services	-	-	-	-	-	-	-	-	-	3,067,646
Nonprogrammed charges	6,246	22,468	21,679	-	-	-	-	-	-	2,086,004
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	6,246	22,468	21,679	-	-	-	-	-	-	19,251,921
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	-	-	269,913
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	-	-	-	-	-	-	-	-	-	269,913
Cash and investments - ending	\$ 21	\$ 7,944	\$ (23)	\$ -	\$ 143	\$ 2,429	\$ (234)	\$ 187	\$ 11	\$ 7,592,322

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
COMBINING SCHEDULES OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS
PERIOD ENDED JUNE 30, 2021**

	Education	Debt Service	Retirement/ Severance Bond Debt Service	Operations	Local Rainy Day	School Lunch	Curricular Materials Rental	Preschool	Educational License Plates	2019 Ffa Grants For Growing
Cash and investments - beginning	\$ 1,306,495	\$ 1,573,621	\$ (28,595)	\$ 1,458,456	\$ 2,000,000	\$ 155,059	\$ 454,611	\$ 86,189	\$ 443	\$ 757
Receipts:										
Local sources	309,548	3,180,614	28,401	3,091,387	-	760,832	68,674	30,979	-	1,000
Intermediate sources	74	-	-	-	-	-	-	-	38	-
State sources	7,686,299	-	-	-	-	5,798	165,971	-	-	-
Federal sources	-	-	-	3,150	-	30,772	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	585	-	-	19	-	-	-
Total receipts	<u>7,995,921</u>	<u>3,180,614</u>	<u>28,401</u>	<u>3,095,122</u>	<u>-</u>	<u>797,402</u>	<u>234,664</u>	<u>30,979</u>	<u>38</u>	<u>1,000</u>
Disbursements:										
Instruction	5,069,757	-	-	179,286	-	-	-	12,475	-	-
Support services	1,653,251	124,420	-	3,499,170	-	3,445	233,049	-	-	-
Noninstructional services	194,018	-	-	4,601	-	598,178	-	3,654	-	-
Facilities acquisition and construction	-	-	-	299,706	-	-	-	-	-	234
Debt services	-	3,004,925	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	<u>6,917,026</u>	<u>3,129,345</u>	<u>-</u>	<u>3,982,763</u>	<u>-</u>	<u>601,623</u>	<u>233,049</u>	<u>16,129</u>	<u>-</u>	<u>234</u>
Excess (deficiency) of receipts over disbursements	<u>1,078,895</u>	<u>51,269</u>	<u>28,401</u>	<u>(887,641)</u>	<u>-</u>	<u>195,779</u>	<u>1,615</u>	<u>14,850</u>	<u>38</u>	<u>766</u>
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,078,895</u>	<u>51,269</u>	<u>28,401</u>	<u>(887,641)</u>	<u>-</u>	<u>195,779</u>	<u>1,615</u>	<u>14,850</u>	<u>38</u>	<u>766</u>
Cash and investments - ending	<u>\$ 2,385,390</u>	<u>\$ 1,624,890</u>	<u>\$ (194)</u>	<u>\$ 570,815</u>	<u>\$ 2,000,000</u>	<u>\$ 350,838</u>	<u>\$ 456,226</u>	<u>\$ 101,039</u>	<u>\$ 481</u>	<u>\$ 1,523</u>

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
COMBINING SCHEDULES OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS (CONTINUED)
PERIOD ENDED JUNE 30, 2021**

	Mhp Sports Facility Grant	Aleks Program Blue River Grant	Blue River Foundation T Runn	Coca Cola Grant	Paul O Goble Memorial Donation	Robotics Team Corp 2019	E-Sports Program	Ilene Bailey Scholarship 2021	Formative Assessment	Drug Free Coalition Grant	Secured Schools Safety Grant
Cash and investments - beginning	\$ 1,258	\$ 7,643	\$ 18	\$ 9,756	\$ 1,720	\$ 3,678	\$ 310	\$ -	\$ 21,273	\$ 300	\$ (12,708)
Receipts:											
Local sources	5,000	4,470	-	-	-	72	-	600	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	11,530	-	65,206
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	5,000	4,470	-	-	-	72	-	600	11,530	-	65,206
Disbursements:											
Instruction	-	-	18	-	-	-	151	-	11,190	-	-
Support services	5,015	5,406	-	-	-	-	-	-	-	-	33,392
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	5,015	5,406	18	-	-	-	151	-	11,190	-	33,392
Excess (deficiency) of receipts over disbursements	(15)	(936)	(18)	-	-	72	(151)	600	340	-	31,814
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	(15)	(936)	(18)	-	-	72	(151)	600	340	-	31,814
Cash and investments - ending	\$ 1,243	\$ 6,707	\$ -	\$ 9,756	\$ 1,720	\$ 3,750	\$ 159	\$ 600	\$ 21,613	\$ 300	\$ 19,106

