

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

SCHOOL CITY OF HAMMOND  
LAKE COUNTY, INDIANA

July 1, 2011 to June 30, 2013



**FILED**  
06/27/2014



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director of Business Services/ Treasurer	Terese Alexander	07-01-11 to 05-21-12
Chief Administrator of Business Services/Treasurer	Theophilus Boone, Jr.	05-22-12 to 06-30-14
Superintendent of Schools	Dr. Walter J. Watkins	07-01-11 to 06-30-14
President of the School Board	Deborah White	07-01-11 to 12-31-14



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE SCHOOL CITY OF HAMMOND, LAKE COUNTY, INDIANA

***Report on the Financial Statement***

We have audited the accompanying financial statement of the School City of Hammond (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 April 24, 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.

*Other Information*

The School Corporation's response to the Audit Result and Comment identified in our audit is described in the accompanying section of the report entitled Official Response. We did not audit the School Corporation's response and, accordingly, we express no opinion on it.

  
Paul D. Joyce, CPA  
State Examiner

April 24, 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 SCHOOL CITY OF HAMMOND, LAKE 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 School City of Hammond (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 April 24, 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.

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. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

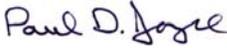
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL  
STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS  
(Continued)

***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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***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

April 24, 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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SCHOOL CITY OF HAMMOND  
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	\$ 7,033,511	\$ 96,340,110	\$ 99,931,705	\$ (93,341)	\$ 3,348,575	\$ 95,681,933	\$ 93,507,632	\$ 255,956	\$ 5,778,832
Debt Service	2,684,517	4,426,516	3,936,283	-	3,174,750	3,031,192	5,015,767	-	1,190,175
Exempt Debt	11,602,414	41,911,270	37,021,874	-	16,491,810	28,675,089	32,579,858	-	12,587,041
Exempt Retirement/Severance Bond Debt Service	335,882	1,044,040	1,000,212	-	379,710	581,024	834,187	-	126,547
Capital Projects	1,609,733	10,236,115	10,613,921	-	1,231,927	11,059,546	10,675,087	137,833	1,754,219
School Transportation	(464,664)	8,329,606	5,866,596	-	1,998,346	8,163,682	8,431,142	-	1,730,886
School Bus Replacement	637,830	2,020,646	772,582	-	1,885,894	255,357	1,511,072	-	630,179
Retirement/Severance Bond	2,631,707	5,435	571,898	-	2,065,244	4,629	283,578	-	1,786,295
MHS Football Field Renovations	1,504	-	-	-	1,504	-	-	(1,504)	-
CSF ADA/Orchard Drive/Caldwell	80	-	-	-	80	-	-	(80)	-
2008 Construction	(25,968)	8,076	23,622	-	(41,514)	-	181,264	-	(222,778)
Radio/TV Academy Construction	818,475	28,843	223,768	-	623,550	-	373,818	-	249,732
Performing Arts Academy Construction	356,422	-	168,127	-	188,295	-	141,112	-	47,183
K of C/Eggers Construction	(170)	-	-	-	(170)	-	114,460	-	(114,630)
Roofing Projects Bid A	1,016,393	-	1,016,393	-	-	-	-	-	-
Roofing Projects Bid B	944,820	-	872,814	-	72,006	-	31,514	-	40,492
School Lunch	4,488,236	7,388,966	6,484,153	-	5,393,049	7,599,023	7,014,317	-	5,977,755
Textbook Rental	(2,215,542)	870,247	1,782,988	-	(3,128,283)	911,807	943,868	-	(3,160,344)
Vocational Capital Equipment	504,761	168,250	10,021	-	662,990	161,000	562,005	-	261,985
Self-Insurance	-	1,531,462	-	-	1,531,462	10,832,724	7,781,508	-	4,582,678
Levy Excess	137,833	-	-	-	137,833	-	-	(137,833)	-
Group Workcamps	(18,623)	27,685	14,475	-	(5,413)	-	-	5,413	-
Educational License Plates	724	-	-	-	724	-	724	-	-
Alternative Education	122,420	4,374	500	-	126,294	6,020	-	(121,010)	11,304
Lafayette Early Intrvn/Rap/ASCL	6,934	-	3,538	-	3,396	-	2,027	-	1,369
Jefferson/Hess Early Intervention Grant	8,541	20,694	7,449	-	21,786	-	9,965	(506)	11,315
Lafayette Early Intervention	55	-	-	-	55	-	-	(55)	-
Donations/Immunization Clinic	3,953	2,000	711	-	5,242	-	-	-	5,242
Headstart Donations	664	-	20	-	644	3,751	38	-	4,357
Instructional Support Funds	492	-	-	-	492	330,500	122,559	(492)	207,941
Partnerships CDBG 2002-03	(846)	-	-	-	(846)	-	-	846	-
RTI Professional Development	20,369	810	4,280	-	16,899	1,485	1,395	-	16,989
Art Lenders	1,938	1,725	631	-	3,032	1,495	1,715	-	2,812
High Ability	27,122	-	732	-	26,390	-	170	-	26,220
Job Link 2000	(61,675)	301,209	249,433	-	(9,899)	251,659	238,117	-	3,643
Urban Teachers UTEP	1,590	-	-	-	1,590	949	441	(1,594)	504
Great Race	154	-	-	-	154	-	-	(154)	-
Science Awards	9,124	3,075	1,467	-	10,732	2,493	1,983	-	11,242
Science Conference	(10,337)	-	-	-	(10,337)	-	-	10,337	-
Robotics	61,886	16,884	35,288	-	43,482	70,212	27,779	-	85,915
Good Fellow	3,241	-	2,405	-	836	-	-	(836)	-
Junior Robotics	4,361	1,420	970	-	4,811	900	450	-	5,261
Survive Alive	341	3,187	4,451	-	(923)	3,033	3,879	-	(1,769)
IMI 2008/2009	(532)	-	-	-	(532)	-	-	532	-
PLTW Competitions	193	-	-	-	193	-	-	-	193
United Way Summer Camp 2009	(13,468)	-	-	-	(13,468)	-	-	13,468	-
United Way Summer Camp 2010	115	27	142	-	-	-	-	-	-
United Way Summer Camp 2005	(260)	-	-	-	(260)	-	-	260	-

