

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

EDINBURGH COMMUNITY SCHOOL CORPORATION  
JOHNSON COUNTY, INDIANA

July 1, 2011 to June 30, 2013



**FILED**  
02/18/2014



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Tamara Lewis	07-01-11 to 06-30-14
Superintendent of Schools	Kevin Rockey (Interim)	07-01-11 to 08-08-11
	Denise Bessler	08-09-11 to 02-23-12
	Kevin Rockey (Interim)	02-24-12 to 04-08-12
	William Glentzer (Interim)	04-09-12 to 06-30-13
	William Glentzer	07-01-13 to 06-30-14
President of the School Board	Cathy Hamm	01-01-11 to 12-31-12
	Justin Lollar	01-01-13 to 12-31-14



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE EDINBURGH COMMUNITY SCHOOL  
CORPORATION, JOHNSON COUNTY, INDIANA

***Report on the Financial Statement***

We have audited the accompanying financial statement of the Edinburgh Community School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2011 to June 30, 2013, 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  
(Continued)

***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, 2011 to June 30, 2013.

***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, 2011 to June 30, 2013, 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 February 3, 2014, 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, 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

February 3, 2014



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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 EDINBURGH COMMUNITY SCHOOL  
CORPORATION, JOHNSON 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 Edinburgh Community School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2011 to June 30, 2013, and the related notes to the financial statement, and have issued our report thereon dated February 3, 2014, 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 2013-001 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***

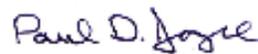
As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 2013-001.

***Edinburgh Community 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

February 3, 2014

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## FINANCIAL STATEMENT

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.

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EDINBURGH COMMUNITY SCHOOL CORPORATION  
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended June 30, 2012 and 2013

	Cash and Investments 07-01-11	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-12	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-13
General	\$ 1,166,342	\$ 6,677,405	\$ 6,360,906	\$ 22,949	\$ 1,505,790	\$ 6,614,246	\$ 6,381,824	\$ 36,091	\$ 1,774,303
Debt Service	277,123	765,167	712,356	-	329,934	800,486	768,914	-	361,506
Retirement/Severance Bond Debt Service	78,048	190,601	203,269	-	65,380	225,074	232,449	-	58,005
Capital Projects	399,482	486,587	528,164	-	357,905	505,218	532,999	-	330,124
School Transportation	78,754	177,273	188,109	-	67,918	160,893	145,903	17,694	100,602
School Bus Replacement	389,242	64,194	174,032	-	279,404	51,911	83,839	-	247,476
Rainy Day	26,913	-	-	-	26,913	-	-	-	26,913
Retirement/Severance Bond	140,516	-	7,031	-	133,485	-	7,029	-	126,456
Construction Windows/Lift	-	1,800	1,800	-	-	118,200	118,200	-	-
School Lunch	134,951	481,446	441,200	-	175,197	492,280	515,458	325	152,344
Textbook Rental	77,329	126,353	24,277	(20,041)	159,364	134,460	115,389	(18,484)	159,951
Levy Excess	-	7,741	-	-	7,741	9,953	-	(17,694)	-
Educational License Plates	325	262	-	-	587	150	737	-	-
Alternative Education	-	3,743	3,743	-	-	3,153	3,153	-	-
ES PE Awards/Schl Supply	-	1,256	1,000	-	256	2,318	2,218	-	356
ES Cape Grant Kgrtn Sum Schl	1,559	-	-	-	1,559	-	1,559	-	-
ES Walmart Character ED DVDS	-	-	-	-	-	750	750	-	-
ES Preschool Donation Conover	-	-	-	-	-	3,000	300	-	2,700
ES Clothe A Child Donations	31,851	6,900	8,330	-	30,421	7,248	3,718	-	33,951
MS Donations Gifts & Trusts	-	3,000	3,000	-	-	250	250	-	-
HS Donations Courtyard Furnit	-	-	-	-	-	2,000	-	-	2,000
HS ERC Simon Youth Donation	-	4,495	3,411	-	1,084	3,000	3,438	-	646
HS Drug Student Testing	-	250	-	-	250	-	230	-	20
HS Band and Choir Donations	-	5,000	-	-	5,000	7,000	11,253	-	747
HS Regions Bank Academics	-	-	-	-	-	496	296	-	200
High Ability Ends 6/30/12 7/1/11	-	27,554	27,554	-	-	-	-	-	-
High Ability 2012-2013	-	-	-	-	-	28,973	28,973	-	-
Common Schl-Computer/ED Tech 11-09-11	-	83,000	83,000	-	-	-	-	-	-
Non-English Speaking Programs P.L. 273-1999	-	-	-	-	-	1,603	1,603	-	-
School Technology	33,772	49,352	54,189	-	28,935	52,755	64,605	-	17,085
Title I 2010-2011 Ends 9/30/11 7/1/10	-	43,844	43,844	-	-	-	-	-	-
Title I 2011-12 7/1/11	-	264,638	280,670	-	(16,032)	101,265	85,233	-	-
Title I 12-13 Ends 93013	-	-	-	-	-	268,662	294,481	-	(25,819)
Medicaid Reimbursement - Federal	30,514	14,398	6,162	(1,956)	36,794	37,171	2,648	(16,672)	54,645
HIP Purdue University	2,363	-	2,283	-	80	-	80	-	-
Title II A IMPRV TCHR 09-10	-	5,400	5,400	-	-	-	-	-	-
Title II Ends 9-12 10-4215 8-30-10	-	22,825	22,825	-	-	-	-	-	-
Title II A Ends 9-13 11-4215	-	16,695	22,330	-	(5,635)	38,571	32,936	-	-
Title II A Ends 9-14 12-4215	-	-	-	-	-	29,794	31,005	-	(1,211)
Special Education-Part B	-	5,790	5,790	-	-	-	-	-	-
Education Jobs	-	208,471	211,893	-	(3,422)	10,942	7,520	-	-
Payroll Deductions	11,053	1,413,458	1,415,428	-	9,083	1,499,841	1,500,547	-	8,377
Life Insurance over 50,000	118	10,713	10,831	-	-	12,273	12,273	-	-
<b>Totals</b>	<b>\$ 2,880,255</b>	<b>\$ 11,169,611</b>	<b>\$ 10,852,827</b>	<b>\$ 952</b>	<b>\$ 3,197,991</b>	<b>\$ 11,223,936</b>	<b>\$ 10,991,810</b>	<b>\$ 1,260</b>	<b>\$ 3,431,377</b>