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
COMBINING SCHEDULES OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS (CONTINUED)
PERIOD ENDED JUNE 30, 2021**

	Alternative Education Grant	Early Intervention Grant	Career And Technical Performance Grant	High Ability Students	State Connectivity Grant	Project Lead The Way	Title I Grant 2015/2016	Title I Grant 2017/2018	Title I Grant 2018/2019	Title I Grant 2019/2020	Title I Grant 2020/2021 Sy
Cash and investments - beginning	\$ 2,818	\$ (4,623)	\$ 20,922	\$ 3,324	\$ 16,441	\$ -	\$ 2,495	\$ (991)	\$ 500	\$ (74,084)	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	3,420	-	23,784	-	15,600	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	81,435	74,557	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	3,420	-	23,784	-	15,600	-	-	-	81,435	74,557
Disbursements:											
Instruction	-	3,420	1,250	27,108	-	-	-	-	-	5,614	78,791
Support services	-	-	-	-	15,746	12,963	-	-	-	166	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	535
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	3,420	1,250	27,108	15,746	12,963	-	-	-	5,780	79,326
Excess (deficiency) of receipts over disbursements	-	-	(1,250)	(3,324)	(15,746)	2,637	-	-	-	75,655	(4,769)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	2,495	-	2,004	-
Transfers out	-	-	-	-	-	-	(2,495)	(1,504)	(500)	-	-
Total other financing sources (uses)	-	-	-	-	-	-	(2,495)	991	(500)	2,004	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(1,250)	(3,324)	(15,746)	2,637	(2,495)	991	(500)	77,659	(4,769)
Cash and investments - ending	\$ 2,818	\$ (4,623)	\$ 19,672	\$ -	\$ 695	\$ 2,637	\$ -	\$ -	\$ -	\$ 3,575	\$ (4,769)

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
COMBINING SCHEDULES OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS (CONTINUED)
PERIOD ENDED JUNE 30, 2021**

	Special Ed		Special Ed		Student		Student		Title Ii Part A 2018/2019	Title Ii Part A 2019/2020	Esser Iii	Emergency Relief Ii
	Special Ed Part B Idea Fy 2019	Preschool Idea 2020	Special Ed Part B Idea Fy 2020	Preschool Idea 2021	Support 2019	Title Iv 2020	Support 2020	Title Iv				
Cash and investments - beginning	\$ (52,894)	\$ (15,941)	\$ (25,130)	\$ -	\$ (2,536)	\$ -	\$ (24,416)	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	41,218	16,384	251,679	-	2,536	-	24,416	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	<u>41,218</u>	<u>16,384</u>	<u>251,679</u>	<u>-</u>	<u>2,536</u>	<u>-</u>	<u>24,416</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:												
Instruction	(11,676)	444	233,695	16,471	1,510	8,041	-	18,111	16,191	195,762		
Support services	-	-	33,162	-	5,954	-	-	2,574	-	17,810		
Noninstructional services	-	-	-	-	-	-	-	-	-	-		
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-		
Debt services	-	-	-	-	-	-	-	-	-	-		
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-		
Interfund loans	-	-	-	-	-	-	-	-	-	-		
Total disbursements	<u>(11,676)</u>	<u>444</u>	<u>266,857</u>	<u>16,471</u>	<u>7,464</u>	<u>8,041</u>	<u>-</u>	<u>20,685</u>	<u>16,191</u>	<u>213,572</u>		
Excess (deficiency) of receipts over disbursements	<u>52,894</u>	<u>15,940</u>	<u>(15,178)</u>	<u>(16,471)</u>	<u>(4,928)</u>	<u>(8,041)</u>	<u>24,416</u>	<u>(20,685)</u>	<u>(16,191)</u>	<u>(213,572)</u>		
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>52,894</u>	<u>15,940</u>	<u>(15,178)</u>	<u>(16,471)</u>	<u>(4,928)</u>	<u>(8,041)</u>	<u>24,416</u>	<u>(20,685)</u>	<u>(16,191)</u>	<u>(213,572)</u>		
Cash and investments - ending	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (40,308)</u>	<u>\$ (16,471)</u>	<u>\$ (7,464)</u>	<u>\$ (8,041)</u>	<u>\$ -</u>	<u>\$ (20,685)</u>	<u>\$ (16,191)</u>	<u>\$ (213,572)</u>		

