

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

NEW PRAIRIE UNITED SCHOOL CORPORATION
LAPORTE COUNTY, INDIANA

July 1, 2012 to June 30, 2014



FILED
11/20/2015

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Kelley Kitchen	07-01-12 to 06-30-16
Superintendent of Schools	Jim Dermody Paul White	07-01-12 to 06-30-15 07-01-15 to 06-30-16
President of the School Board	Richard Shail	07-01-12 to 12-31-15



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE NEW PRAIRIE UNITED SCHOOL
CORPORATION, LAPORTE COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the New Prairie United School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2012 to June 30, 2014, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the School Corporation for the period of July 1, 2012 to June 30, 2014.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the School Corporation for the period of July 1, 2012 to June 30, 2014, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated October 28, 2015, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

Accompanying Information

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The 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, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.


Paul D. Joyce, CPA
State Examiner

October 28, 2015



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

TO: THE OFFICIALS OF THE NEW PRAIRIE UNITED SCHOOL
CORPORATION, LAPORTE COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of the New Prairie United School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2012 to June 30, 2014, and the related notes to the financial statement, and have issued our report thereon dated October 28, 2015, 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.

Internal Control Over Financial Reporting

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

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

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as item 2014-001 to be material weaknesses.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of 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 determination of financial statement amounts. 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2014-001.

New Prairie United School Corporation's Response to Findings

The School Corporation's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. The School Corporation's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation'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 School Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

October 28, 2015

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

NEW PRAIRIE UNITED SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2013 and 2014

	Cash and Investments 07-01-12	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-13	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-14
General	\$ 3,255,727	\$ 16,848,431	\$ 15,913,000	\$ -	\$ 4,191,158	\$ 17,678,697	\$ 16,438,541	\$ (2,993,775)	\$ 2,437,539
Debt Service	76,061	119,264	253,895	42,397	(16,173)	805,794	233,177	(46,549)	509,895
Exempt Debt	(464,022)	7,377,070	5,276,777	-	1,636,271	9,449,820	6,570,451	(896,735)	3,618,905
Exempt Retirement/Severance Bond Debt Service	10,732	156,363	150,189	-	16,906	381,502	150,380	-	248,028
Capital Projects	2,585,965	1,677,788	3,614,337	-	649,416	4,944,654	2,619,849	-	2,974,221
School Transportation	349,466	2,350,783	2,841,498	-	(141,249)	5,367,247	2,885,477	-	2,340,521
School Bus Replacement	716,804	402,530	359,526	-	759,808	361,823	557,761	(200,000)	363,870
Rainy Day	-	-	-	-	-	-	-	4,090,510	4,090,510
Construction	-	-	-	-	-	-	-	1,965,081	1,965,081
Construction Energy Savings Project	-	-	469,291	999,999	530,708	-	530,708	-	-
School Lunch	943,826	1,240,740	1,171,251	-	1,013,315	1,276,581	1,306,547	-	983,349
Textbook Rental	(155,109)	297,243	172,828	-	(30,694)	299,357	488,806	46,549	(173,594)
Child Care Program	1,359	-	-	(1,359)	-	-	-	-	-
Educational License Plates	94	563	-	-	657	319	-	(731)	245
SAFE School Haven	-	11,413	14,163	-	(2,750)	2,750	-	-	-
NP Memorial Scholarship Funds	4,982	3	1,000	-	3,985	2	1,000	-	2,987
Activity Center Unity Foundation	-	4,722	2,803	-	1,919	-	172	-	1,747
Activity Center Alcoa Grant	-	15,000	1,627	-	13,373	-	11,702	-	1,671
Gifts and Donations Science Fair	671	-	1,394	-	(723)	-	8	731	-
Target Corp Education Grant RP	93,600	-	66,230	-	27,370	-	3,402	-	23,968
NPUSC Activity Ctr	1,406	4,890	3,650	-	2,646	27,902	6,081	-	24,467
Arcelor Mittal Grant	-	2,000	1,744	-	256	3,100	-	-	3,356
Robotics Donation	-	3,217	-	-	3,217	-	3,000	-	217
McDonalds Grant	289	410	69	-	630	250	480	-	400
Duneland Health Grant	336	-	-	-	336	-	-	-	336
Teaching Garden	500	-	-	-	500	-	299	-	201
NPUSC Industrial Technology	-	-	-	-	-	1,000	-	-	1,000
Bridges Grant Olive Elementary	2,371	12,550	13,283	-	1,638	14,497	14,833	-	1,302
Alcoa Grant	(607)	2,690	2,716	-	(633)	957	-	-	324
Freshman Academy	-	2,000	996	-	1,004	-	1,004	-	-
United Way Success at Six	-	-	-	-	-	41,354	23,354	-	18,000
PV/RP/OTE	325	-	647	1,359	1,037	-	-	-	1,037
Unity Foundation Grant	8,102	-	2,600	-	5,502	-	5,313	-	189

The notes to the financial statement are an integral part of this statement.

NEW PRAIRIE UNITED SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2013 and 2014
(Continued)

	Cash and Investments 07-01-12	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-13	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-14
Unity Grant MS	1,222	3,000	3,339	-	883	3,500	4,383	-	-
St Joe Comm Grant	729	-	729	-	-	-	-	-	-
American Heart Association	-	-	887	-	(887)	887	-	-	-
Mentoring for Success	-	-	-	-	-	2,400	636	-	1,764
Drug Free Communities	-	1,000	734	-	266	1,620	1,277	-	609
MS Lead and Seed	2,359	9,065	9,829	-	1,595	6,085	2,459	-	5,221
2011-2012 NESP	5,097	-	5,097	-	-	-	-	-	-
2012-2013 NESP	-	7,918	7,841	-	77	-	77	-	-
2013-2014 NESP	-	-	-	-	-	8,914	5,610	-	3,304
School Technology	-	12,685	4,566	-	8,119	6,228	12,688	-	1,659
2011-2012 High Ability Grant	8,000	-	8,000	-	-	-	-	-	-
2012-2013 H/A Making a Difference Grant	-	12,151	12,324	-	(173)	2,659	2,486	-	-
2012-2013 High Ability Grant	-	36,937	26,977	-	9,960	-	9,960	-	-
2013-2014 H/A Making a Difference Grant	-	-	-	-	-	9,241	15,000	-	(5,759)
2013-2014 High Ability Grant	-	-	-	-	-	37,162	31,800	-	5,362
Title I 2011-2012	(24,112)	101,496	77,384	-	-	-	-	-	-
Title I 2012-2013	-	272,529	300,749	-	(28,220)	178,438	150,218	-	-
Title I 2013-2014	-	-	-	-	-	343,102	396,709	-	(53,607)
Special Education Improvement	-	-	-	-	-	63,175	63,175	-	-
Title II Part A 2012-2014	-	36,921	41,397	-	(4,476)	39,253	35,190	-	(413)
Title II Part A 2013-2015	-	-	-	-	-	6,377	7,166	-	(789)
Title II Part A 2011-2013	(1,182)	39,767	41,749	-	(3,164)	32,911	29,747	-	-
Title III Limited English 2012	(2,253)	5,695	3,442	-	-	-	-	-	-
Title III Limited English 2012-2013	-	10,005	11,544	-	(1,539)	1,539	308	-	(308)
Title III Limited English 2013-2014	-	-	-	-	-	7,381	8,268	-	(887)
Education Jobs	(38,098)	103,132	65,034	-	-	-	-	-	-
Lunch EFT State	(205)	605,592	605,387	-	-	722,422	722,065	-	357
Lunch Clearing Net Pay	-	23,313	23,831	-	(518)	18,045	17,389	-	138
Payroll Deductions	(27,654)	3,732,494	3,714,905	-	(10,065)	3,782,327	3,775,372	-	(3,110)
Life Insurance Fringe Benefits	(121)	3,405	2,903	-	381	3,060	3,006	-	435
Totals	\$ 7,356,660	\$ 35,546,775	\$ 35,304,162	\$ 1,042,396	\$ 8,641,669	\$ 45,934,332	\$ 37,147,334	\$ 1,965,081	\$ 19,393,748

The notes to the financial statement are an integral part of this statement.