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

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

	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
United Way Summer Camp 2007	180	-	-	-	180	-	-	(180)	-
United Way Summer Camp	-	19,449	9,725	-	9,724	11,317	11,985	(20,580)	(11,524)
Adult Education Combo	236,573	43,072	89,320	-	190,325	269,551	264,723	(151,914)	43,239
Pba Recognition	624	-	-	-	624	-	-	(624)	-
Maywood Student Behavior Program	288	-	-	-	288	-	-	(288)	-
Maywood Testing Supplies	-	1,950	1,690	-	260	-	-	-	260
Gaming Money From City of Hammond	90,350	-	-	-	90,350	549	-	-	90,899
Partnerships CDBG 2005-06	78	-	-	-	78	-	-	(78)	-
Gifted/Talented 2006-07	681	-	-	-	681	-	-	(681)	-
Kenwood Technology	29	-	-	-	29	-	29	-	-
Hammond Community Grants/Gifted/Talented	34,864	81,249	92,753	-	23,360	28,371	47,939	-	3,792
Lever Environment & Cargill Inc - Franklin	10,673	11,232	4,863	-	17,042	-	6,325	(847)	9,870
Instructional Activities	4,448	2,879	708	-	6,619	3,359	1,230	515	9,263
Expanded Studies Program	27,289	8,950	2,067	-	34,172	7,875	6,779	-	35,268
Remediation	598,351	127,664	183,351	93,604	636,268	-	216,194	(127,664)	292,410
Technical Assistance Harding	1,134	-	-	-	1,134	-	-	(1,134)	-
PLTW Gavit	(2,175)	-	-	-	(2,175)	-	-	2,175	-
Gavit Biotech State	330	-	-	-	330	-	-	(330)	-
Education Technology	(545,115)	2,522,600	1,989,245	-	(11,760)	1,616,348	1,623,329	-	(18,741)
Early Childhood Intervention (First Steps)	-	-	-	-	-	71,232	28,126	-	43,106
State Medicaid Reimbursement	45,198	69,295	-	-	114,493	66,507	-	-	181,000
Adult Ed General (Office)	(1,105,381)	33,083	203,789	-	(1,276,087)	-	-	997,451	(278,636)
Extra-Curricular Activities	(23,572)	41,888	44,867	-	(26,551)	46,477	43,195	-	(23,269)
Professional Development 04-05 to 06-07	33,951	-	-	-	33,951	-	-	-	33,951
Non-English Speaking Programs P.L. 273-1999	102,864	204,244	216,810	-	90,298	218,275	227,813	(25,001)	55,759
School Technology/Network Fund	380,130	118,855	103,751	-	395,234	133,954	116,000	-	413,188
Technology Grants [IC 20-40-15]	-	69,826	69,826	-	-	-	-	-	-
Non-English Speaking 07-08	206	-	-	-	206	-	-	-	206
HEF Type C Grant	1,104	-	-	-	1,104	9,490	10,594	-	-
Professional Development 07-10	59,457	-	5,718	-	53,739	-	1,937	-	51,802
HS That Work Gavit	1,489	-	-	-	1,489	-	1,489	-	-
District Improvement 10-11	24,562	73,678	68,278	(29,962)	-	-	-	-	-
Title I 2009-2010	(395,871)	-	-	-	(395,871)	-	-	395,871	-
Title I 2010-2011	(532,033)	2,526,593	1,339,492	95,409	750,477	-	-	(750,477)	-
Title I 1003(g) School Improvement HHS	85,208	2,956,608	2,984,017	(65,447)	(7,648)	2,354,406	2,386,330	-	(39,572)
Title I 1003(g) Eggers	-	51,419	62,410	-	(10,991)	44,301	33,310	-	-
Title I	-	3,816,439	4,531,772	-	(715,333)	5,227,888	5,410,093	354,674	(542,864)
Migrant Education FY 08-09	(49,973)	-	-	-	(49,973)	-	-	49,973	-
Migrant Education FY 07-08	50,176	-	-	-	50,176	-	-	(50,176)	-
Summer Migrant 2009 Supplemental	343	-	-	-	343	-	-	(343)	-
Summer Migrant 2008	(25,136)	-	-	-	(25,136)	-	-	25,136	-
Summer Migrant 2008 Special Project	24	-	-	-	24	-	-	(24)	-
Summer Migrant 2009	(11,420)	-	-	-	(11,420)	-	-	11,420	-
Summer Migrant 2010/2011	70,305	-	111,046	32,000	(8,741)	-	-	(70,227)	(78,968)
Title III, Part A 06-07	1,815	-	-	-	1,815	-	1,815	-	-
American Student Achievement	534	-	-	-	534	-	534	-	-
McKinney - Vento Education for Homeless	979	80,120	97,982	-	(16,883)	63,316	50,145	-	(3,712)
Hurricane Relief	54,000	-	-	-	54,000	-	54,000	-	-

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

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

	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
Hurricane Relief Spec Ed	15,000	-	-	-	15,000	-	15,000	-	-
Federal Assistance Educational Preschool Handicapped	(194,317)	3,053,100	3,220,533	-	(361,750)	3,405,036	3,199,218	-	(155,932)
IDEA Spec Ed 14206-026-PN01	242	-	-	-	242	-	242	-	-
Adult Education and Family Literacy, Title II	328,270	540,584	324,228	-	544,626	358,480	243,363	(711,717)	(51,974)
Pre Schl Sp Ed 45708-026-PN01	(14)	-	-	-	(14)	-	-	14	-
IDEA Spec Ed 14208-026-PN01	34	-	-	-	34	-	20	(14)	-
Adult Education 06-07	24,890	-	-	-	24,890	-	-	(24,890)	-
Adult Education 07-08	26,438	-	-	-	26,438	-	-	(26,438)	-
Title IV Part A 2009/10	(321)	-	-	-	(321)	-	-	321	-
Title IV Part A 10-11	(6,789)	41,401	34,612	-	-	-	-	-	-
Indiana Mathematics Initiative	272	-	-	-	272	-	-	(272)	-
High Schools That Work	659	-	-	-	659	-	659	-	-
Carl Perkins	(77,366)	572,718	555,030	-	(59,678)	580,316	578,732	-	(58,094)
High Schools that Work CFDA 84.048	7,500	-	-	-	7,500	-	7,500	-	-
High Schools that Work 07/08	2,680	-	-	-	2,680	-	2,680	-	-
PLTW 08/09	(3,029)	-	-	-	(3,029)	3,029	-	-	-
PLTW Morton 07/08	507	-	-	-	507	-	507	-	-
PLTW Morton Pre-Engineering	(48)	-	-	-	(48)	48	-	-	-
PLTW Morton Biomedical 09-10	(31)	-	-	-	(31)	31	-	-	-
PLTW Morton Biomedical 10-11	(972)	11,880	10,840	-	68	-	68	-	-
PLTW Gavit Pre-Engineering	(13,822)	13,822	-	-	-	-	-	-	-
Clark TP-6A-44	967	-	-	-	967	-	967	-	-
Gavit TP-6A-44	16,301	-	-	-	16,301	-	15,833	(468)	-
HHS TP-6A-44	(468)	-	-	-	(468)	-	-	468	-
Medicaid Reimbursement - Federal	319,935	140,995	72,245	-	388,685	275,301	77,023	-	586,963
Headstart 2005	-	34,232	-	-	34,232	-	-	(34,232)	-
Headstart	(217,304)	1,139,462	1,099,909	-	(177,751)	1,144,969	1,140,087	-	(172,869)
Headstart 2010	77	-	60	-	17	-	17	-	-
Small Learning Community Grant	(474,860)	1,290,980	858,751	-	(42,631)	897,774	918,885	-	(63,742)
HSTW - Clark, Morton, HHS	9,900	-	-	-	9,900	-	8,923	-	977
STAR - Gavit	2,500	-	-	-	2,500	-	2,500	-	-
STAR - Morton	437	-	-	-	437	-	437	-	-
HSTW - MHS	1,334	-	-	-	1,334	-	1,334	-	-
Improving Teaching Quality, No Child Left, Title II, Part A	(61,413)	975,914	1,004,034	-	(89,533)	855,654	781,240	-	(15,119)
Title III, Language Instruction	(46,839)	161,011	291,023	-	(176,851)	281,000	126,114	-	(21,965)
Teacher Incentive/TAP	5,194	296,336	370,637	-	(69,107)	776,503	707,609	-	(213)
ACC Tech Prep	-	-	-	-	-	16,146	16,146	-	-
Title I - Grants to LEAs	340,982	154,425	494,993	-	414	-	414	-	-
Special Education - Part B	(97,826)	607,911	509,863	-	222	-	222	-	-
Special Education - Part B - Preschool	(22,285)	82,152	59,794	-	73	-	73	-	-
McKinney - Vento Education for Homeless (Stimulus)	(122)	25,592	25,470	-	-	-	-	-	-
Education Jobs	(2,988,690)	3,032,837	44,147	-	-	61,927	61,927	-	-
Payroll Deductions	61,104	79,187,402	79,158,910	-	89,596	75,055,345	75,060,579	-	84,362
Totals	<u>\$ 28,486,750</u>	<u>\$ 278,882,287</u>	<u>\$ 270,972,008</u>	<u>\$ 32,263</u>	<u>\$ 36,429,292</u>	<u>\$ 261,514,278</u>	<u>\$ 263,905,664</u>	<u>\$ -</u>	<u>\$ 34,037,906</u>