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
COMBINING SCHEDULES OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS (CONTINUED)
PERIOD ENDED JUNE 30, 2021**

	Stimulus - 18002 Governor's Emer	Federal Stimulus - 18003 Educ. Stab Reli	Prepaid School Lunch Accounts	Federal Tax	Social Security	State Tax	County Tax	Ind State Teachers Retire	Public Empl Retirement (Perf)	Health Life Ltd Insurance	Annuities
Cash and investments - beginning	\$ -	\$ -	\$ (10,643)	\$ 83	\$ 6,142	\$ 47,691	\$ (30,301)	\$ (2,768)	\$ 5,055	\$ 15,406	\$ 1,007
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	61,193	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	84,515	465,006	387,239	195,823	99,277	-	19,321	439,602	201,853
Total receipts	-	61,193	84,515	465,006	387,239	195,823	99,277	-	19,321	439,602	201,853
Disbursements:											
Instruction	2,010	45,023	-	-	-	-	-	-	-	-	-
Support services	-	18,016	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	74,427	465,006	387,239	193,896	97,909	-	19,321	415,745	201,853
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	2,010	63,039	74,427	465,006	387,239	193,896	97,909	-	19,321	415,745	201,853
Excess (deficiency) of receipts over disbursements	(2,010)	(1,846)	10,088	-	-	1,927	1,368	-	-	23,857	-
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	(2,010)	(1,846)	10,088	-	-	1,927	1,368	-	-	23,857	-
Cash and investments - ending	\$ (2,010)	\$ (1,846)	\$ (555)	\$ 83	\$ 6,142	\$ 49,618	\$ (28,933)	\$ (2,768)	\$ 5,055	\$ 39,263	\$ 1,007

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
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AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS (CONTINUED)
PERIOD ENDED JUNE 30, 2021**

	Social Security - Medicare	Unreimbursed Medical-Sec 125	Perf - Voluntary Deduction	Istr - Voluntary Deduction	Istr Voluntary Deductions	Payroll Other Deductions	Life Fringe Benefits	Totals			
	Seca	Garnishments	United								
Cash and investments - beginning	\$ (6,359)	\$ 21	\$ 7,944	\$ (146)	\$ -	\$ 143	\$ 2,429	\$ (234)	\$ 187	\$ 11	\$ 6,921,837
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	7,481,577
Intermediate sources	-	-	-	-	-	-	-	-	-	-	112
State sources	-	-	-	-	-	-	-	-	-	-	7,977,608
Federal sources	-	-	-	-	-	-	-	-	-	-	587,340
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	90,565	40,929	24,757	20,844	15	-	-	-	-	-	2,070,350
Total receipts	90,565	40,929	24,757	20,844	15	-	-	-	-	-	18,116,987
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	5,914,642
Support services	-	-	-	-	-	-	-	-	-	-	5,663,539
Noninstructional services	-	-	-	-	-	-	-	-	-	-	800,986
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	299,940
Debt services	-	-	-	-	-	-	-	-	-	-	3,004,925
Nonprogrammed charges	90,565	40,929	24,757	20,721	15	-	-	-	-	-	2,032,383
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	90,565	40,929	24,757	20,721	15	-	-	-	-	-	17,716,415
Excess (deficiency) of receipts over disbursements	-	-	-	123	-	-	-	-	-	-	400,572
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	4,499
Transfers out	-	-	-	-	-	-	-	-	-	-	(4,499)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	123	-	-	-	-	-	-	400,572
Cash and investments - ending	\$ (6,359)	\$ 21	\$ 7,944	\$ (23)	\$ -	\$ 143	\$ 2,429	\$ (234)	\$ 187	\$ 11	\$ 7,322,409

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
SCHEDULE OF PAYABLES AND RECEIVABLES
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	\$ 821,230	\$ 1,450

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
SCHEDULE OF LEASES AND DEBT
PERIOD OF JULY 1, 2020 TO JUNE 30, 2022**

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
COMMERCE BANK	2016 GUARANTEED SAVINGS CONTRACT	\$ 156,708	7/15/2016	1/15/2023
INDIANA BUSINESS SOLUTIONS	COPY MACHINES/SUPPLIES	<u>18,479</u>	10/1/2021	9/30/2026
Total governmental activities		<u>175,187</u>		
Total of annual lease payments		<u>\$ 175,187</u>		