NEW PRAIRIE UNITED SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

School Corporation, as used herein, shall include, but is not limited to, 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 which include taxes, revenue from local governmental units other than school corporations, transfer tuition, transportation fees, investment income, food services, School Corporation activities, revenue from community services activities, and other revenue from local sources.

Intermediate sources which include distributions from the County for fees collected for or on behalf of the School Corporation including educational license plate fees, congressional interest, riverboat distributions, and other similar fees.

NEW PRAIRIE UNITED SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

State sources include distributions from the State of Indiana and are to be used by the School Corporation for various purposes. Included in state sources are unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

Federal sources include distributions from the federal government and are to be used by the School Corporation for various purposes. Included in federal sources are unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

Temporary loans which include money 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.

Other receipts which include amounts received from various sources which include 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 which includes outflows for regular programs, special programs, adult and continuing education programs, summer school programs, enrichment programs, remediation, and payments to other governmental units.

Support services which include outflows for support services related to students, instruction, general administration, and school administration. It also includes outflows for central services, operation and maintenance of plant services, and student transportation.

Noninstructional services which include outflows for food service operations and community service operations.

Facilities acquisition and construction which includes outflows for the acquisition, development, construction, and improvement of new and existing facilities.

Debt services which include fixed obligations resulting from financial transactions previously entered into by the School Corporation. It includes all expenditures for the reduction of the principal and interest of the School Corporation's general obligation indebtedness.

Nonprogrammed charges which include outflows for donations to foundations, securities purchased, indirect costs, scholarships, and self-insurance payments.

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:

NEW PRAIRIE UNITED SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Transfers in which includes money 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 which includes money 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 money 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 money 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.

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 February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. 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.

NEW PRAIRIE UNITED SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

State statutes authorize the School Corporation to invest in securities including, but not limited to, 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 (PERF) is a defined benefit pension plan. PERF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the School Corporation authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and 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. (888) 526-1687

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

NEW PRAIRIE UNITED SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

B. Teachers' Retirement Fund

Plan Description

The Indiana Teachers' Retirement Fund (TRF) is a defined benefit pension plan. TRF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate in TRF. State statute (IC 5-10.2) governs, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and gives the School Corporation authority to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

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. (888) 286-3544

Funding Policy and Annual Pension Cost

The School Corporation contributes the employer's share to TRF 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. 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, is considered to be an obligation of, and is paid by, the State of Indiana.

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of property tax distribution problems and delays by the County for the Debt Service and School Transportation funds at June 30, 2013. It is the result of grant expenditure reimbursements or expenditure reimbursements from other funds received in subsequent periods.

The Textbook Rental fund has a negative cash balance and also has a large receivable balance. The School Corporation has contracted with a collection agency in an effort to collect on the receivable balance.

NEW PRAIRIE UNITED SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. *Holding Corporation*

The School Corporation has entered into two capital leases with the New Prairie United School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the years ending June 30, 2013, and June 30, 2014, totaled \$3,873,000 and \$3,936,000, respectively.

Note 9. *Subsequent Events*

On July 30, 2015, New Prairie United School Building Corporation sold \$14,849,927 lease rental bonds to refund an earlier issue and to finance renovations at the high school. The School Corporation will repay this debt with semiannual lease payments to the building corporation.

On August 20, 2015, the School Corporation sold \$600,000 general obligation bonds to refund the outstanding bonds that financed pension costs.

Note 10. *Other Postemployment Benefits*

The School Corporation provides medical benefits to eligible retirees and their spouses. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation.

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OTHER INFORMATION - UNAUDITED

The School Corporation's Financial Reports can be found on the Indiana Department of Education website: <http://mustang.doe.state.in.us/TRENDS/fin.cfm>. This website is maintained by the Indiana Department of Education. More current financial information is available from the School Corporation Treasurer's Office. Additionally, some financial information can be found on the Gateway website: <https://gateway.ifionline.org/>.

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

The other information presented was approved by management of the School Corporation. It is presented as intended by the School Corporation.

NEW PRAIRIE UNITED SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013

	General	Debt Service	Exempt Debt	Exempt Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day
Cash and investments - beginning	\$ 3,255,727	\$ 76,061	\$ (464,022)	\$ 10,732	\$ 2,585,965	\$ 349,466	\$ 716,804	\$ -
Receipts:								
Local sources	47,610	119,264	4,015,614	156,363	1,597,020	1,590,710	392,051	-
Intermediate sources	15,512	-	-	-	-	-	-	-
State sources	16,728,024	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	3,361,456	-	-	749,864	-	-
Other	57,285	-	-	-	80,768	10,209	10,479	-
Total receipts	<u>16,848,431</u>	<u>119,264</u>	<u>7,377,070</u>	<u>156,363</u>	<u>1,677,788</u>	<u>2,350,783</u>	<u>402,530</u>	<u>-</u>
Disbursements:								
Current:								
Instruction	11,277,776	-	-	-	-	-	-	-
Support services	4,272,168	-	-	-	1,357,488	2,132,432	359,526	-
Noninstructional services	237,826	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	1,459,959	-	-	-
Debt services	125,230	253,895	5,276,777	150,189	796,890	709,066	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>15,913,000</u>	<u>253,895</u>	<u>5,276,777</u>	<u>150,189</u>	<u>3,614,337</u>	<u>2,841,498</u>	<u>359,526</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>935,431</u>	<u>(134,631)</u>	<u>2,100,293</u>	<u>6,174</u>	<u>(1,936,549)</u>	<u>(490,715)</u>	<u>43,004</u>	<u>-</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	42,397	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>42,397</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>935,431</u>	<u>(92,234)</u>	<u>2,100,293</u>	<u>6,174</u>	<u>(1,936,549)</u>	<u>(490,715)</u>	<u>43,004</u>	<u>-</u>
Cash and investments - ending	<u>\$ 4,191,158</u>	<u>\$ (16,173)</u>	<u>\$ 1,636,271</u>	<u>\$ 16,906</u>	<u>\$ 649,416</u>	<u>\$ (141,249)</u>	<u>\$ 759,808</u>	<u>\$ -</u>