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

SCHOOL CITY OF HAMMOND  
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.

SCHOOL CITY OF HAMMOND  
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:

SCHOOL CITY OF HAMMOND  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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.

*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.

SCHOOL CITY OF HAMMOND  
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 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 Capitol 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.

SCHOOL CITY OF HAMMOND  
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 Capitol 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. The deficits in the 2008 Construction, K of C/Eggers Construction, Textbook Rental, Survive Alive, United Way Summer Camp, and Adult Ed General (Office) funds arose primarily from disbursements exceeding receipts. For the Textbook Rental fund, the deficit also arose due to years of low collection from parents. These deficits are to be repaid from future receipts. The other fund deficits are primarily from reimbursable grants. The reimbursement for expenditures made by the School Corporation was not received by June 30, 2012 and 2013, respectively. The School Corporation is complying with the reimbursement procedure as mandated by the Indiana Department of Education.

SCHOOL CITY OF HAMMOND  
 NOTES TO FINANCIAL STATEMENT  
 (Continued)

**Note 8. Restatements**

For the year ended June 30, 2011, certain changes have been made to some of the beginning balances of the financial statement to more appropriately reflect financial activity of the School Corporation. The following schedule presents a summary of restated beginning balances.

<u>Fund</u>	<u>Balance June 30, 2011</u>	<u>New Fund</u>	<u>Prior Period Adjustment</u>	<u>Balance July 1, 2011</u>
Payroll Deductions	\$ -	\$ 61,104	\$ -	\$ 61,104
Title III, Language Instruction	(45,839)	-	(1,000)	(46,839)

**Note 9. Holding Corporation**

The School Corporation has entered into a capital lease with Hammond Multi-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 ended June 30, 2012 and 2013, totaled \$17,493,000 and \$17,492,500, respectively.

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## 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.

SCHOOL CITY OF HAMMOND  
 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	Exempt Debt	Exempt Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Retirement/ Severance Bond
Cash and investments - beginning	\$ 7,033,511	\$ 2,684,517	\$ 11,602,414	\$ 335,882	\$ 1,609,733	\$ (464,664)	\$ 637,830	\$ 2,631,707
Receipts:								
Local sources	4,221,977	3,492,216	28,071,570	791,040	7,797,115	6,393,815	1,404,646	5,435
Intermediate sources	537,502	-	-	-	-	-	-	-
State sources	91,573,335	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	934,300	13,839,700	253,000	2,439,000	1,918,000	616,000	-
Other	7,296	-	-	-	-	17,791	-	-
Total receipts	<u>96,340,110</u>	<u>4,426,516</u>	<u>41,911,270</u>	<u>1,044,040</u>	<u>10,236,115</u>	<u>8,329,606</u>	<u>2,020,646</u>	<u>5,435</u>
Disbursements:								
Current:								
Instruction	60,568,560	-	-	-	-	4,837	-	-
Support services	38,072,310	-	-	-	3,831,779	5,861,262	582,582	571,898
Noninstructional services	1,115,165	-	-	-	-	-	-	-
Facilities acquisition and construction	175,670	-	-	-	2,282,142	497	-	-
Debt services	-	3,936,283	37,021,874	1,000,212	4,500,000	-	190,000	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>99,931,705</u>	<u>3,936,283</u>	<u>37,021,874</u>	<u>1,000,212</u>	<u>10,613,921</u>	<u>5,866,596</u>	<u>772,582</u>	<u>571,898</u>
Excess (deficiency) of receipts over disbursements	<u>(3,591,595)</u>	<u>490,233</u>	<u>4,889,396</u>	<u>43,828</u>	<u>(377,806)</u>	<u>2,463,010</u>	<u>1,248,064</u>	<u>(566,463)</u>
Other financing sources (uses):								
Sale of capital assets	263	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(93,604)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(93,341)</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>(3,684,936)</u>	<u>490,233</u>	<u>4,889,396</u>	<u>43,828</u>	<u>(377,806)</u>	<u>2,463,010</u>	<u>1,248,064</u>	<u>(566,463)</u>
Cash and investments - ending	<u>\$ 3,348,575</u>	<u>\$ 3,174,750</u>	<u>\$ 16,491,810</u>	<u>\$ 379,710</u>	<u>\$ 1,231,927</u>	<u>\$ 1,998,346</u>	<u>\$ 1,885,894</u>	<u>\$ 2,065,244</u>

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

	MHS Football Field Renovations	CSF ADA/ Orchard Drive/ Caldwell	2008 Construction	Radio/TV Academy Construction	Performing Arts Academy Construction	K of C/ Eggers Construction	Roofing Projects Bid A	Roofing Projects Bid B
Cash and investments - beginning	\$ 1,504	\$ 80	\$ (25,968)	\$ 818,475	\$ 356,422	\$ (170)	\$ 1,016,393	\$ 944,820
Receipts:								
Local sources	-	-	8,076	28,843	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	8,076	28,843	-	-	-	-
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	-	-
Support services	-	-	-	180,861	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	23,622	42,907	168,127	-	1,016,393	872,814
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	23,622	223,768	168,127	-	1,016,393	872,814
Excess (deficiency) of receipts over disbursements	-	-	(15,546)	(194,925)	(168,127)	-	(1,016,393)	(872,814)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(15,546)	(194,925)	(168,127)	-	(1,016,393)	(872,814)
Cash and investments - ending	\$ 1,504	\$ 80	\$ (41,514)	\$ 623,550	\$ 188,295	\$ (170)	\$ -	\$ 72,006