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
General Obligation Bonds	School Bonds	\$ 15,766,117	<u>\$ 2,585,000</u>
Totals		<u>\$ 15,766,117</u>	<u>\$ 2,585,000</u>

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
SCHEDULE OF CAPITAL ASSETS
PERIOD OF JULY 1, 2020 TO 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:	
Infrastructure	\$ 513,981
Buildings	80,380,650
Improvements other than buildings	1,536,905
Machinery, equipment, and vehicles	<u>2,647,921</u>
Total governmental activities	<u>85,079,457</u>
Total capital assets	<u><u>\$ 85,079,457</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 Shelby Eastern Schools
Shelby 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 Shelby Eastern Schools, 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 Shelby Eastern Schools' 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 statements, we considered Shelby Eastern Schools' 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 statements, but not for the purpose of expressing an opinion on the effectiveness of Shelby Eastern Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of Shelby Eastern Schools' internal control.

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

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

The Officials of the Shelby Eastern Schools
Shelby County, Indiana

Report on Compliance and Other Matters

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

Shelby Eastern Schools' Response to Findings

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

Purpose of This Report

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Shelby Eastern Schools' 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 Shelby Eastern Schools' major federal programs for the period of July 1, 2020 to June 30, 2022. Shelby Eastern Schools' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; 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 Shelby Eastern Schools 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 Shelby Eastern Schools' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Shelby Eastern Schools' 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 Shelby Eastern Schools' 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 Shelby Eastern Schools' 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 Shelby Eastern Schools' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Shelby Eastern Schools' 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 Shelby Eastern Schools' internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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. *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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

The Officials of the Shelby Eastern Schools
Shelby 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.

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 black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Indianapolis, Indiana
March 31, 2023

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
PERIOD OF JULY 1, 2020 TO 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							
School Breakfast Program	IN Dept of Education						
School Breakfast Program		10.553	FY2021	\$ -	\$ 192,644	\$ -	\$ -
School Breakfast Program		10.553	FY2022	-	-	-	180,482
Child Nutrition Cluster/ National School Lunch Program							
School Lunch Program	Indiana Department of Education						
Commodities		10.555	FY 2021	-	520,851	-	-
School Lunch Program		10.555	FY 2022	-	-	-	480,491
Commodities		10.555		-	-	-	61,559
Total - Child Nutrition Cluster				-	765,153	-	660,973
Total - Department of Agriculture				-	765,153	-	722,532
<u>Department of Education</u>							
Special Education Cluster(IDEA)							
FY 2021 Part B 611							
Special Ed Part B IDEA FY 2021	Indiana Department of Education	84.027	H027A190084	-	-	-	271,182
FY 2020 Part B 611							
Special Ed Part B IDEA FY 2020	Indiana Department of Education	84.027	H027A190084	-	251,679	-	-
Special Ed Part B IDEA FY 2020		84.027	H027A190084	-	-	-	40,308
Total - FY 2020 Part B 611				-	251,679	-	40,308
FY 2019 Part B 611							
Special Ed Part B IDEA FY 2019	Indiana Department of Education	84.027	H173A180104	-	41,218	-	-
FY 2021 Part B 619							
Special Ed Preschool 2021	Indiana Department of Education	84.173	21619083PN01	-	-	-	16,471

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
PERIOD OF JULY 1, 2020 TO 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
FY 2020 Part B 619 Special Ed Preschool IDEA 2020	Indiana Department of Education	84.173	H173A180104	-	16,384	-	-
Total - Special Education Cluster(IDEA)				-	309,281	-	327,961
Title I Grant	Indiana Department of Education						
Title I 2020/2021		84.010	S010A170014	-	-	-	27,425
Title I 2021/2022		84.010	S010A210014	-	-	-	56,539
Title I 2015/2016		84.010	16-7285	-	-	-	-
Title I 2017/2018		84.010	18-7285	-	2,495	-	-
Title I 2018/2019		84.010	S010A170014	-	-	-	-
Title I 2020/2021		84.010	S010A170014	-	74,557	-	-
Title I 2019/2020		84.010	S010A190014	-	83,439	-	-
Total - Title I Grant				-	160,491	-	83,964
Title II Part A FY 2020	Indiana Department of Education						
Title II Part A 2019 2020		84.367	S367A170013	-	-	-	25,324
Total - Title II Part A FY 2020				-	-	-	25,324
Title II Part A FY 2019	Indiana Department of Education						
Title II Part A 2018/2019		84.367	S367A180013	-	24,416	-	-
Title IV FY 2019	Indiana Department of Education						
Student Support Title IV 2019		84.424	S424A190015	-	2,536	-	-
Student Support Title IV 2019		84.424	S424A190015	-	-	-	7,464
Total - Title IV FY 2019				-	2,536	-	7,464
Title IV FY 2020	Indiana Department of Education						
Student Support Title IV 2020		84.424	S424A20015	-	-	-	10,000
Total - Title IV FY 2020				-	-	-	10,000