NEW PRAIRIE UNITED SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

	Construction	Construction Energy Savings Project	School Lunch	Textbook Rental	Child Care Program	Educational License Plates	SAFE School Haven	NP Memorial Scholarship Funds
Cash and investments - beginning	\$ -	\$ -	\$ 943,826	\$ (155,109)	\$ 1,359	\$ 94	\$ -	\$ 4,982
Receipts:								
Local sources	-	-	631,372	218,501	-	-	-	3
Intermediate sources	-	-	-	-	-	563	-	-
State sources	-	-	17,156	78,369	-	-	11,413	-
Federal sources	-	-	591,799	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	413	373	-	-	-	-
Total receipts	-	-	1,240,740	297,243	-	563	11,413	3
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	14,163	-
Support services	-	-	4,863	172,828	-	-	-	-
Noninstructional services	-	-	1,166,388	-	-	-	-	-
Facilities acquisition and construction	-	469,291	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	1,000
Total disbursements	-	469,291	1,171,251	172,828	-	-	14,163	1,000
Excess (deficiency) of receipts over disbursements	-	(469,291)	69,489	124,415	-	563	(2,750)	(997)
Other financing sources (uses):								
Proceeds of long-term debt	-	999,999	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(1,359)	-	-	-
Total other financing sources (uses)	-	999,999	-	-	(1,359)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	530,708	69,489	124,415	(1,359)	563	(2,750)	(997)
Cash and investments - ending	\$ -	\$ 530,708	\$ 1,013,315	\$ (30,694)	\$ -	\$ 657	\$ (2,750)	\$ 3,985

NEW PRAIRIE UNITED SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

	Activity Center Unity Foundation	Activity Center Alcoa Grant	Gifts and Donations Science Fair	Target Corp Education Grant RP	NPUSC Activity Ctr	Arcelor Mittal Grant	Robotics Donation	McDonalds Grant
Cash and investments - beginning	\$ -	\$ -	\$ 671	\$ 93,600	\$ 1,406	\$ -	\$ -	\$ 289
Receipts:								
Local sources	4,722	15,000	-	-	4,890	2,000	3,217	410
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>4,722</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>4,890</u>	<u>2,000</u>	<u>3,217</u>	<u>410</u>
Disbursements:								
Current:								
Instruction	2,803	1,627	1,394	66,095	3,650	1,744	-	69
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	135	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>2,803</u>	<u>1,627</u>	<u>1,394</u>	<u>66,230</u>	<u>3,650</u>	<u>1,744</u>	<u>-</u>	<u>69</u>
Excess (deficiency) of receipts over disbursements	<u>1,919</u>	<u>13,373</u>	<u>(1,394)</u>	<u>(66,230)</u>	<u>1,240</u>	<u>256</u>	<u>3,217</u>	<u>341</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,919</u>	<u>13,373</u>	<u>(1,394)</u>	<u>(66,230)</u>	<u>1,240</u>	<u>256</u>	<u>3,217</u>	<u>341</u>
Cash and investments - ending	<u>\$ 1,919</u>	<u>\$ 13,373</u>	<u>\$ (723)</u>	<u>\$ 27,370</u>	<u>\$ 2,646</u>	<u>\$ 256</u>	<u>\$ 3,217</u>	<u>\$ 630</u>

NEW PRAIRIE UNITED SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

	Duneland Health Grant	Teaching Garden	NPUSC Industrial Technology	Bridges Grant Olive Elementary	Alcoa Grant	Freshman Academy	United Way Success At Six	PV/RP/OTE
Cash and investments - beginning	\$ 336	\$ 500	\$ -	\$ 2,371	\$ (607)	\$ -	\$ -	\$ 325
Receipts:								
Local sources	-	-	-	12,550	2,690	2,000	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	-	12,550	2,690	2,000	-	-
Disbursements:								
Current:								
Instruction	-	-	-	13,283	2,716	996	-	647
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	13,283	2,716	996	-	647
Excess (deficiency) of receipts over disbursements	-	-	-	(733)	(26)	1,004	-	(647)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	1,359
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	1,359
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	(733)	(26)	1,004	-	712
Cash and investments - ending	\$ 336	\$ 500	\$ -	\$ 1,638	\$ (633)	\$ 1,004	\$ -	\$ 1,037

NEW PRAIRIE UNITED SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

	Unity Foundation Grant	Unity Grant MS	St Joe Comm Grant	American Heart Association	Mentoring for Success	Drug Free Communities	MS Lead and Seed	2011-2012 NESP
Cash and investments - beginning	\$ 8,102	\$ 1,222	\$ 729	\$ -	\$ -	\$ -	\$ 2,359	\$ 5,097
Receipts:								
Local sources	-	3,000	-	-	-	1,000	9,065	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	3,000	-	-	-	1,000	9,065	-
Disbursements:								
Current:								
Instruction	2,600	3,339	729	887	-	734	9,829	5,097
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	2,600	3,339	729	887	-	734	9,829	5,097
Excess (deficiency) of receipts over disbursements	(2,600)	(339)	(729)	(887)	-	266	(764)	(5,097)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,600)	(339)	(729)	(887)	-	266	(764)	(5,097)
Cash and investments - ending	\$ 5,502	\$ 883	\$ -	\$ (887)	\$ -	\$ 266	\$ 1,595	\$ -

NEW PRAIRIE UNITED SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

	2012-2013 NESP	2013-2014 NESP	School Technology	2011-2012 High Ability Grant	2012-2013 H/A Making a Difference Grant	2012-2013 High Ability Grant	2013-2014 H/A Making a Difference Grant	2013-2014 High Ability Grant
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 8,000	\$ -	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	7,918	-	12,685	-	12,151	36,937	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>7,918</u>	<u>-</u>	<u>12,685</u>	<u>-</u>	<u>12,151</u>	<u>36,937</u>	<u>-</u>	<u>-</u>
Disbursements:								
Current:								
Instruction	7,841	-	-	8,000	12,324	26,977	-	-
Support services	-	-	4,566	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>7,841</u>	<u>-</u>	<u>4,566</u>	<u>8,000</u>	<u>12,324</u>	<u>26,977</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>77</u>	<u>-</u>	<u>8,119</u>	<u>(8,000)</u>	<u>(173)</u>	<u>9,960</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>77</u>	<u>-</u>	<u>8,119</u>	<u>(8,000)</u>	<u>(173)</u>	<u>9,960</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 77</u>	<u>\$ -</u>	<u>\$ 8,119</u>	<u>\$ -</u>	<u>\$ (173)</u>	<u>\$ 9,960</u>	<u>\$ -</u>	<u>\$ -</u>