SCHOOL CITY OF HAMMOND  
 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	Vocational Capital Equipment	Self- Insurance	Levy Excess	Group Workcamps	Educational License Plates	Alternative Education
Cash and investments - beginning	\$ 4,488,236	\$ (2,215,542)	\$ 504,761	\$ -	\$ 137,833	\$ (18,623)	\$ 724	\$ 122,420
Receipts:								
Local sources	1,100,247	61,938	168,250	1,531,462	-	27,685	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	18,598	808,309	-	-	-	-	-	4,374
Federal sources	6,269,001	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	1,120	-	-	-	-	-	-	-
Total receipts	<u>7,388,966</u>	<u>870,247</u>	<u>168,250</u>	<u>1,531,462</u>	<u>-</u>	<u>27,685</u>	<u>-</u>	<u>4,374</u>
Disbursements:								
Current:								
Instruction	3	-	224	-	-	-	-	500
Support services	106,375	1,782,988	9,797	-	-	(1,120)	-	-
Noninstructional services	6,377,775	-	-	-	-	15,595	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>6,484,153</u>	<u>1,782,988</u>	<u>10,021</u>	<u>-</u>	<u>-</u>	<u>14,475</u>	<u>-</u>	<u>500</u>
Excess (deficiency) of receipts over disbursements	<u>904,813</u>	<u>(912,741)</u>	<u>158,229</u>	<u>1,531,462</u>	<u>-</u>	<u>13,210</u>	<u>-</u>	<u>3,874</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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>904,813</u>	<u>(912,741)</u>	<u>158,229</u>	<u>1,531,462</u>	<u>-</u>	<u>13,210</u>	<u>-</u>	<u>3,874</u>
Cash and investments - ending	<u>\$ 5,393,049</u>	<u>\$ (3,128,283)</u>	<u>\$ 662,990</u>	<u>\$ 1,531,462</u>	<u>\$ 137,833</u>	<u>\$ (5,413)</u>	<u>\$ 724</u>	<u>\$ 126,294</u>

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

	Lafayette Early Intrv/ Rap/ASCL	Jefferson/Hess Early Intervention Grant	Lafayette Early Intervention	Donations/ Immunization Clinic	Headstart Donations	Instructional Support Funds	Partnerships CDBG 2002-03	RTI Professional Development
Cash and investments - beginning	\$ 6,934	\$ 8,541	\$ 55	\$ 3,953	\$ 664	\$ 492	\$ (846)	\$ 20,369
Receipts:								
Local sources	-	1,000	-	2,000	-	-	-	810
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	19,694	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	20,694	-	2,000	-	-	-	810
Disbursements:								
Current:								
Instruction	-	2,498	-	-	20	-	-	-
Support services	-	4,951	-	711	-	-	-	4,280
Noninstructional services	3,538	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	3,538	7,449	-	711	20	-	-	4,280
Excess (deficiency) of receipts over disbursements	(3,538)	13,245	-	1,289	(20)	-	-	(3,470)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(3,538)	13,245	-	1,289	(20)	-	-	(3,470)
Cash and investments - ending	\$ 3,396	\$ 21,786	\$ 55	\$ 5,242	\$ 644	\$ 492	\$ (846)	\$ 16,899

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

	Art Lenders	High Ability	Job Link 2000	Urban Teachers UTEP	Great Race	Science Awards	Science Conference	Robotics
Cash and investments - beginning	\$ 1,938	\$ 27,122	\$ (61,675)	\$ 1,590	\$ 154	\$ 9,124	\$ (10,337)	\$ 61,886
Receipts:								
Local sources	1,725	-	301,209	-	-	3,075	-	10,544
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	6,340
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>1,725</u>	<u>-</u>	<u>301,209</u>	<u>-</u>	<u>-</u>	<u>3,075</u>	<u>-</u>	<u>16,884</u>
Disbursements:								
Current:								
Instruction	631	-	249,433	-	-	1,467	-	35,288
Support services	-	732	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>631</u>	<u>732</u>	<u>249,433</u>	<u>-</u>	<u>-</u>	<u>1,467</u>	<u>-</u>	<u>35,288</u>
Excess (deficiency) of receipts over disbursements	<u>1,094</u>	<u>(732)</u>	<u>51,776</u>	<u>-</u>	<u>-</u>	<u>1,608</u>	<u>-</u>	<u>(18,404)</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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,094</u>	<u>(732)</u>	<u>51,776</u>	<u>-</u>	<u>-</u>	<u>1,608</u>	<u>-</u>	<u>(18,404)</u>
Cash and investments - ending	<u>\$ 3,032</u>	<u>\$ 26,390</u>	<u>\$ (9,899)</u>	<u>\$ 1,590</u>	<u>\$ 154</u>	<u>\$ 10,732</u>	<u>\$ (10,337)</u>	<u>\$ 43,482</u>

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

	Good Fellow	Junior Robotics	Survive Alive	IMI 2008/2009	PLTW Competitions	United Way Summer Camp 2009	United Way Summer Camp 2010	United Way Summer Camp 2005
Cash and investments - beginning	\$ 3,241	\$ 4,361	\$ 341	\$ (532)	\$ 193	\$ (13,468)	\$ 115	\$ (260)
Receipts:								
Local sources	-	1,420	3,187	-	-	-	27	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	1,420	3,187	-	-	-	27	-
Disbursements:								
Current:								
Instruction	2,405	970	4,451	-	-	-	142	-
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	2,405	970	4,451	-	-	-	142	-
Excess (deficiency) of receipts over disbursements	(2,405)	450	(1,264)	-	-	-	(115)	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,405)	450	(1,264)	-	-	-	(115)	-
Cash and investments - ending	\$ 836	\$ 4,811	\$ (923)	\$ (532)	\$ 193	\$ (13,468)	\$ -	\$ (260)

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

	United Way Summer Camp 2007	United Way Summer Camp	Adult Education Combo	Pba Recognition	Maywood Student Behavior Program	Maywood Testing Supplies	Gaming Money From City of Hammond	Partnerships CDBG 2005-06
Cash and investments - beginning	\$ 180	\$ -	\$ 236,573	\$ 624	\$ 288	\$ -	\$ 90,350	\$ 78
Receipts:								
Local sources	-	19,449	43,072	-	-	1,950	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	19,449	43,072	-	-	1,950	-	-
Disbursements:								
Current:								
Instruction	-	9,725	89,292	-	-	1,690	-	-
Support services	-	-	28	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	9,725	89,320	-	-	1,690	-	-
Excess (deficiency) of receipts over disbursements	-	9,724	(46,248)	-	-	260	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	9,724	(46,248)	-	-	260	-	-
Cash and investments - ending	\$ 180	\$ 9,724	\$ 190,325	\$ 624	\$ 288	\$ 260	\$ 90,350	\$ 78