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
PERIOD OF JULY 1, 2020 TO 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
Covid-19 Geer Grant Federal Stimulus	Indiana Department of Education						
Geer Grant		84.425C	S425C20018	-	-	-	-
Geer Grant		84.425C	S425C20018	-	-	-	30,000
Total - Covid-19 Geer Grant Federal Stimulus				-	-	-	30,000
Covid-19 Cares Act Grant	Indiana Department of Education						
Education Cares Act Grant		84.425D	S425D20013	-	61,193	-	-
Education Cares Act Grant		84.425D	S425D20013	-	-	-	20,978
Total - Covid-19 Cares Act Grant				-	61,193	-	20,978
Covid-19 ESSER III Grant	Indiana Department of Education						
ESSER III Grant		84.425D	S425D210013	-	-	-	284,248
Covid-19 ESSER II Grant	Indiana Department of Education						
ESSER II Grant		84.425D	S425D210013	-	-	-	269,077
Total - Covid-19 ALN 84.425 ESSER				-	61,193	-	604,303
Total - Department of Education				-	557,917	-	1,059,016
Department of Homeland Security							
FEMA COVID REIMBURSEMENT	Indiana Department of Homeland Security						
FEMA COVID REIMBURSEMENT		97.036	FY2022	-	-	-	15,837
Total - Department of Homeland Security				-	-	-	15,837
Total federal awards expended				\$ -	\$ 1,323,070	\$ -	\$ 1,797,385

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
PERIOD ENDED 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 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.

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
PERIOD ENDED 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? yes X 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? yes X no
 - Significant deficiency(ies) identified? yes X none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes X no

Identification of Major Federal Programs

ALN Number(s)

10.553/10.555/10.559

Name of Federal Program or Cluster

Child Nutrition Cluster

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

\$ 750,000

Auditee qualified as low-risk auditee?

 yes X no

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
PERIOD ENDED 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 incorrect program names, pass-through entities, and identifying 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. . . ."

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
PERIOD ENDED 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 the Shelby Eastern Schools 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.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2CFR 200.516(a).

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
PERIOD ENDED JULY 1 2020 TO JUNE 30, 2022**

Indiana State Board of Accounts

Shelby Eastern Schools 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 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 Treasurer was solely responsible for entering federal grant award information into Gateway. There was no oversight, review, or approval process in place to prevent, or detect and correct, errors on the SEFA..

Status: Repeat Finding, 2022-001.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

2020 – 002 – Child Nutrition Cluster – Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Cash Management, Procurement and Suspension and Debarment, Program Income

Condition: An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Cash Management, Procurement and Suspension and Debarment, and Program Income compliance requirements..

Status: Corrective action was taken.

2020 – 003 – Child Nutrition Cluster Eligibility

Condition: An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Eligibility compliance requirement. The School Corporation contracted with a food service management company whose employees determined eligibility during the audit period. There was no documentation of oversight, a review process, or other compensating control to ensure eligibility for free and reduced priced meals was properly determined. Eligibility was improperly determined for 2 out of 40 free and reduced price applications tested. Additionally, 1 of the 40 applications requested was not provided for audit.

Status: Corrective action was taken.

**SHELBY EASTERN SCHOOLS
SHELBY COUNTY, INDIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
PERIOD ENDED JULY 1 2020 TO JUNE 30, 2022**

2020 – 004 – Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP)

Condition: An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP) compliance requirement.

Status: Corrective action was taken.



SHELBY EASTERN SCHOOLS

Superintendent: Dr. Todd Hitchcock ■ Corp. Treasurer: Chris Scott

Mission Statement:

Shape, Empower, and Support the minds of tomorrow

FINDING 2022-001

Contact Person Responsible for Corrective Action: Chris Scott

Contact Phone Number: (765) 544-2246

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

Description of Corrective Action Plan: This finding has not been corrected. We have received clarification to clear up misunderstandings on how receipts and disbursements are to be reported and continue to work to report the grants correctly. We plan to have someone knowledgeable about the preparation of the SEFA and federal grants review and approve the completed SEFA, this was not implemented for the previous SEFA because it was an oversight, and we will improve on better internal controls and having it signed before submitting and will be implemented for the 20-21 SEFA."

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

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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