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

EDINBURGH COMMUNITY 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 may 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.

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.

EDINBURGH COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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 may 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.

*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 may include the following:

Sale of capital assets which includes money received when land, buildings, or equipment owned by the School Corporation is sold.

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.

EDINBURGH COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*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.

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.

EDINBURGH COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**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 an agent 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  
1 North Capital Street, 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.

EDINBURGH COMMUNITY 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  
1 North Capital Street, 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 funds being set up for reimbursable grants.

**Note 8. Combined Funds**

Funds related to school lunch were reported individually in the prior financial statement but were combined into one fund for the current financial statement.

## SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, 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.

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

EDINBURGH COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2012

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	Construction Windows/Lift
Cash and investments - beginning	\$ 1,166,342	\$ 277,123	\$ 78,048	\$ 399,482	\$ 78,754	\$ 389,242	\$ 26,913	\$ 140,516	\$ -
Receipts:									
Local sources	56,275	765,167	190,601	486,587	165,319	64,194	-	-	-
Intermediate sources	8	-	-	-	-	-	-	-	-
State sources	6,574,882	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	1,800
Other	46,240	-	-	-	11,954	-	-	-	-
Total receipts	<u>6,677,405</u>	<u>765,167</u>	<u>190,601</u>	<u>486,587</u>	<u>177,273</u>	<u>64,194</u>	<u>-</u>	<u>-</u>	<u>1,800</u>
Disbursements:									
Current:									
Instruction	4,242,514	-	-	-	-	-	-	7,031	-
Support services	2,044,049	-	-	358,839	188,109	174,032	-	-	-
Noninstructional services	72,197	-	-	-	-	-	-	-	-
Facilities acquisition and construction	2,146	-	-	169,325	-	-	-	-	1,800
Debt services	-	712,356	203,269	-	-	-	-	-	-
Total disbursements	<u>6,360,906</u>	<u>712,356</u>	<u>203,269</u>	<u>528,164</u>	<u>188,109</u>	<u>174,032</u>	<u>-</u>	<u>7,031</u>	<u>1,800</u>
Excess (deficiency) of receipts over disbursements	<u>316,499</u>	<u>52,811</u>	<u>(12,668)</u>	<u>(41,577)</u>	<u>(10,836)</u>	<u>(109,838)</u>	<u>-</u>	<u>(7,031)</u>	<u>-</u>
Other financing sources (uses):									
Sale of capital assets	816	-	-	-	-	-	-	-	-
Transfers in	22,133	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>22,949</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>339,448</u>	<u>52,811</u>	<u>(12,668)</u>	<u>(41,577)</u>	<u>(10,836)</u>	<u>(109,838)</u>	<u>-</u>	<u>(7,031)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,505,790</u>	<u>\$ 329,934</u>	<u>\$ 65,380</u>	<u>\$ 357,905</u>	<u>\$ 67,918</u>	<u>\$ 279,404</u>	<u>\$ 26,913</u>	<u>\$ 133,485</u>	<u>\$ -</u>