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

	Gifted/ Talented 2006-07	Kenwood Technology	Hammond Community Grants/Gifted/ Talented	Lever Environment & Cargill Inc - Franklin	Instructional Activities	Expanded Studies Program	Remediation	Technical Assistance Harding
Cash and investments - beginning	\$ 681	\$ 29	\$ 34,864	\$ 10,673	\$ 4,448	\$ 27,289	\$ 598,351	\$ 1,134
Receipts:								
Local sources	-	-	81,249	11,232	2,879	8,950	127,664	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	81,249	11,232	2,879	8,950	127,664	-
Disbursements:								
Current:								
Instruction	-	-	90,540	4,416	708	2,017	183,351	-
Support services	-	-	2,213	447	-	50	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	92,753	4,863	708	2,067	183,351	-
Excess (deficiency) of receipts over disbursements	-	-	(11,504)	6,369	2,171	6,883	(55,687)	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	93,604	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	93,604	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(11,504)	6,369	2,171	6,883	37,917	-
Cash and investments - ending	\$ 681	\$ 29	\$ 23,360	\$ 17,042	\$ 6,619	\$ 34,172	\$ 636,268	\$ 1,134

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

	PLTW Gavit	Gavit Biotech State	Education Technology	Early Childhood Intervention (First Steps)	State Medicaid Reimbursement	Adult Ed General (Office)	Extra- Curricular Activities	Professional Development 04-05 to 06-07
Cash and investments - beginning	\$ (2,175)	\$ 330	\$ (545,115)	\$ -	\$ 45,198	\$ (1,105,381)	\$ (23,572)	\$ 33,951
Receipts:								
Local sources	-	-	2,522,600	-	-	33,083	41,888	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	69,295	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	2,522,600	-	69,295	33,083	41,888	-
Disbursements:								
Current:								
Instruction	-	-	-	-	-	203,789	119	-
Support services	-	-	1,989,245	-	-	-	3,541	-
Noninstructional services	-	-	-	-	-	-	41,207	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	1,989,245	-	-	203,789	44,867	-
Excess (deficiency) of receipts over disbursements	-	-	533,355	-	69,295	(170,706)	(2,979)	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	533,355	-	69,295	(170,706)	(2,979)	-
Cash and investments - ending	\$ (2,175)	\$ 330	\$ (11,760)	\$ -	\$ 114,493	\$ (1,276,087)	\$ (26,551)	\$ 33,951

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

	Non-English Speaking Programs P.L. 273-1999	School Technology/ Network Fund	Technology Grants [IC 20-40-15]	Non-English Speaking 07-08	HEF Type C Grant	Professional Development 07-10	HS That Work Gavit	District Improvement 10-11
Cash and investments - beginning	\$ 102,864	\$ 380,130	\$ -	\$ 206	\$ 1,104	\$ 59,457	\$ 1,489	\$ 24,562
Receipts:								
Local sources	204,244	118,855	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	69,826	-	-	-	-	73,678
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	204,244	118,855	69,826	-	-	-	-	73,678
Disbursements:								
Current:								
Instruction	-	-	-	-	-	3,783	-	-
Support services	216,810	103,751	69,826	-	-	1,935	-	68,278
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	216,810	103,751	69,826	-	-	5,718	-	68,278
Excess (deficiency) of receipts over disbursements	(12,566)	15,104	-	-	-	(5,718)	-	5,400
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	(29,962)
Total other financing sources (uses)	-	-	-	-	-	-	-	(29,962)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(12,566)	15,104	-	-	-	(5,718)	-	(24,562)
Cash and investments - ending	\$ 90,298	\$ 395,234	\$ -	\$ 206	\$ 1,104	\$ 53,739	\$ 1,489	\$ -

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

	Title I 2009-2010	Title I 2010-2011	Title I 1003(g) School Improvement HHS	Title I 1003(g) Eggers	Title I	Migrant Education FY 08-09	Migrant Education FY 07-08	Summer Migrant 2009 Supplemental
Cash and investments - beginning	\$ (395,871)	\$ (532,033)	\$ 85,208	\$ -	\$ -	\$ (49,973)	\$ 50,176	\$ 343
Receipts:								
Local sources	-	281,451	770,893	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	2,245,142	2,185,715	51,419	3,816,439	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	2,526,593	2,956,608	51,419	3,816,439	-	-	-
Disbursements:								
Current:								
Instruction	-	585,611	1,714,059	-	3,576,515	-	-	-
Support services	-	360,235	385,576	62,410	593,327	-	-	-
Noninstructional services	-	8,736	40,798	-	361,930	-	-	-
Facilities acquisition and construction	-	-	49,876	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	384,910	793,708	-	-	-	-	-
Total disbursements	-	1,339,492	2,984,017	62,410	4,531,772	-	-	-
Excess (deficiency) of receipts over disbursements	-	1,187,101	(27,409)	(10,991)	(715,333)	-	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	95,409	-	-	-	-	-	-
Transfers out	-	-	(65,447)	-	-	-	-	-
Total other financing sources (uses)	-	95,409	(65,447)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,282,510	(92,856)	(10,991)	(715,333)	-	-	-
Cash and investments - ending	\$ (395,871)	\$ 750,477	\$ (7,648)	\$ (10,991)	\$ (715,333)	\$ (49,973)	\$ 50,176	\$ 343

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

	Summer Migrant 2008	Summer Migrant 2008 Special Project	Summer Migrant 2009	Summer Migrant 2010/2011	Title III, Part A 06-07	American Student Achievement	McKinney - Vento Education for Homeless	Hurricane Relief
Cash and investments - beginning	\$ (25,136)	\$ 24	\$ (11,420)	\$ 70,305	\$ 1,815	\$ 534	\$ 979	\$ 54,000
Receipts:								
Local sources	-	-	-	-	-	-	143	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	79,977	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	80,120	-
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	97,750	-
Support services	-	-	-	107,910	-	-	232	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	3,136	-	-	-	-
Total disbursements	-	-	-	111,046	-	-	97,982	-
Excess (deficiency) of receipts over disbursements	-	-	-	(111,046)	-	-	(17,862)	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	32,000	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	32,000	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	(79,046)	-	-	(17,862)	-
Cash and investments - ending	\$ (25,136)	\$ 24	\$ (11,420)	\$ (8,741)	\$ 1,815	\$ 534	\$ (16,883)	\$ 54,000

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

	Hurricane Relief Spec Ed	Federal Assistance Educational Preschool Handicapped	IDEA Spec Ed 14206-026-PN01	Adult Education and Family Literacy, Title II	Pre Schl Sp Ed 45708-026-PN01	IDEA Spec Ed 14208-026-PN01	Adult Education 06-07	Adult Education 07-08
Cash and investments - beginning	\$ 15,000	\$ (194,317)	\$ 242	\$ 328,270	\$ (14)	\$ 34	\$ 24,890	\$ 26,438
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	460,243	-	-	-	-
Federal sources	-	3,053,100	-	80,341	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	3,053,100	-	540,584	-	-	-	-
Disbursements:								
Current:								
Instruction	-	2,743,750	-	256,511	-	-	-	-
Support services	-	476,783	-	67,717	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	3,220,533	-	324,228	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	(167,433)	-	216,356	-	-	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	79,525	-	-	-	-	-	-
Transfers out	-	(79,525)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(167,433)	-	216,356	-	-	-	-
Cash and investments - ending	\$ 15,000	\$ (361,750)	\$ 242	\$ 544,626	\$ (14)	\$ 34	\$ 24,890	\$ 26,438