NEW PRAIRIE UNITED SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

	Title I 2011-2012	Title I 2012-2013	Title I 2013-2014	Special Education Improvement	Title II Part A 2012-2014	Title II Part A 2013-2015	Title II Part A 2011-2013	Title III Limited English 2012
Cash and investments - beginning	\$ (24,112)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,182)	\$ (2,253)
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	101,496	272,529	-	-	36,921	-	39,767	5,695
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>101,496</u>	<u>272,529</u>	<u>-</u>	<u>-</u>	<u>36,921</u>	<u>-</u>	<u>39,767</u>	<u>5,695</u>
Disbursements:								
Current:								
Instruction	74,834	283,681	-	-	13,391	-	4,781	3,442
Support services	2,550	16,950	-	-	28,006	-	36,968	-
Noninstructional services	-	118	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>77,384</u>	<u>300,749</u>	<u>-</u>	<u>-</u>	<u>41,397</u>	<u>-</u>	<u>41,749</u>	<u>3,442</u>
Excess (deficiency) of receipts over disbursements	<u>24,112</u>	<u>(28,220)</u>	<u>-</u>	<u>-</u>	<u>(4,476)</u>	<u>-</u>	<u>(1,982)</u>	<u>2,253</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>24,112</u>	<u>(28,220)</u>	<u>-</u>	<u>-</u>	<u>(4,476)</u>	<u>-</u>	<u>(1,982)</u>	<u>2,253</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (28,220)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,476)</u>	<u>\$ -</u>	<u>\$ (3,164)</u>	<u>\$ -</u>

NEW PRAIRIE UNITED SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

	Title III Limited English 2012-2013	Title III Limited English 2013-2014	Education Jobs	Lunch EFT State	Lunch Clearing Net Pay	Payroll Deductions	Life Insurance Fringe Benefits	Totals
Cash and investments - beginning	\$ -	\$ -	\$ (38,098)	\$ (205)	\$ -	\$ (27,654)	\$ (121)	\$ 7,356,660
Receipts:								
Local sources	-	-	-	-	-	-	-	8,829,052
Intermediate sources	-	-	-	-	-	-	-	16,075
State sources	-	-	-	-	-	-	-	16,904,653
Federal sources	10,005	-	103,132	-	-	-	-	1,161,344
Temporary loans	-	-	-	-	-	-	-	4,111,320
Other	-	-	-	605,592	23,313	3,732,494	3,405	4,524,331
Total receipts	<u>10,005</u>	<u>-</u>	<u>103,132</u>	<u>605,592</u>	<u>23,313</u>	<u>3,732,494</u>	<u>3,405</u>	<u>35,546,775</u>
Disbursements:								
Current:								
Instruction	11,544	-	65,600	-	-	-	-	11,922,593
Support services	-	-	(566)	-	-	-	-	8,387,779
Noninstructional services	-	-	-	-	-	-	-	1,404,332
Facilities acquisition and construction	-	-	-	-	-	-	-	1,929,385
Debt services	-	-	-	-	-	-	-	7,312,047
Nonprogrammed charges	-	-	-	605,387	23,831	3,714,905	2,903	4,348,026
Total disbursements	<u>11,544</u>	<u>-</u>	<u>65,034</u>	<u>605,387</u>	<u>23,831</u>	<u>3,714,905</u>	<u>2,903</u>	<u>35,304,162</u>
Excess (deficiency) of receipts over disbursements	<u>(1,539)</u>	<u>-</u>	<u>38,098</u>	<u>205</u>	<u>(518)</u>	<u>17,589</u>	<u>502</u>	<u>242,613</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	1,042,396
Transfers in	-	-	-	-	-	-	-	1,359
Transfers out	-	-	-	-	-	-	-	(1,359)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,042,396</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(1,539)</u>	<u>-</u>	<u>38,098</u>	<u>205</u>	<u>(518)</u>	<u>17,589</u>	<u>502</u>	<u>1,285,009</u>
Cash and investments - ending	<u>\$ (1,539)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (518)</u>	<u>\$ (10,065)</u>	<u>\$ 381</u>	<u>\$ 8,641,669</u>

NEW PRAIRIE UNITED SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2014

	General	Debt Service	Exempt Debt	Exempt Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day
Cash and investments - beginning	\$ 4,191,158	\$ (16,173)	\$ 1,636,271	\$ 16,906	\$ 649,416	\$ (141,249)	\$ 759,808	\$ -
Receipts:								
Local sources	84,955	444,228	6,080,762	206,502	3,911,919	3,327,958	339,366	-
Intermediate sources	71,519	-	-	-	-	-	-	-
State sources	17,456,693	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	300,000	3,369,058	175,000	1,000,000	2,026,809	-	-
Other	65,530	61,566	-	-	32,735	12,480	22,457	-
Total receipts	<u>17,678,697</u>	<u>805,794</u>	<u>9,449,820</u>	<u>381,502</u>	<u>4,944,654</u>	<u>5,367,247</u>	<u>361,823</u>	<u>-</u>
Disbursements:								
Current:								
Instruction	11,363,062	-	-	-	-	-	-	-
Support services	4,750,118	-	-	-	1,308,734	2,158,668	557,761	-
Noninstructional services	325,361	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	1,311,115	-	-	-
Debt services	-	233,177	6,570,451	150,380	-	726,809	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>16,438,541</u>	<u>233,177</u>	<u>6,570,451</u>	<u>150,380</u>	<u>2,619,849</u>	<u>2,885,477</u>	<u>557,761</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>1,240,156</u>	<u>572,617</u>	<u>2,879,369</u>	<u>231,122</u>	<u>2,324,805</u>	<u>2,481,770</u>	<u>(195,938)</u>	<u>-</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	4,090,510
Transfers out	(2,993,775)	(46,549)	(896,735)	-	-	-	(200,000)	-
Total other financing sources (uses)	<u>(2,993,775)</u>	<u>(46,549)</u>	<u>(896,735)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(200,000)</u>	<u>4,090,510</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(1,753,619)</u>	<u>526,068</u>	<u>1,982,634</u>	<u>231,122</u>	<u>2,324,805</u>	<u>2,481,770</u>	<u>(395,938)</u>	<u>4,090,510</u>
Cash and investments - ending	<u>\$ 2,437,539</u>	<u>\$ 509,895</u>	<u>\$ 3,618,905</u>	<u>\$ 248,028</u>	<u>\$ 2,974,221</u>	<u>\$ 2,340,521</u>	<u>\$ 363,870</u>	<u>\$ 4,090,510</u>

NEW PRAIRIE UNITED SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2014
 (Continued)

	Construction	Construction Energy Savings Project	School Lunch	Textbook Rental	Child Care Program	Educational License Plates	SAFE School Haven	NP Memorial Scholarship Funds
Cash and investments - beginning	\$ -	\$ 530,708	\$ 1,013,315	\$ (30,694)	\$ -	\$ 657	\$ (2,750)	\$ 3,985
Receipts:								
Local sources	-	-	620,016	198,477	-	-	-	2
Intermediate sources	-	-	-	-	-	319	-	-
State sources	-	-	16,730	83,972	-	-	2,750	-
Federal sources	-	-	639,835	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	16,908	-	-	-	-
Total receipts	-	-	1,276,581	299,357	-	319	2,750	2
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	-	-
Support services	-	-	1,762	488,806	-	-	-	-
Noninstructional services	-	-	1,304,785	-	-	-	-	-
Facilities acquisition and construction	-	530,708	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	1,000
Total disbursements	-	530,708	1,306,547	488,806	-	-	-	1,000
Excess (deficiency) of receipts over disbursements	-	(530,708)	(29,966)	(189,449)	-	319	2,750	(998)
Other financing sources (uses):								
Proceeds of long-term debt	1,965,081	-	-	-	-	-	-	-
Transfers in	-	-	-	46,549	-	-	-	-
Transfers out	-	-	-	-	-	(731)	-	-
Total other financing sources (uses)	1,965,081	-	-	46,549	-	(731)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,965,081	(530,708)	(29,966)	(142,900)	-	(412)	2,750	(998)
Cash and investments - ending	<u>\$ 1,965,081</u>	<u>\$ -</u>	<u>\$ 983,349</u>	<u>\$ (173,594)</u>	<u>\$ -</u>	<u>\$ 245</u>	<u>\$ -</u>	<u>\$ 2,987</u>