EDINBURGH COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2012  
 (Continued)

	School Lunch	Textbook Rental	Levy Excess	Educational License Plates	Alternative Education	ES PE Awards/Schl Supply	ES Cape Grant Kgrtn Sum Schl	ES Walmart Character ED DVDS	ES Preschool Donation Conover
Cash and investments - beginning	\$ 134,951	\$ 77,329	\$ -	\$ 325	\$ -	\$ -	\$ 1,559	\$ -	\$ -
Receipts:									
Local sources	170,075	80,626	-	-	-	1,256	-	-	-
Intermediate sources	-	-	-	262	-	-	-	-	-
State sources	3,853	45,727	7,741	-	3,743	-	-	-	-
Federal sources	307,368	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	150	-	-	-	-	-	-	-	-
Total receipts	<u>481,446</u>	<u>126,353</u>	<u>7,741</u>	<u>262</u>	<u>3,743</u>	<u>1,256</u>	-	-	-
Disbursements:									
Current:									
Instruction	-	-	-	-	3,743	1,000	-	-	-
Support services	352	24,277	-	-	-	-	-	-	-
Noninstructional services	440,848	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Total disbursements	<u>441,200</u>	<u>24,277</u>	-	-	<u>3,743</u>	<u>1,000</u>	-	-	-
Excess (deficiency) of receipts over disbursements	<u>40,246</u>	<u>102,076</u>	<u>7,741</u>	<u>262</u>	-	<u>256</u>	-	-	-
Other financing sources (uses):									
Sale of capital assets	-	136	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	(20,177)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	<u>(20,041)</u>	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>40,246</u>	<u>82,035</u>	<u>7,741</u>	<u>262</u>	-	<u>256</u>	-	-	-
Cash and investments - ending	<u>\$ 175,197</u>	<u>\$ 159,364</u>	<u>\$ 7,741</u>	<u>\$ 587</u>	<u>\$ -</u>	<u>\$ 256</u>	<u>\$ 1,559</u>	<u>\$ -</u>	<u>\$ -</u>

EDINBURGH COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2012  
 (Continued)

	ES Clothe A Child Donations	MS Donations Gifts & Trusts	HS Donation Courtyard Furnit	HS ERC Simon Youth Donation	HS Drug Student Testing	HS Band and Choir Donations	HS Regions Bank Academics	High Ability Ends 6/30/12 7/1/11	High Ability 2012-2013
Cash and investments - beginning	\$ 31,851	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:									
Local sources	6,900	3,000	-	4,495	250	5,000	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	27,554	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>6,900</u>	<u>3,000</u>	<u>-</u>	<u>4,495</u>	<u>250</u>	<u>5,000</u>	<u>-</u>	<u>27,554</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	-	-	-	916	-	-	-	27,554	-
Support services	-	3,000	-	2,495	-	-	-	-	-
Noninstructional services	8,330	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Total disbursements	<u>8,330</u>	<u>3,000</u>	<u>-</u>	<u>3,411</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,554</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(1,430)</u>	<u>-</u>	<u>-</u>	<u>1,084</u>	<u>250</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(1,430)</u>	<u>-</u>	<u>-</u>	<u>1,084</u>	<u>250</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 30,421</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,084</u>	<u>\$ 250</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EDINBURGH COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended June 30, 2012  
 (Continued)