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

	Title IV Part A 2009/10	Title IV Part A 10-11	Indiana Mathematics Initiative	High Schools That Work	Carl Perkins	High Schools That Work CFDA 84.048	High Schools That Work 07/08	PLTW 08/09
Cash and investments - beginning	\$ (321)	\$ (6,789)	\$ 272	\$ 659	\$ (77,366)	\$ 7,500	\$ 2,680	\$ (3,029)
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	41,401	-	-	572,718	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	41,401	-	-	572,718	-	-	-
Disbursements:								
Current:								
Instruction	-	-	-	-	544,030	-	-	-
Support services	-	34,612	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	11,000	-	-	-
Total disbursements	-	34,612	-	-	555,030	-	-	-
Excess (deficiency) of receipts over disbursements	-	6,789	-	-	17,688	-	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	6,789	-	-	17,688	-	-	-
Cash and investments - ending	\$ (321)	\$ -	\$ 272	\$ 659	\$ (59,678)	\$ 7,500	\$ 2,680	\$ (3,029)

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

	PLTW Morton 07/08	PLTW Morton Pre-Engineering	PLTW Morton Biomedical 09-10	PLTW Morton Biomedical 10-11	PLTW Gavit Pre-Engineering	Clark TP-6A-44	Gavit TP-6A-44
Cash and investments - beginning	\$ 507	\$ (48)	\$ (31)	\$ (972)	\$ (13,822)	\$ 967	\$ 16,301
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	11,880	13,822	-	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	-	11,880	13,822	-	-
Disbursements:							
Current:							
Instruction	-	-	-	10,840	-	-	-
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	-	-	10,840	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	1,040	13,822	-	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	1,040	13,822	-	-
Cash and investments - ending	\$ 507	\$ (48)	\$ (31)	\$ 68	\$ -	\$ 967	\$ 16,301

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

	HHS TP-6A-44	Medicaid Reimbursement - Federal	Headstart 2005	Headstart	Headstart 2010	Small Learning Community Grant	HSTW - Clark, Morton, HHS
Cash and investments - beginning	\$ (468)	\$ 319,935	\$ 34,232	\$ (217,304)	\$ 77	\$ (474,860)	\$ 9,900
Receipts:							
Local sources	-	-	-	216	-	71	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	140,995	-	1,139,246	-	1,290,909	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	140,995	-	1,139,462	-	1,290,980	-
Disbursements:							
Current:							
Instruction	-	9,402	-	1,075,650	60	590,059	-
Support services	-	62,843	-	24,259	-	268,404	-
Noninstructional services	-	-	-	-	-	288	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	72,245	-	1,099,909	60	858,751	-
Excess (deficiency) of receipts over disbursements	-	68,750	-	39,553	(60)	432,229	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	68,750	-	39,553	(60)	432,229	-
Cash and investments - ending	\$ (468)	\$ 388,685	\$ 34,232	\$ (177,751)	\$ 17	\$ (42,631)	\$ 9,900

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

	STAR - Gavit	STAR - Morton	HSTW - MHS	Improving Teaching Quality, No Child Left, Title II, Part A	Title III, Language Instruction	Teacher Incentive/ TAP	ACC Tech Prep
Cash and investments - beginning	\$ 2,500	\$ 437	\$ 1,334	\$ (61,413)	\$ (46,839)	\$ 5,194	\$ -
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	975,914	161,011	296,336	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	-	975,914	161,011	296,336	-
Disbursements:							
Current:							
Instruction	-	-	-	205,610	1,261	150,644	-
Support services	-	-	-	798,424	289,762	219,993	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	-	-	1,004,034	291,023	370,637	-
Excess (deficiency) of receipts over disbursements	-	-	-	(28,120)	(130,012)	(74,301)	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	(28,120)	(130,012)	(74,301)	-
Cash and investments - ending	\$ 2,500	\$ 437	\$ 1,334	\$ (89,533)	\$ (176,851)	\$ (69,107)	\$ -

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

	Title I - Grants to LEAs	Special Education - Part B	Special Education - Part B - Preschool	McKinney - Vento Education for Homeless (Stimulus)	Education Jobs	Payroll Deductions	Totals
Cash and investments - beginning	\$ 340,982	\$ (97,826)	\$ (22,285)	\$ (122)	\$ (2,988,690)	\$ 61,104	\$ 28,486,750
Receipts:							
Local sources	414	-	-	-	-	-	59,699,615
Intermediate sources	-	-	-	-	-	-	537,502
State sources	-	-	-	-	-	-	92,953,848
Federal sources	154,011	607,911	82,152	25,592	3,032,837	-	26,477,713
Temporary loans	-	-	-	-	-	-	20,000,000
Other	-	-	-	-	-	79,187,402	79,213,609
Total receipts	154,425	607,911	82,152	25,592	3,032,837	79,187,402	278,882,287
Disbursements:							
Current:							
Instruction	474,911	180,517	26,160	25,470	44,147	-	73,773,816
Support services	-	213,088	33,634	-	-	-	57,464,739
Noninstructional services	6,302	-	-	-	-	-	7,971,334
Facilities acquisition and construction	-	-	-	-	-	-	4,632,048
Debt services	-	-	-	-	-	-	46,648,369
Nonprogrammed charges	13,780	116,258	-	-	-	79,158,910	80,481,702
Total disbursements	494,993	509,863	59,794	25,470	44,147	79,158,910	270,972,008
Excess (deficiency) of receipts over disbursements	(340,568)	98,048	22,358	122	2,988,690	28,492	7,910,279
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	263
Transfers in	-	-	-	-	-	-	300,538
Transfers out	-	-	-	-	-	-	(268,538)
Total other financing sources (uses)	-	-	-	-	-	-	32,263
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(340,568)	98,048	22,358	122	2,988,690	28,492	7,942,542
Cash and investments - ending	\$ 414	\$ 222	\$ 73	\$ -	\$ -	\$ 89,596	\$ 36,429,292

