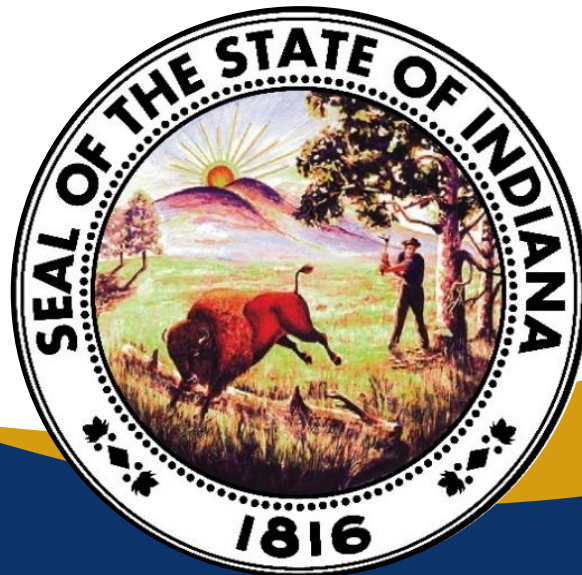


**STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769**

**Paul D. Joyce, CPA
State Examiner**

COMPLIANCE EXAMINATION REPORT
OF
JENNINGS COUNTY SCHOOL CORPORATION
JENNINGS COUNTY, INDIANA
July 1, 2023 to June 30, 2025



FILED
03/27/2026



Paul D. Joyce, CPA
State Examiner

INDIANA STATE BOARD OF ACCOUNTS

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March 27, 2026

To: The Officials of the Jennings County School Corporation
Jennings County School Corporation
Jennings County, Indiana

This report is supplemental to the audit report of the Jennings County School Corporation (School Corporation), for the period July 1, 2023 to June 30, 2025. It has been provided as a separate report so that the reader may easily identify any findings that pertain to the School Corporation. It should be read in conjunction with the financial statement audit report of the School Corporation, which provides an opinion on the School Corporation's financial statements. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the School Corporation and perform procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The findings contained herein describe the identified reportable instances of noncompliance found as a result of these procedures.

We have reviewed the supplemental report for the Jennings County School Corporation prepared by Crowe LLP, Independent Public Accountants, for the period July 1, 2023 to June 30, 2025. In our opinion, the supplemental report was prepared in accordance with the guidelines established by the Indiana State Board of Accounts.

We call your attention to the findings in the report on pages 3 and 4.

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

Beth Kelley, CPA, CFE
Deputy State Examiner

COMPLIANCE EXAMINATION OF
JENNINGS COUNTY SCHOOL CORPORATION
Jennings County, Indiana
July 1, 2023 through June 30, 2025

JENNINGS COUNTY SCHOOL CORPORATION

Jennings County, Indiana
July 1, 2023 through June 30, 2025

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JENNINGS COUNTY SCHOOL CORPORATION
SCHEDULE OF OFFICIALS
July 1, 2023 through June 30, 2025

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Philip Marsh	07-01-23 to 06-30-25
Superintendent of Schools	Nicole Johnson	07-01-23 to 06-30-25
President of the School Board	Amy Pettit	01-01-23 to 12-31-25

INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and
Management of the Jennings County School Corporation

We have examined the Jennings County School Corporation's ("School Corporation") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations* during the period July 1, 2023 through June 30, 2025. Management of the School Corporation is responsible for the School Corporation's compliance with the specified requirements. Our responsibility is to express an opinion on the School Corporation's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the School Corporation complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the School Corporation complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our qualified opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the School Corporation's compliance with specified requirements.

Our examination disclosed material noncompliance with the *Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations* applicable to the School Corporation during the period July 1, 2023 through June 30, 2025, as described in items 2025-001 through 2025-003 on the following Schedule of Examination Findings and Results.

In our opinion, except for the material noncompliance described in the preceding paragraph, the School Corporation complied, in all material respects, with the aforementioned requirements during the period July 1, 2023 through June 30, 2025.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 13, 2026

JENNINGS COUNTY SCHOOL CORPORATION
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
July 1, 2023 through June 30, 2025

FINDING 2025-001: CAPITAL ASSETS – INVENTORY

Condition and Context: During testing of capital assets, we noted the School Corporation did not have procedures in place to ensure a complete physical inventory of all assets was completed once every two years. As a result, the asset listing provided by the School Corporation was determined to be incomplete and not current for current period asset purchases.

Criteria: Chapter 1 of the Accounting and Uniform Compliance Guidelines Manual states in part, “Every unit must have a capital assets policy that details the threshold at which an item is considered a capital asset. Every unit must have a complete detail listing of all capital assets owned which reflects their acquisition value. Capital Asset Ledger (Form 369) has been prescribed for this purpose. A complete physical inventory must be taken at least every two years, unless more stringent requirements exist, to verify account balances carried in the accounting records.”

FINDING 2025-002: ANNUAL FINANCIAL REPORT – LEASES AND DEBT SCHEDULE

Condition and Context: Financial and other information are required to be entered annually into the Annual Financial Report (AFR) via the Indiana Gateway for Government Units (Gateway) financial reporting system. The information entered into Gateway contained the following error:

Leases and Debt Schedule

The School Corporation has three equipment and vehicle leases that were not reported in the Leases and Debt Schedule as part of their Annual Financial Report (AFR) data submission. Adjustments were proposed and made to the schedule to properly reflect these outstanding debt obligations, resulting in an increase to reported annual lease payments of \$478,632.

Criteria: Indiana Code 5-11-1-4(a) states:

“The state examiner shall require from every audited entity financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner as set forth in the uniform compliance guidelines. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7.”

(Continued)

JENNINGS COUNTY SCHOOL CORPORATION
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
July 1, 2023 through June 30, 2025

FINDING 2025-003: ANNUAL FINANCIAL REPORT – CAPITAL ASSET SCHEDULE

Condition and Context: Financial and other information are required to be entered annually into the Annual Financial Report (AFR) via the Indiana Gateway for Government Units (Gateway) financial reporting system. The information entered into Gateway contained the following error:

Schedule of Capital Assets

The School Corporation's capital asset schedule could not be materially reconciled to asset balances reported within the School Corporation's June 30, 2025 Annual Financial Report. An overall variance of \$128,654,284 existed between the School Corporation's capital asset schedule and the asset balances reported in the Annual Financial Report. The variance represented an overstatement. Adjustments were proposed and made to the Schedule of Capital Assets reported within the financial statement to agree to the underlying capital asset detail.

Criteria: Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every audited entity financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner as set forth in the uniform compliance guidelines. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7."

JENNINGS COUNTY SCHOOL CORPORATION
EXIT CONFERENCE
July 1, 2023 through June 30, 2025

The contents of this report were discussed on March 13, 2026, with Treasurer, Philip Marsh, Superintendent, Nicole Johnson, and Vice President of the School Board, Cheryl Miller.