	Common Schl Computer/ED Tech 11-09-11	Non-English Speaking Programs P.L. 273-1999	School Technology	Title I 2010-2011 Ends 9/30/11 7/1/10	Title I 2011-12 7/1/11	Title I 12-13 Ends 9/30/13	Medicaid Reimbursement- Federal	HIP Purdue University	Title II A Imprv TCHR 09-10
Cash and investments - beginning	\$ -	\$ -	\$ 33,772	\$ -	\$ -	\$ -	\$ 30,514	\$ 2,363	\$ -
Receipts:									
Local sources	-	-	43,812	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	83,000	-	5,540	-	-	-	-	-	-
Federal sources	-	-	-	43,844	264,638	-	14,398	-	5,400
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>83,000</u>	<u>-</u>	<u>49,352</u>	<u>43,844</u>	<u>264,638</u>	<u>-</u>	<u>14,398</u>	<u>-</u>	<u>5,400</u>
Disbursements:									
Current:									
Instruction	-	-	4,337	19,830	234,684	-	6,162	2,283	5,400
Support services	83,000	-	49,852	23,309	37,659	-	-	-	-
Noninstructional services	-	-	-	705	8,327	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Total disbursements	<u>83,000</u>	<u>-</u>	<u>54,189</u>	<u>43,844</u>	<u>280,670</u>	<u>-</u>	<u>6,162</u>	<u>2,283</u>	<u>5,400</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>(4,837)</u>	<u>-</u>	<u>(16,032)</u>	<u>-</u>	<u>8,236</u>	<u>(2,283)</u>	<u>-</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(1,956)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,956)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>-</u>	<u>(4,837)</u>	<u>-</u>	<u>(16,032)</u>	<u>-</u>	<u>6,280</u>	<u>(2,283)</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,935</u>	<u>\$ -</u>	<u>\$ (16,032)</u>	<u>\$ -</u>	<u>\$ 36,794</u>	<u>\$ 80</u>	<u>\$ -</u>

EDINBURGH COMMUNITY SCHOOL CORPORATION  
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 REGULATORY BASIS  
 For the Year Ended June 30, 2012  
 (Continued)

	Title II Ends 9-12 10-4215 8-30-10	Title II A Ends 9-13 11-4215	Title II A Ends 9-14 12-4215	Special Education- Part B	Education Jobs	Payroll Deductions	Life Insurance Over 50,000	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,053	\$ 118	\$ 2,880,255
Receipts:								
Local sources	-	-	-	-	-	-	-	2,043,557
Intermediate sources	-	-	-	-	-	-	-	270
State sources	-	-	-	-	-	-	-	6,752,040
Federal sources	22,825	16,695	-	5,790	208,471	-	-	889,429
Temporary loans	-	-	-	-	-	-	-	1,800
Other	-	-	-	-	-	1,413,458	10,713	1,482,515
Total receipts	<u>22,825</u>	<u>16,695</u>	<u>-</u>	<u>5,790</u>	<u>208,471</u>	<u>1,413,458</u>	<u>10,713</u>	<u>11,169,611</u>
Disbursements:								
Current:								
Instruction	22,825	17,749	-	5,790	191,513	1,415,428	10,831	6,219,590
Support services	-	4,581	-	-	20,380	-	-	3,013,934
Noninstructional services	-	-	-	-	-	-	-	530,407
Facilities acquisition and construction	-	-	-	-	-	-	-	173,271
Debt services	-	-	-	-	-	-	-	915,625
Total disbursements	<u>22,825</u>	<u>22,330</u>	<u>-</u>	<u>5,790</u>	<u>211,893</u>	<u>1,415,428</u>	<u>10,831</u>	<u>10,852,827</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(5,635)</u>	<u>-</u>	<u>-</u>	<u>(3,422)</u>	<u>(1,970)</u>	<u>(118)</u>	<u>316,784</u>
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	952
Transfers in	-	-	-	-	-	-	-	22,133
Transfers out	-	-	-	-	-	-	-	(22,133)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>952</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>(5,635)</u>	<u>-</u>	<u>-</u>	<u>(3,422)</u>	<u>(1,970)</u>	<u>(118)</u>	<u>317,736</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (5,635)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,422)</u>	<u>\$ 9,083</u>	<u>\$ -</u>	<u>\$ 3,197,991</u>