SCHOOL CITY OF HAMMOND  
 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	Retirement/ Severance Bond
Cash and investments - beginning	\$ 3,348,575	\$ 3,174,750	\$ 16,491,810	\$ 379,710	\$ 1,231,927	\$ 1,998,346	\$ 1,885,894	\$ 2,065,244
Receipts:								
Local sources	2,307,817	3,031,192	16,675,089	581,024	6,759,546	4,452,072	255,357	4,629
Intermediate sources	338,163	-	-	-	-	-	-	-
State sources	93,032,956	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	12,000,000	-	4,300,000	3,700,000	-	-
Other	2,997	-	-	-	-	11,610	-	-
Total receipts	<u>95,681,933</u>	<u>3,031,192</u>	<u>28,675,089</u>	<u>581,024</u>	<u>11,059,546</u>	<u>8,163,682</u>	<u>255,357</u>	<u>4,629</u>
Disbursements:								
Current:								
Instruction	57,606,094	-	-	-	-	-	-	-
Support services	34,620,884	-	-	-	4,107,352	5,174,542	895,072	283,578
Noninstructional services	1,260,657	-	-	-	-	-	-	-
Facilities acquisition and construction	(3)	-	-	-	2,430,935	-	-	-
Debt services	20,000	5,015,767	32,579,858	834,187	4,136,800	3,256,600	616,000	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>93,507,632</u>	<u>5,015,767</u>	<u>32,579,858</u>	<u>834,187</u>	<u>10,675,087</u>	<u>8,431,142</u>	<u>1,511,072</u>	<u>283,578</u>
Excess (deficiency) of receipts over disbursements	<u>2,174,301</u>	<u>(1,984,575)</u>	<u>(3,904,769)</u>	<u>(253,163)</u>	<u>384,459</u>	<u>(267,460)</u>	<u>(1,255,715)</u>	<u>(278,949)</u>
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	269,424	-	-	-	137,833	-	-	-
Transfers out	(13,468)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>255,956</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,833</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>2,430,257</u>	<u>(1,984,575)</u>	<u>(3,904,769)</u>	<u>(253,163)</u>	<u>522,292</u>	<u>(267,460)</u>	<u>(1,255,715)</u>	<u>(278,949)</u>
Cash and investments - ending	<u>\$ 5,778,832</u>	<u>\$ 1,190,175</u>	<u>\$ 12,587,041</u>	<u>\$ 126,547</u>	<u>\$ 1,754,219</u>	<u>\$ 1,730,886</u>	<u>\$ 630,179</u>	<u>\$ 1,786,295</u>

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

	MHS Football Field Renovations	CSF ADA/ Orchard Drive/ Caldwell	2008 Construction	Radio/TV Academy Construction	Performing Arts Academy Construction	K of C/ Eggers Construction	Roofing Projects Bid A	Roofing Projects Bid B
Cash and investments - beginning	\$ 1,504	\$ 80	\$ (41,514)	\$ 623,550	\$ 188,295	\$ (170)	\$ -	\$ 72,006
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-	-
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	-	-
Support services	-	-	2,000	97,847	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	179,264	275,971	141,112	114,460	-	31,514
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	181,264	373,818	141,112	114,460	-	31,514
Excess (deficiency) of receipts over disbursements	-	-	(181,264)	(373,818)	(141,112)	(114,460)	-	(31,514)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(1,504)	(80)	-	-	-	-	-	-
Total other financing sources (uses)	(1,504)	(80)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,504)	(80)	(181,264)	(373,818)	(141,112)	(114,460)	-	(31,514)
Cash and investments - ending	\$ -	\$ -	\$ (222,778)	\$ 249,732	\$ 47,183	\$ (114,630)	\$ -	\$ 40,492

SCHOOL CITY OF HAMMOND  
 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	Vocational Capital Equipment	Self- Insurance	Levy Excess	Group Workcamps	Educational License Plates	Alternative Education
Cash and investments - beginning	\$ 5,393,049	\$ (3,128,283)	\$ 662,990	\$ 1,531,462	\$ 137,833	\$ (5,413)	\$ 724	\$ 126,294
Receipts:								
Local sources	1,056,888	99,483	161,000	10,832,724	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	15,810	812,324	-	-	-	-	-	6,020
Federal sources	6,524,410	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	1,915	-	-	-	-	-	-	-
Total receipts	<u>7,599,023</u>	<u>911,807</u>	<u>161,000</u>	<u>10,832,724</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,020</u>
Disbursements:								
Current:								
Instruction	-	-	85,819	-	-	-	-	-
Support services	57,402	943,868	391,056	7,781,508	-	-	724	-
Noninstructional services	6,954,048	-	-	-	-	-	-	-
Facilities acquisition and construction	2,867	-	85,130	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>7,014,317</u>	<u>943,868</u>	<u>562,005</u>	<u>7,781,508</u>	<u>-</u>	<u>-</u>	<u>724</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>584,706</u>	<u>(32,061)</u>	<u>(401,005)</u>	<u>3,051,216</u>	<u>-</u>	<u>-</u>	<u>(724)</u>	<u>6,020</u>
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	5,413	-	-
Transfers out	-	-	-	-	(137,833)	-	-	(121,010)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(137,833)</u>	<u>5,413</u>	<u>-</u>	<u>(121,010)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>584,706</u>	<u>(32,061)</u>	<u>(401,005)</u>	<u>3,051,216</u>	<u>(137,833)</u>	<u>5,413</u>	<u>(724)</u>	<u>(114,990)</u>
Cash and investments - ending	<u>\$ 5,977,755</u>	<u>\$ (3,160,344)</u>	<u>\$ 261,985</u>	<u>\$ 4,582,678</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,304</u>

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

	Lafayette Early Intrv/ Rap/ASCL	Jefferson/Hess Early Intervention Grant	Lafayette Early Intervention	Donations/ Immunization Clinic	Headstart Donations	Instructional Support Funds	Partnerships CDBG 2002-03	RTI Professional Development
Cash and investments - beginning	\$ 3,396	\$ 21,786	\$ 55	\$ 5,242	\$ 644	\$ 492	\$ (846)	\$ 16,899
Receipts:								
Local sources	-	-	-	-	3,751	330,500	-	1,485
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	3,751	330,500	-	1,485
Disbursements:								
Current:								
Instruction	-	6,725	-	-	38	120,237	-	-
Support services	-	3,240	-	-	-	2,322	-	1,395
Noninstructional services	2,027	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	2,027	9,965	-	-	38	122,559	-	1,395
Excess (deficiency) of receipts over disbursements	(2,027)	(9,965)	-	-	3,713	207,941	-	90
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	846	-
Transfers out	-	(506)	(55)	-	-	(492)	-	-
Total other financing sources (uses)	-	(506)	(55)	-	-	(492)	846	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,027)	(10,471)	(55)	-	3,713	207,449	846	90
Cash and investments - ending	\$ 1,369	\$ 11,315	\$ -	\$ 5,242	\$ 4,357	\$ 207,941	\$ -	\$ 16,989