NEW PRAIRIE UNITED SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2014
 (Continued)

	Activity Center Unity Foundation	Activity Center Alcoa Grant	Gifts and Donations Science Fair	Target Corp Education Grant RP	NPUSC Activity Ctr	Arcelor Mittal Grant	Robotics Donation	McDonalds Grant
Cash and investments - beginning	\$ 1,919	\$ 13,373	\$ (723)	\$ 27,370	\$ 2,646	\$ 256	\$ 3,217	\$ 630
Receipts:								
Local sources	-	-	-	-	27,902	3,100	-	250
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	27,902	3,100	-	250
Disbursements:								
Current:								
Instruction	172	11,702	8	3,402	6,081	-	3,000	480
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	172	11,702	8	3,402	6,081	-	3,000	480
Excess (deficiency) of receipts over disbursements	(172)	(11,702)	(8)	(3,402)	21,821	3,100	(3,000)	(230)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	731	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	731	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(172)	(11,702)	723	(3,402)	21,821	3,100	(3,000)	(230)
Cash and investments - ending	\$ 1,747	\$ 1,671	\$ -	\$ 23,968	\$ 24,467	\$ 3,356	\$ 217	\$ 400

NEW PRAIRIE UNITED SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2014
 (Continued)

	Duneland Health Grant	Teaching Garden	NPUSC Industrial Technology	Bridges Grant Olive Elementary	Alcoa Grant	Freshman Academy	United Way Success At Six	PV/RP/OTE
Cash and investments - beginning	\$ 336	\$ 500	\$ -	\$ 1,638	\$ (633)	\$ 1,004	\$ -	\$ 1,037
Receipts:								
Local sources	-	-	1,000	14,497	957	-	41,354	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	1,000	14,497	957	-	41,354	-
Disbursements:								
Current:								
Instruction	-	299	-	14,833	-	1,004	23,354	-
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	299	-	14,833	-	1,004	23,354	-
Excess (deficiency) of receipts over disbursements	-	(299)	1,000	(336)	957	(1,004)	18,000	-
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(299)	1,000	(336)	957	(1,004)	18,000	-
Cash and investments - ending	\$ 336	\$ 201	\$ 1,000	\$ 1,302	\$ 324	\$ -	\$ 18,000	\$ 1,037

NEW PRAIRIE UNITED SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2014
 (Continued)

	Unity Foundation Grant	Unity Grant MS	St Joe Comm Grant	American Heart Association	Mentoring for Success	Drug Free Communities	MS Lead and Seed	2011-2012 NESP
Cash and investments - beginning	\$ 5,502	\$ 883	\$ -	\$ (887)	\$ -	\$ 266	\$ 1,595	\$ -
Receipts:								
Local sources	-	3,500	-	887	2,400	1,620	6,085	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	3,500	-	887	2,400	1,620	6,085	-
Disbursements:								
Current:								
Instruction	5,313	4,383	-	-	636	1,277	2,459	-
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	5,313	4,383	-	-	636	1,277	2,459	-
Excess (deficiency) of receipts over disbursements	(5,313)	(883)	-	887	1,764	343	3,626	-
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,313)	(883)	-	887	1,764	343	3,626	-
Cash and investments - ending	\$ 189	\$ -	\$ -	\$ -	\$ 1,764	\$ 609	\$ 5,221	\$ -

NEW PRAIRIE UNITED SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2014
 (Continued)

	2012-2013 NESP	2013-2014 NESP	School Technology	2011-2012 High Ability Grant	2012-2013 H/A Making a Difference Grant	2012-2013 High Ability Grant	2013-2014 H/A Making a Difference Grant	2013-2014 High Ability Grant
Cash and investments - beginning	\$ 77	\$ -	\$ 8,119	\$ -	\$ (173)	\$ 9,960	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	8,914	6,228	-	2,659	-	9,241	37,162
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>8,914</u>	<u>6,228</u>	<u>-</u>	<u>2,659</u>	<u>-</u>	<u>9,241</u>	<u>37,162</u>
Disbursements:								
Current:								
Instruction	77	5,610	-	-	2,486	9,960	15,000	31,800
Support services	-	-	12,688	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>77</u>	<u>5,610</u>	<u>12,688</u>	<u>-</u>	<u>2,486</u>	<u>9,960</u>	<u>15,000</u>	<u>31,800</u>
Excess (deficiency) of receipts over disbursements	<u>(77)</u>	<u>3,304</u>	<u>(6,460)</u>	<u>-</u>	<u>173</u>	<u>(9,960)</u>	<u>(5,759)</u>	<u>5,362</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(77)</u>	<u>3,304</u>	<u>(6,460)</u>	<u>-</u>	<u>173</u>	<u>(9,960)</u>	<u>(5,759)</u>	<u>5,362</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 3,304</u>	<u>\$ 1,659</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,759)</u>	<u>\$ 5,362</u>

NEW PRAIRIE UNITED SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2014
 (Continued)

	Title I 2011-2012	Title I 2012-2013	Title I 2013-2014	Special Education Improvement	Title II Part A 2012-2014	Title II Part A 2013-2015	Title II Part A 2011-2013	Title III Limited English 2012
Cash and investments - beginning	\$ -	\$ (28,220)	\$ -	\$ -	\$ (4,476)	\$ -	\$ (3,164)	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	178,438	343,102	63,175	39,253	6,377	32,911	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	178,438	343,102	63,175	39,253	6,377	32,911	-
Disbursements:								
Current:								
Instruction	-	143,765	386,246	60,654	14,395	4,713	350	-
Support services	-	6,077	7,850	2,521	20,795	2,453	29,397	-
Noninstructional services	-	376	2,613	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	150,218	396,709	63,175	35,190	7,166	29,747	-
Excess (deficiency) of receipts over disbursements	-	28,220	(53,607)	-	4,063	(789)	3,164	-
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	28,220	(53,607)	-	4,063	(789)	3,164	-
Cash and investments - ending	\$ -	\$ -	\$ (53,607)	\$ -	\$ (413)	\$ (789)	\$ -	\$ -

NEW PRAIRIE UNITED SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2014
 (Continued)