EDINBURGH COMMUNITY SCHOOL CORPORATION  
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	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	Construction Windows/Lift
Cash and investments - beginning	\$ 1,505,790	\$ 329,934	\$ 65,380	\$ 357,905	\$ 67,918	\$ 279,404	\$ 26,913	\$ 133,485	\$ -
Receipts:									
Local sources	32,480	800,486	191,446	505,218	160,893	18,283	-	-	-
Intermediate sources	4	-	-	-	-	-	-	-	-
State sources	6,581,762	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	118,200
Interfund loans	-	-	33,628	-	-	33,628	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>6,614,246</u>	<u>800,486</u>	<u>225,074</u>	<u>505,218</u>	<u>160,893</u>	<u>51,911</u>	<u>-</u>	<u>-</u>	<u>118,200</u>
Disbursements:									
Current:									
Instruction	4,377,315	-	-	-	-	-	-	7,029	-
Support services	1,928,698	-	-	347,144	145,903	50,211	-	-	-
Noninstructional services	75,016	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	185,855	-	-	-	-	118,200
Debt services	795	768,914	198,821	-	-	-	-	-	-
Interfund loans	-	-	33,628	-	-	33,628	-	-	-
Total disbursements	<u>6,381,824</u>	<u>768,914</u>	<u>232,449</u>	<u>532,999</u>	<u>145,903</u>	<u>83,839</u>	<u>-</u>	<u>7,029</u>	<u>118,200</u>
Excess (deficiency) of receipts over disbursements	<u>232,422</u>	<u>31,572</u>	<u>(7,375)</u>	<u>(27,781)</u>	<u>14,990</u>	<u>(31,928)</u>	<u>-</u>	<u>(7,029)</u>	<u>-</u>
Other financing sources (uses):									
Sale of capital assets	917	-	-	-	-	-	-	-	-
Transfers in	35,174	-	-	-	17,694	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>36,091</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,694</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>268,513</u>	<u>31,572</u>	<u>(7,375)</u>	<u>(27,781)</u>	<u>32,684</u>	<u>(31,928)</u>	<u>-</u>	<u>(7,029)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,774,303</u>	<u>\$ 361,506</u>	<u>\$ 58,005</u>	<u>\$ 330,124</u>	<u>\$ 100,602</u>	<u>\$ 247,476</u>	<u>\$ 26,913</u>	<u>\$ 126,456</u>	<u>\$ -</u>

EDINBURGH COMMUNITY 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)

	School Lunch	Textbook Rental	Levy Excess	Educational License Plates	Alternative Education	ES PE Awards/Schl Supply	ES Cape Grant Kgrtn Sum Schl	ES Walmart Character ED DVDS	ES Preschool Donation Conover
Cash and investments - beginning	\$ 175,197	\$ 159,364	\$ 7,741	\$ 587	\$ -	\$ 256	\$ 1,559	\$ -	\$ -
Receipts:									
Local sources	157,017	87,698	-	-	-	2,318	-	750	3,000
Intermediate sources	-	-	-	150	-	-	-	-	-
State sources	3,726	46,762	9,953	-	3,153	-	-	-	-
Federal sources	331,287	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	250	-	-	-	-	-	-	-	-
Total receipts	<u>492,280</u>	<u>134,460</u>	<u>9,953</u>	<u>150</u>	<u>3,153</u>	<u>2,318</u>	<u>-</u>	<u>750</u>	<u>3,000</u>
Disbursements:									
Current:									
Instruction	-	-	-	737	3,153	2,218	1,559	750	300
Support services	218	115,389	-	-	-	-	-	-	-
Noninstructional services	515,240	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	<u>515,458</u>	<u>115,389</u>	<u>-</u>	<u>737</u>	<u>3,153</u>	<u>2,218</u>	<u>1,559</u>	<u>750</u>	<u>300</u>
Excess (deficiency) of receipts over disbursements	<u>(23,178)</u>	<u>19,071</u>	<u>9,953</u>	<u>(587)</u>	<u>-</u>	<u>100</u>	<u>(1,559)</u>	<u>-</u>	<u>2,700</u>
Other financing sources (uses):									
Sale of capital assets	325	18	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	(18,502)	(17,694)	-	-	-	-	-	-
Total other financing sources (uses)	<u>325</u>	<u>(18,484)</u>	<u>(17,694)</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>(22,853)</u>	<u>587</u>	<u>(7,741)</u>	<u>(587)</u>	<u>-</u>	<u>100</u>	<u>(1,559)</u>	<u>-</u>	<u>2,700</u>
Cash and investments - ending	<u>\$ 152,344</u>	<u>\$ 159,951</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 356</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,700</u>

EDINBURGH COMMUNITY SCHOOL CORPORATION  
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 For the Year Ended June 30, 2013  
 (Continued)

	ES Clothe A Child Donations	MS Donations Gifts & Trusts	HS Donation Courtyard Furnit	HS ERC Simon Youth Donation	HS Drug Student Testing	HS Band and Choir Donations	HS Regions Bank Academics	High Ability Ends 6/30/12 7/1/11	High Ability 2012-2013
Cash and investments - beginning	\$ 30,421	\$ -	\$ -	\$ 1,084	\$ 250	\$ 5,000	\$ -	\$ -	\$ -
Receipts:									
Local sources	7,248	250	2,000	3,000	-	7,000	496	-	100
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	28,873
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>7,248</u>	<u>250</u>	<u>2,000</u>	<u>3,000</u>	<u>-</u>	<u>7,000</u>	<u>496</u>	<u>-</u>	<u>28,973</u>
Disbursements:									
Current:									
Instruction	-	250	-	3,438	-	11,253	296	-	28,973
Support services	-	-	-	-	230	-	-	-	-
Noninstructional services	3,718	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	<u>3,718</u>	<u>250</u>	<u>-</u>	<u>3,438</u>	<u>230</u>	<u>11,253</u>	<u>296</u>	<u>-</u>	<u>28,973</u>
Excess (deficiency) of receipts over disbursements	<u>3,530</u>	<u>-</u>	<u>2,000</u>	<u>(438)</u>	<u>(230)</u>	<u>(4,253)</u>	<u>200</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>3,530</u>	<u>-</u>	<u>2,000</u>	<u>(438)</u>	<u>(230)</u>	<u>(4,253)</u>	<u>200</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 33,951</u>	<u>\$ -</u>	<u>\$ 2,000</u>	<u>\$ 646</u>	<u>\$ 20</u>	<u>\$ 747</u>	<u>\$ 200</u>	<u>\$ -</u>	<u>\$ -</u>

EDINBURGH COMMUNITY 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)

	Common Schl Computer/ED Tech 11-09-11	Non-English Speaking Programs P.L. 273-1999	School Technology	Title I 2010-2011 Ends 9/30/11 7/1/10	Title I 2011-12 07-01-11	Title I 12-13 Ends 9/30/13	Medicaid Reimbursement- Federal	HIP Purdue University	Title II A Imprv TCHR 09-10
Cash and investments - beginning	\$ -	\$ -	\$ 28,935	\$ -	\$ (16,032)	\$ -	\$ 36,794	\$ 80	\$ -
Receipts:									
Local sources	-	-	49,134	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	1,603	3,621	-	-	-	-	-	-
Federal sources	-	-	-	-	101,265	268,662	37,171	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	1,603	52,755	-	101,265	268,662	37,171	-	-
Disbursements:									
Current:									
Instruction	-	1,603	9,464	-	70,945	249,705	2,648	80	-
Support services	-	-	55,141	-	14,288	35,927	-	-	-
Noninstructional services	-	-	-	-	-	8,849	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	1,603	64,605	-	85,233	294,481	2,648	80	-
Excess (deficiency) of receipts over disbursements	-	-	(11,850)	-	16,032	(25,819)	34,523	(80)	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(16,672)	-	-
Total other financing sources (uses)	-	-	-	-	-	-	(16,672)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(11,850)	-	16,032	(25,819)	17,851	(80)	-
Cash and investments - ending	\$ -	\$ -	\$ 17,085	\$ -	\$ -	\$ (25,819)	\$ 54,645	\$ -	\$ -

EDINBURGH COMMUNITY 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 II Ends 9-12 10-4215 8-30-10	Title II A Ends 9-13 11-4215	Title II A Ends 9-14 12-4215	Special Education- Part B	Education Jobs	Payroll Deductions	Life Insurance Over 50,000	Totals
Cash and investments - beginning	\$ -	\$ (5,635)	\$ -	\$ -	\$ (3,422)	\$ 9,083	\$ -	\$ 3,197,991
Receipts:								
Local sources	-	-	-	-	-	-	-	2,028,817
Intermediate sources	-	-	-	-	-	-	-	154
State sources	-	-	-	-	-	-	-	6,679,453
Federal sources	-	38,571	29,794	-	10,942	-	-	817,692
Temporary loans	-	-	-	-	-	-	-	118,200
Interfund loans	-	-	-	-	-	-	-	67,256
Other	-	-	-	-	-	1,499,841	12,273	1,512,364
Total receipts	-	38,571	29,794	-	10,942	1,499,841	12,273	11,223,936
Disbursements:								
Current:								
Instruction	-	22,037	23,628	-	7,520	1,500,547	12,273	6,337,721
Support services	-	10,899	7,377	-	-	-	-	2,711,425
Noninstructional services	-	-	-	-	-	-	-	602,823
Facilities acquisition and construction	-	-	-	-	-	-	-	304,055
Debt services	-	-	-	-	-	-	-	968,530
Interfund loans	-	-	-	-	-	-	-	67,256
Total disbursements	-	32,936	31,005	-	7,520	1,500,547	12,273	10,991,810
Excess (deficiency) of receipts over disbursements	-	5,635	(1,211)	-	3,422	(706)	-	232,126
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	1,260
Transfers in	-	-	-	-	-	-	-	52,868
Transfers out	-	-	-	-	-	-	-	(52,868)
Total other financing sources (uses)	-	-	-	-	-	-	-	1,260
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	5,635	(1,211)	-	3,422	(706)	-	233,386
Cash and investments - ending	\$ -	\$ -	\$ (1,211)	\$ -	\$ -	\$ 8,377	\$ -	\$ 3,431,377

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE EDINBURGH COMMUNITY SCHOOL  
CORPORATION, JOHNSON COUNTY, INDIANA

***Report on Compliance for Each Major Federal Program***

We have audited the Edinburgh Community 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, 2011 to June 30, 2013. 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, 2011 to June 30, 2013.