	Title III Limited English 2012-2013	Title III Limited English 2013-2014	Education Jobs	Lunch EFT State	Lunch Clearing Net Pay	Payroll Deductions	Life Insurance Fringe Benefits	Totals
Cash and investments - beginning	\$ (1,539)	\$ -	\$ -	\$ -	\$ (518)	\$ (10,065)	\$ 381	\$ 8,641,669
Receipts:								
Local sources	-	-	-	-	-	-	-	15,317,737
Intermediate sources	-	-	-	-	-	-	-	71,838
State sources	-	-	-	-	-	-	-	17,624,349
Federal sources	1,539	7,381	-	-	-	-	-	1,312,011
Temporary loans	-	-	-	-	-	-	-	6,870,867
Other	-	-	-	722,422	18,045	3,782,327	3,060	4,737,530
Total receipts	<u>1,539</u>	<u>7,381</u>	<u>-</u>	<u>722,422</u>	<u>18,045</u>	<u>3,782,327</u>	<u>3,060</u>	<u>45,934,332</u>
Disbursements:								
Current:								
Instruction	308	8,268	-	-	-	-	-	12,125,097
Support services	-	-	-	-	-	-	-	9,347,630
Noninstructional services	-	-	-	-	-	-	-	1,633,135
Facilities acquisition and construction	-	-	-	-	-	-	-	1,841,823
Debt services	-	-	-	-	-	-	-	7,680,817
Nonprogrammed charges	-	-	-	722,065	17,389	3,775,372	3,006	4,518,832
Total disbursements	<u>308</u>	<u>8,268</u>	<u>-</u>	<u>722,065</u>	<u>17,389</u>	<u>3,775,372</u>	<u>3,006</u>	<u>37,147,334</u>
Excess (deficiency) of receipts over disbursements	<u>1,231</u>	<u>(887)</u>	<u>-</u>	<u>357</u>	<u>656</u>	<u>6,955</u>	<u>54</u>	<u>8,786,998</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	1,965,081
Transfers in	-	-	-	-	-	-	-	4,137,790
Transfers out	-	-	-	-	-	-	-	(4,137,790)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,965,081</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,231</u>	<u>(887)</u>	<u>-</u>	<u>357</u>	<u>656</u>	<u>6,955</u>	<u>54</u>	<u>10,752,079</u>
Cash and investments - ending	<u>\$ (308)</u>	<u>\$ (887)</u>	<u>\$ -</u>	<u>\$ 357</u>	<u>\$ 138</u>	<u>\$ (3,110)</u>	<u>\$ 435</u>	<u>\$ 19,393,748</u>

NEW PRAIRIE UNITED SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2014

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 732,297</u>	<u>\$ 3,148,776</u>

NEW PRAIRIE UNITED SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2014

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
New Prairie United School Building Corporation	Construction	\$ 1,899,191	06/01/13	12/31/23
New Prairie United School Building Corporation	Construction	2,055,000	06/01/05	06/30/21
Apple, Inc	Electronic Equipment	275,252	06/13/13	01/05/17
Apple, Inc Addendum	Electronic Equipment	<u>172,972</u>	06/13/14	12/13/17
Total of annual lease payments		<u>\$ 4,402,415</u>		

Type	Description of Debt	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:				
General obligation bonds	Improvements related to HVAC and other capital improvements		\$ 2,000,000	\$ 116,963
General obligation bonds	Pension Bond		820,000	152,273
General obligation bonds	ARRA of 2009 QSCB		1,710,000	219,935
Tax anticipation warrants	TAW 2014 due September 2014		6,870,867	6,926,119
Installment Contract	Energy Savings Project		907,912	113,690
Installment Contract	Electronic Equipment		<u>74,498</u>	<u>78,140</u>
Totals			<u>\$ 12,383,277</u>	<u>\$ 7,607,120</u>

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NEW PRAIRIE UNITED SCHOOL CORPORATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2014

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 538,136
Buildings	60,991,332
Improvements other than buildings	2,854,021
Machinery, equipment, and vehicles	<u>7,232,748</u>
Total capital assets	<u><u>\$ 71,616,237</u></u>

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE NEW PRAIRIE UNITED SCHOOL
CORPORATION, LAPORTE COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the New Prairie United School Corporation's (School Corporation) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the period of July 1, 2012 to June 30, 2014. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School Corporation's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the period of July 1, 2012 to June 30, 2014.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
(Continued)

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2014-004. Our opinion on each major federal program is not modified with respect to these matters.

The School Corporation's response to the noncompliance findings identified in our audit is described in the accompanying Corrective Action Plan. The School Corporation's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

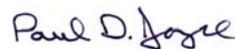
Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2014-002 and 2014-003 to be material weaknesses.

The School Corporation's response to the internal control over compliance findings identified in our audit is described in the accompanying Corrective Action Plan. The School Corporation's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

The Schedule of Expenditures of Federal Awards and accompanying notes presented were approved by management of the School Corporation. The schedule and notes are presented as intended by the School Corporation.

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NEW PRAIRIE UNITED SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2013 and 2014

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-13	Total Federal Awards Expended 06-30-14
U.S. DEPARTMENT OF AGRICULTURE					
Child Nutrition Cluster	Indiana Department of Education				
School Breakfast Program		10.553	FY 2012-13 FY 2013-14	\$ 88,456 -	\$ - 100,381
National School Lunch Program		10.555	FY 2012-13 FY 2013-14	573,395 -	- 614,187
Summer Food Service Program for Children		10.559	FY 2012-13 FY 2013-14	8,315 -	- 6,860
Total for cluster				<u>670,166</u>	<u>721,428</u>
Child and Adult Care Food Program	Indiana Department of Education	10.558	FY 2012-13 FY 2013-14	7,153 -	- 11,533
Total for program				<u>7,153</u>	<u>11,533</u>
Total for federal grantor agency				<u>677,319</u>	<u>732,961</u>
U.S. DEPARTMENT OF EDUCATION					
Title I, Part A Cluster	Indiana Department of Education				
Title I Grants to Local Educational Agencies		84.010	2011/2012 #4103 2012/2013 #4104 2013/2014 #4105	101,496 272,529 -	- 178,438 343,102
Total for cluster				<u>374,025</u>	<u>521,540</u>
Special Education Cluster (IDEA)	Indiana Department of Education				
Special Education - Grants to States		84.027	A58-3-13DL-1505 99914-057-TA01 14212-057-PN01 14213-057-PN01 14214-057-PN01 5250-5269	- - 172,807 402,118 - -	15,137 8,017 - 183,745 457,663 63,175
Total for program				<u>574,925</u>	<u>727,737</u>
Special Education - Preschool Grants	Indiana Department of Education	84.173	45713-057-PN01 45714-057-PN01	16,961 -	8,591 18,091
Total for program				<u>16,961</u>	<u>26,682</u>
Total for cluster				<u>591,886</u>	<u>754,419</u>
English Language Acquisition State Grants	Indiana Department of Education	84.365	2011-2012 #6882 2012-2013 #6883 2013-2014 #6884	5,695 10,005 -	- 1,539 7,381
Total for program				<u>15,700</u>	<u>8,920</u>
Improving Teacher Quality State Grants	Indiana Department of Education	84.367	2011-2013 #6844 2012-2014 #6849 2013-2015 #6845	39,767 36,921 -	32,911 39,253 6,377
Total for program				<u>76,688</u>	<u>78,541</u>
Education Jobs Fund	Indiana Department of Education	84.410	2011-2013	103,132	-
Total for federal grantor agency				<u>1,161,431</u>	<u>1,363,420</u>
Total federal awards expended				<u>\$ 1,838,750</u>	<u>\$ 2,096,381</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

NEW PRAIRIE UNITED SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the School Corporation and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 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.

Note 2. Noncash Assistance

The School Corporation expended the following amount of noncash assistance for the years ending June 30, 2013 and 2014. This noncash assistance is also included in the federal expenditures presented in the schedule.

Program Title	Federal CFDA Number	2013	2014
National School Lunch Program	10.555	\$ 88,963	\$ 86,559

Note 3. Special Education Cooperative

The School Corporation is a member of a Special Education Cooperative. As a result, some activity for the Special Education Cluster that is presented as federal awards expended in the SEFA is not presented as receipts and disbursements in the financial statement for the School Corporation. This activity is reported on the financial statement of the Special Education Cooperative.

NEW PRAIRIE UNITED SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	yes

Identification of Major Programs:

Name of Federal Program or Cluster

Child Nutrition Cluster
Title I, Part A Cluster
Special Education Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? no

Section II - Financial Statement Findings

FINDING 2014-001 - FINANCIAL TRANSACTIONS AND REPORTING

We noted deficiencies in the internal control system of the School Corporation related to financial transactions and reporting. The failure to establish these controls could enable material misstatements or irregularities to remain undetected. Control activities should be in place to reduce the risks of errors in financial reporting.

The School Corporation has not separated incompatible activities related to cash and investments, receipts, and disbursements. Segregation of duties, such as an oversight, review, or approval process to ensure that the information entered into the financial system is correct was not evidenced for monthly depository reconcilements, recording receipts, and inputting payroll hours. In addition, the accounts payable voucher

NEW PRAIRIE UNITED SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

registers signed by the Treasurer and School Board did not include all disbursements. The failure to establish these controls could enable material misstatements or irregularities to remain undetected. Control activities should be in place to reduce the risks of errors in financial reporting.

The School Corporation does not have adequate internal controls in place to properly record the financial activity of funds which are held in trust. The School Corporation received \$999,999 in energy savings project loan proceeds in February 2013 which were placed in trust at a financial institution. All of the loan proceeds were disbursed for the project during the audit period. A fund was not established by the School Corporation to record any of the activity from the proceeds; therefore, none of the activity was reflected in the official records of the School Corporation. The transactions reported in the financial statement of the School Corporation presented herein were based upon an audit adjustment that was approved by the School Corporation Treasurer.

Due to the omission of the energy savings project activity from the records of the School Corporation, accounts payable vouchers or claims for the project disbursements were not prepared or approved by the School Board. The dollar amounts which bypassed the official records were material to the financial statement.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

Indiana Code 5-11-10-1.6(c) states in part:

"The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is fully itemized invoice or bill for the claim; . . .
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

Indiana Code 5-11-1-2 states in part:

"The state board of accounts shall formulate, prescribe, and install a system of accounting and reporting in conformity with this chapter, which must comply with the following: . . .

- (2) Exhibit true accounts and detailed statements of funds collected, received, obligated, and expended for or on account of the public for any and every purpose whatever, and by all public officers, employees, or other individuals. . . ."

NEW PRAIRIE UNITED SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III - Federal Award Findings and Questioned Costs

FINDING 2014-002 - INTERNAL CONTROL OVER SCHOOL BREAKFAST PROGRAM AND NATIONAL SCHOOL LUNCH PROGRAM

Federal Agency: U.S. Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Number: FY 2012-13, FY 2013-14
Pass-Through Entity: Indiana Department of Education

Management of the School Corporation has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the Eligibility and Special Tests and Provisions - Verification of Free and Reduced Price Applications compliance requirements. The failure to establish an effective internal control system places the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

The Food Service Director performed all steps for the eligibility determination for free and reduced price meals and the annual verification process. Segregation of duties, such as an oversight, review, or approval process was not established to ensure that eligibility was properly determined and classified in the student's account and that the verifications of free and reduced price meal applications were completed in compliance with program requirements.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement or a compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the programs. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable material noncompliance to go undetected. Noncompliance with the grant agreement or the compliance requirements could result in the loss of federal funds to the School Corporation.

We recommended that the School Corporation establish controls, including segregation of duties, related to the grant agreement and compliance requirements listed above.

NEW PRAIRIE UNITED SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

***FINDING 2014-003 - INTERNAL CONTROL OVER TITLE I
GRANTS TO LOCAL EDUCATIONAL AGENCIES***

Federal Agency: U.S. Department of Education
Federal Program: Title I Grants to Local Educational Agencies
CFDA Number: 84.010
Federal Award Number: 2011/2012 #4103, 2012/2013 #4104, 2013/2014 #4105
Pass-Through Entity: Indiana Department of Education

Management of the School Corporation has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the following compliance requirements: Activities Allowed, Allowable Costs, Cash Management, Equipment Management, Period of Availability, Suspension and Debarment, and Reporting. The failure to establish an effective internal control system places the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

Activities Allowed, Allowable Costs, and Period of Availability

The Title I Fiscal Coordinator is also the School Corporation's Chief Financial Officer and Treasurer. All payroll benefits and non-payroll expenses disbursed from the Title I grant funds are included on the After Checks Accounts Payable Voucher lists showing the detail of each check or electronic funds transfer (EFT). The total of these vouchers are included on the Allowance of Vouchers to be certified and signed by the Treasurer and approved and signed by the members of the Board of School Trustees. There were no controls to ensure that the total amount listed on the Allowance of Vouchers included all of the vouchers to be approved and that the Allowance of Vouchers was available for audit. We could not determine if the Title I Fiscal Coordinator reviewed and approved all of the disbursements in regards to Activities Allowed, Allowable Costs, and Period of Availability.

Cash Management and Reporting

The Title I Fiscal Coordinator prepared, reviewed, approved, and submitted the requests for reimbursement of program expenditures to the Indiana Department of Education. The Title I Fiscal Coordinator also prepared, reviewed, approved, and submitted the Title I Annual Expenditure Report - FINAL for 2012-2013 and 2013-2014. Evidence of segregation of duties, such as an oversight, review, or approval process over cash management and reporting was not provided.

Equipment Management

The School Corporation has not designed or implemented controls to ensure compliance with the Equipment Management requirements of the program. There were no controls to ensure that assets purchased with Title I program funds were properly identified as purchased with federal funds or that the asset records included all of the required information.

Suspension and Debarment

Policies or procedures have not been established to verify that vendors providing goods and services under the grant award have not been suspended or debarred by the Federal Government.

NEW PRAIRIE UNITED SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

An internal control system, including segregation of duties, should be designed and operated effectively to provide reasonable assurance that material noncompliance with the grant agreement or a compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable material noncompliance to go undetected. Noncompliance with the grant agreement or the compliance requirements could result in the loss of federal funds to the School Corporation.

We recommended that the School Corporation establish controls, including segregation of duties, related to the grant agreement and compliance requirements listed above.