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

***Report on Internal Control Over Compliance***

Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing 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 item 2013-002 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

February 3, 2014

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## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

EDINBURGH COMMUNITY SCHOOL COPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Years Ended June 30, 2012 and 2013

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 06-30-12	Total Federal Awards Expended 06-30-13
<u>U.S. DEPARTMENT OF AGRICULTURE FOOD AND NUTRITION SERVICE</u>					
Child Nutrition Cluster					
School Breakfast Program	Pass-Through Indiana Department of Education	10.553			
School Year 2011-2012			FY 2012	\$ 69,371	\$ -
School Year 2012-2013			FY 2013	-	69,680
Total - School Breakfast Program				<u>69,371</u>	<u>69,680</u>
National School Lunch Program					
School Year 2011-2012	Pass-Through Indiana Department of Education	10.555			
School Year 2012-2013			FY 2012	270,786	-
			FY 2013	-	290,453
Total - National School Lunch Program				<u>270,786</u>	<u>290,453</u>
Summer Food Service Program for Children					
School Year 2011-2012	Pass-Through Indiana Department of Education	10.559			
			FY2013	-	4,648
Total - Child Nutrition Cluster				<u>340,157</u>	<u>364,781</u>
Total - U.S. Department of Agriculture Food and Nutrition Service				<u>340,157</u>	<u>364,781</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>					
Title I, Part A Cluster					
Title I Grants to Local Educational Agencies	Pass-Through Indiana Department of Education	84.010			
			11-4215	43,844	-
			12-4215	264,639	101,265
			13-4215	-	268,662
Total - Title I, Part A Cluster				<u>308,483</u>	<u>369,927</u>
Improving Teacher Quality State Grants					
Title IIA P.L.107-110	Pass-Through Indiana Department of Education	84.367			
Title IIA P.L.107-110			09-4215	5,400	-
Title IIA P.L.107-110			10-4215	22,825	-
Title IIA P.L.107-110			11-4215	16,695	38,571
Title IIA P.L.107-110			12-4215	-	29,794
Total - Improving Teacher Quality				<u>44,920</u>	<u>68,365</u>

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

EDINBURGH COMMUNITY SCHOOL COPRORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Years Ended June 30, 2012 and 2013  
(Continued)

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 06-30-12	Total Federal Awards Expended 06-30-13
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>					
Special Education Cluster (IDEA) ARRA - Special Education - Grants to States (IDEA, Part B), Recovery Act	Pass-Through Special Services, Johnson County and Surrounding Schools	84.391	2011-2012	5,790	-
Total - Special Education Cluster (IDEA)				5,790	-
Education Jobs Fund	Pass-Through Indiana Department of Education	84.410	11-4215	208,471	10,942
Total - U.S. DEPARTMENT OF EDUCATION				567,664	449,234
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>					
Medical Cluster Medical Assistance Program	Direct	93.778	2011-2012 2012-2013	9,638 -	- 24,939
Total - Medical Cluster				9,638	24,939
Block Grants for Prevention and Treatment of Substance Abuse School year 2011-2012	Pass-Through Purdue University	93.959	2011-2012	2,283	80
Total - U.S. Department of Health and Human Services				11,921	25,019
Total - federal awards expended				\$ 919,742	\$ 839,034

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

EDINBURGH COMMUNITY 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 Edinburgh Community School Corporation (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 et seq.), 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, 2012 and 2013. This noncash assistance is also included in the federal expenditures presented in the schedule.

Program Title	Federal CFDA Number	2012	2013
School Breakfast Program	10.553	\$ 6,590	\$ 6,364
National School Lunch Program	10.555	25,675	25,936

EDINBURGH COMMUNITY 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:

CFDA Number	Name of Federal Program or Cluster
84.410	Title I, Part A Cluster Education Jobs Fund

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 2013-001 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING**

The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The School Corporation should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected.

EDINBURGH COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

During the audit of the SEFA, we noted the following errors: The program titles were incorrect for the following programs: Improving Teacher Quality State Grants, ARRA – Special Education Grants to States Recovery Act, and Education Jobs Fund. The Medicaid Cluster expenditures totaling \$34,577 were not included with grant expenditures. Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA presented in this report. These adjustments resulted in a presentation of the SEFA that was materially correct in relation 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)

OMB Circular A-133, Subpart C, section .300 states in part: "The auditee shall: . . . (d) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with section .310."

OMB Circular A-133, Subpart C, section .310(b) states:

"Schedule of expenditures of Federal awards. The auditee shall also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple award years, the auditee may list the amount of Federal awards expended for each award year separately. At a minimum, the schedule shall:

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.
- (4) Include notes that describe the significant accounting policies used in preparing the schedule.
- (5) To the extent practical, pass-through entities should identify in the schedule the total amount provided to subrecipients from each Federal program.

EDINBURGH COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

- (6) Include, in either the schedule or a note to the schedule, the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the schedule."

**Section III – Federal Award Findings and Questioned Costs**

**FINDING 2013-002 - INTERNAL CONTROLS OVER CASH MANAGEMENT**

Federal Agency: U.S. Department of Education  
Federal Program: Education Jobs Program  
CFDA Number: 84.410  
Federal Award Number and Year (or Other Identifying Number): 11-4215  
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 Cash Management compliance requirement. 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 grant.

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 type of 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 of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds to the School Corporation.

We recommended that the School Corporation's management establish controls, including segregation of duties, related to the grant agreement and the Cash Management compliance requirements.



# EDINBURGH COMMUNITY SCHOOL CORPORATION

202 South Keeley St.  
Edinburgh, IN 46124

Phone: 812-526-2681

Fax: 812-526-0271

**Board of School Trustees:**

- Mrs. Cathy Hamm
- Mr. Guy Hardin
- Mr. Justin Lollar
- Mrs. Alice Taulman
- Mrs. Kim Weddle

Dr William A. Glentzer  
Superintendent

### Summary Schedule of Prior Audit Findings

#### Finding 2011-2 - Cash Management

Original SBA Audit Report Number: B40154  
 Fiscal Year: 2011  
 Auditee Contact Person: Tamara Lewis  
 Title of Contact Person: Business Manager  
 Phone Number: 812-526-2681

**State of Finding:**

The Indiana Department of Education reimburses all grants. As result, there is no cash balance on hand.

#### Finding 2011-3 – Allowable Costs/Cost Principles

Original SBA Audit Report Number: B40154  
 Fiscal Year: 2011  
 Auditee Contact Person: Tamara Lewis  
 Title of Contact Person: Business Manager  
 Phone Number: 812-526-2681

**Status of Finding:**

The Title I director timely completes all time and effort documents.

  
 Dr. William A Glentzer, Superintendent

1-24-14  
 Date

  
 Tamara Lewis, Business Mgr.

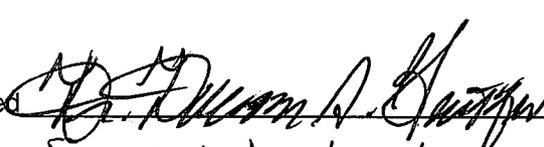
1-24-14  
 Date

January 29, 2014

Finding 2013-001 Deficiency in Internal Control - Schedule of Expenditures of Federal Awards

CORRECTIVE ACTION PLAN

Edinburgh Community School Corporation will use the exact wording for program titles. We will have the prepared form reviewed by the deputy treasurer after it is prepared. We will include the Medicaid cluster expenditures in our Schedule of Expenditures of Federal Awards.

Signed		Tamara Lewis
Titled	Superintendent	Business Manager
Date	January 29, 2014	Jan 29, 2014

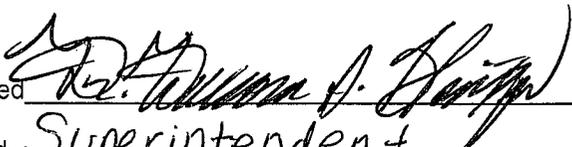
January 29, 2014

Finding 2013-002 Internal Controls over Cash Management and Reporting

Federal Agency: U.S. Department of Education  
Federal Program: Education Jobs Fund  
CFDA Number: 84.410  
Federal Award Number and Year (or Other Identifying Number): 11-4215  
Pass-Through Entity: Indiana Department of Education

CORRECTIVE ACTION PLAN

Edinburgh Community Schools will have the deputy treasurer review and sign confirmation of all cash requests after the treasurer has prepared them.

Signed		Tamara Lewis
Titled	Superintendent	Business Manager
Date	January 29, 2014	Jan 29, 2014

EDINBURGH COMMUNITY SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on February 3, 2014, with William Glentzer, Superintendent of Schools; Tamara Lewis, Treasurer; and Justin Lollar, President of the School Board. Our audit disclosed no material items that warrant comment at this time.