FINDING 2014-004 - EQUIPMENT MANAGEMENT

Federal Agency: U.S. Department of Education
Federal Program: Title I Grants to Local Educational Agencies
CFDA Number: 84.010
Federal Award Number: 2011/2012 #4103, 2012/2013 #4104, 2013/2014 #4105
Pass-Through Entity: Indiana Department of Education

The School Corporation did not fully comply with the Equipment Management requirements of the program. The June 30, 2014 capital assets inventory did not properly identify the assets purchased with Title I funds. Title I assets were not separate from the assets purchased with other federal program funds or the assets purchased with local school corporation funds. There is no formal policy on the performance of periodic inventories of capital assets. The School Corporation hired an outside firm to perform an inventory; however, we could not determine if Title I assets were included in the inventory, if the School Corporation reviewed the Title I inventory, or if the Title I inventory was reconciled to the program records.

The Title I asset records maintained for all items other than iPads did not include the serial number, title holder, percentage of federal participation, and use and condition of the asset. The Title I asset records maintained for iPads did include a serial number; however, did not include the title holder, percentage of federal participation, and use and condition of the asset. Serial numbers on the asset records for the iPads did not agree with the serial numbers detailed on the vendor invoices that were posted as disbursed from Title I funds. In addition, two iMac Laptop Computers on the asset records were not purchased with Title I funds; two other Title I iMac computers purchased with Title I funds were not included on the Title I asset records and the location and amount of one of the Ergotron Tablet Carts did not agree with the financial records.

NEW PRAIRIE UNITED SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

34 CFR 80.32(d) states in part:

"Management Requirements. Procedures for managing equipment (including replacement equipment) whether acquired in whole or in part with grant funds, until disposition takes place will, as a minimum, meet the following requirements:

- (1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
- (2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
- (3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated."

The failure to comply with the Equipment Management requirements could result in the loss of federal funds to the School Corporation.

We recommended that the School Corporation comply with the Equipment Management requirements of the program.

AUDITEE PREPARED DOCUMENT

The subsequent document was provided by management of the School Corporation. The document is presented as intended by the School Corporation.

NEW PRAIRIE UNITED SCHOOL CORPORATION

Mr. Jim Dermody, Superintendent

5327 N. Cougar Road

New Carlisle, IN 46552

574-654-7273, 219-778-2814

FAX 574-654-7274

www.npusc.k12.in.us

CORRECTIVE ACTION PLAN

FINDING 2014-001 Financial Transactions and Reporting

Contact Person Responsible for Corrective Action: Kelley Kitchen

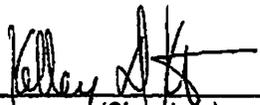
Contact Phone Number: 574-654-7273

Description of Corrective Action Plan:

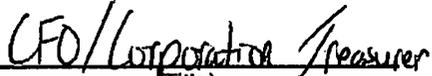
Prior to the completion of the audit, New Prairie United School Corporation hired an additional business office staff person. The additional person has allowed the reconfiguration of duties to allow segregation of duties. The Chief Financial Officer/Corporation Treasurer will review and approve the monthly depository reconcilements, receipt postings, and payroll input. In addition, the CFO/Treasurer will ensure that the accounts payable voucher registers presented to the Board of Trustees are accurate.

The School Corporation was unaware that the deposits held by an outside entity must be recorded on the school's financials records. A fund will be established to record all activity for any account held in trust and will be presented to the Board of Trustees for approval of any disbursements.

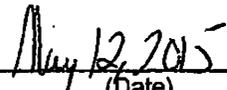
Anticipated Completion Date: June 30, 2015



(Signature)



(Title)



(Date)

“A CULTURE OF EXCELLENCE”

NEW PRAIRIE UNITED SCHOOL CORPORATION

Mr. Jim Dermody, Superintendent

5327 N. Cougar Rd.

New Carlisle, IN 46552

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FAX 574-654-7274

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CORRECTIVE ACTION PLAN

FINDING 2014-002 (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Tammy Watkins, Food Service Director

Contact Phone Number: 574-654-0401

Description of Corrective Action Plan:

An assistant will be hired for the Food Service Director beginning in the 2015-2016 school year. The Food Service Assistant will enter all Free and Reduced Price meal applications into the Free and Reduced price meal software application.

The Food Service Director will review all applications for accuracy and sign for approval.

(This process was done in reverse already with the FSD entering and approving applications and having a helper double check and initial all applications although the USDA Eligibility Manual states that "this requirement is waived if the LEA uses a technology-based system that demonstrates a high level of accuracy in processing an initial eligibility determination" and that the State agency is aware. Our 2014-2015 Indiana State Agency Sponsor information sheet reflects that approval).

A second review of all error-prone applications selected for verification will be completed by a Central Office Staff member and signed.

Verification will be completed by the Food Service Director

Anticipated Completion Date:

July 1, 2015

Tammy M. Watkins
(Signature)

Food Service Director
(Title)

5/11/15
(Date)

"A CULTURE OF EXCELLENCE"

NEW PRAIRIE UNITED SCHOOL CORPORATION

Mr. Jim Dermody, Superintendent

5327 N. Cougar Road

New Carlisle, IN 46552

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CORRECTIVE ACTION PLAN

FINDING 2014-003 Internal Control over Title I Grants to Local Education Agencies

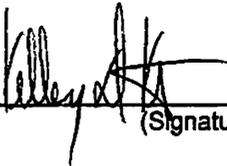
Contact Person Responsible for Corrective Action: Kelley Kitchen

Contact Phone Number: 574-654-7273

Description of Corrective Action Plan:

Prior to the completion of the audit, New Prairie United School Corporation hired an additional business office staff person. The additional person has allowed the reconfiguration of duties to allow segregation of duties. The Chief Financial Officer/Corporation Treasurer will review and approve the monthly depository reconcilements, receipt postings, and payroll input. In addition, the CFO/Treasurer will ensure that the accounts payable voucher registers presented to the Board of Trustees are accurate. All payroll and benefits Allowance of Vouchers will also be reviewed and approved by the CFO/Treasurer who also acts as the Title I Fiscal Coordinator. Upon review, the Vouchers will be presented for both payables and payroll to the Board of Trustees for approval.

Anticipated Completion Date: June 30, 2015



(Signature)

"A CULTURE OF EXCELLENCE"

NEW PRAIRIE UNITED SCHOOL CORPORATION

Mr. Jim Dermody, Superintendent
5327 N. Cougar Road
New Carlisle, IN 46552
574-654-7273, 219-778-2814
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CORRECTIVE ACTION PLAN

FINDING 2014--004

Contact Person Responsible for Corrective Action: Kelley Kitchen
Contact Phone Number: 574-654-7273

Description of Corrective Action Plan:

Effective Immediately.

NPUSC currently labels all assets purchased and will continue to do so.

Purchases of equipment or technology will be handled through the Technology Department. Upon receipt, the item will be labeled and logged into Inventory. The Inventory List will include at a minimum: serial number, title holder, percentage of Federal participation, use, and condition of asset.

A physical semi-annual inventory of all assets purchased with Title program funds will be completed and approved by the NPUSC Board of Trustees.

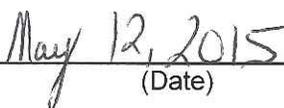
Anticipated Completion Date: First Inventory to be completed by June 30, 2015



(Signature)



(Title)



(Date)

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OTHER REPORT

In addition to this report, a Supplemental Compliance Report has been issued for the School Corporation. That report can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.