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

	Art Lenders	High Ability	Job Link 2000	Urban Teachers UTEP	Great Race	Science Awards	Science Conference	Robotics
Cash and investments - beginning	\$ 3,032	\$ 26,390	\$ (9,899)	\$ 1,590	\$ 154	\$ 10,732	\$ (10,337)	\$ 43,482
Receipts:								
Local sources	1,495	-	251,659	949	-	2,493	-	70,212
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>1,495</u>	<u>-</u>	<u>251,659</u>	<u>949</u>	<u>-</u>	<u>2,493</u>	<u>-</u>	<u>70,212</u>
Disbursements:								
Current:								
Instruction	1,715	-	238,117	196	-	1,983	-	27,779
Support services	-	170	-	245	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>1,715</u>	<u>170</u>	<u>238,117</u>	<u>441</u>	<u>-</u>	<u>1,983</u>	<u>-</u>	<u>27,779</u>
Excess (deficiency) of receipts over disbursements	<u>(220)</u>	<u>(170)</u>	<u>13,542</u>	<u>508</u>	<u>-</u>	<u>510</u>	<u>-</u>	<u>42,433</u>
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	10,337	-
Transfers out	-	-	-	(1,594)	(154)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,594)</u>	<u>(154)</u>	<u>-</u>	<u>10,337</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(220)</u>	<u>(170)</u>	<u>13,542</u>	<u>(1,086)</u>	<u>(154)</u>	<u>510</u>	<u>10,337</u>	<u>42,433</u>
Cash and investments - ending	<u>\$ 2,812</u>	<u>\$ 26,220</u>	<u>\$ 3,643</u>	<u>\$ 504</u>	<u>\$ -</u>	<u>\$ 11,242</u>	<u>\$ -</u>	<u>\$ 85,915</u>

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

	Good Fellow	Junior Robotics	Survive Alive	IMI 2008/2009	PLTW Competitions	United Way Summer Camp 2009	United Way Summer Camp 2010	United Way Summer Camp 2005
Cash and investments - beginning	\$ 836	\$ 4,811	\$ (923)	\$ (532)	\$ 193	\$ (13,468)	\$ -	\$ (260)
Receipts:								
Local sources	-	900	3,033	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	900	3,033	-	-	-	-	-
Disbursements:								
Current:								
Instruction	-	450	3,879	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	450	3,879	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	450	(846)	-	-	-	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	532	-	13,468	-	260
Transfers out	(836)	-	-	-	-	-	-	-
Total other financing sources (uses)	(836)	-	-	532	-	13,468	-	260
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(836)	450	(846)	532	-	13,468	-	260
Cash and investments - ending	\$ -	\$ 5,261	\$ (1,769)	\$ -	\$ 193	\$ -	\$ -	\$ -

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

	United Way Summer Camp 2007	United Way Summer Camp	Adult Education Combo	Pba Recognition	Maywood Student Behavior Program	Maywood Testing Supplies	Gaming Money From City of Hammond	Partnerships CDBG 2005-06
Cash and investments - beginning	\$ 180	\$ 9,724	\$ 190,325	\$ 624	\$ 288	\$ 260	\$ 90,350	\$ 78
Receipts:								
Local sources	-	11,317	34,000	-	-	-	549	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	162,482	-	-	-	-	-
Federal sources	-	-	73,069	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	11,317	269,551	-	-	-	549	-
Disbursements:								
Current:								
Instruction	-	11,950	255,483	-	-	-	-	-
Support services	-	-	9,240	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	35	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	11,985	264,723	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	(668)	4,828	-	-	-	549	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	388,914	-	-	-	-	-
Transfers out	(180)	(20,580)	(540,828)	(624)	(288)	-	-	(78)
Total other financing sources (uses)	(180)	(20,580)	(151,914)	(624)	(288)	-	-	(78)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(180)	(21,248)	(147,086)	(624)	(288)	-	549	(78)
Cash and investments - ending	\$ -	\$ (11,524)	\$ 43,239	\$ -	\$ -	\$ 260	\$ 90,899	\$ -

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

	Gifted/ Talented 2006-07	Kenwood Technology	Hammond Community Grants/Gifted/ Talented	Lever Environment & Cargill Inc - Franklin	Instructional Activities	Expanded Studies Program	Remediation	Technical Assistance Harding
Cash and investments - beginning	\$ 681	\$ 29	\$ 23,360	\$ 17,042	\$ 6,619	\$ 34,172	\$ 636,268	\$ 1,134
Receipts:								
Local sources	-	-	28,371	-	3,359	7,875	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	28,371	-	3,359	7,875	-	-
Disbursements:								
Current:								
Instruction	-	-	46,757	3,326	1,230	6,779	216,194	-
Support services	-	29	648	2,999	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	534	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	29	47,939	6,325	1,230	6,779	216,194	-
Excess (deficiency) of receipts over disbursements	-	(29)	(19,568)	(6,325)	2,129	1,096	(216,194)	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	836	-	-	-
Transfers out	(681)	-	-	(847)	(321)	-	(127,664)	(1,134)
Total other financing sources (uses)	(681)	-	-	(847)	515	-	(127,664)	(1,134)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(681)	(29)	(19,568)	(7,172)	2,644	1,096	(343,858)	(1,134)
Cash and investments - ending	\$ -	\$ -	\$ 3,792	\$ 9,870	\$ 9,263	\$ 35,268	\$ 292,410	\$ -

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

	PLTW Gavit	Gavit Biotech State	Education Technology	Early Childhood Intervention (First Steps)	State Medicaid Reimbursement	Adult Ed General (Office)	Extra- Curricular Activities	Professional Development 04-05 to 06-07
Cash and investments - beginning	\$ (2,175)	\$ 330	\$ (11,760)	\$ -	\$ 114,493	\$ (1,276,087)	\$ (26,551)	\$ 33,951
Receipts:								
Local sources	-	-	1,616,348	-	-	-	46,477	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	71,232	66,507	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	1,616,348	71,232	66,507	-	46,477	-
Disbursements:								
Current:								
Instruction	-	-	-	28,126	-	-	-	-
Support services	-	-	1,623,329	-	-	-	3,100	-
Noninstructional services	-	-	-	-	-	-	40,095	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	1,623,329	28,126	-	-	43,195	-
Excess (deficiency) of receipts over disbursements	-	-	(6,981)	43,106	66,507	-	3,282	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	2,175	-	-	-	-	997,451	-	-
Transfers out	-	(330)	-	-	-	-	-	-
Total other financing sources (uses)	2,175	(330)	-	-	-	997,451	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,175	(330)	(6,981)	43,106	66,507	997,451	3,282	-
Cash and investments - ending	\$ -	\$ -	\$ (18,741)	\$ 43,106	\$ 181,000	\$ (278,636)	\$ (23,269)	\$ 33,951

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

	Non-English Speaking Programs P.L. 273-1999	School Technology/ Network Fund	Technology Grants [IC 20-40-15]	Non-English Speaking 07-08	HEF Type C Grant	Professional Development 07-10	HS That Work Gavit	District Improvement 10-11
Cash and investments - beginning	\$ 90,298	\$ 395,234	\$ -	\$ 206	\$ 1,104	\$ 53,739	\$ 1,489	\$ -
Receipts:								
Local sources	-	133,954	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	218,275	-	-	-	9,490	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	218,275	133,954	-	-	9,490	-	-	-
Disbursements:								
Current:								
Instruction	-	-	-	-	-	1,359	-	-
Support services	227,416	116,000	-	-	10,594	578	1,489	-
Noninstructional services	397	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	227,813	116,000	-	-	10,594	1,937	1,489	-
Excess (deficiency) of receipts over disbursements	(9,538)	17,954	-	-	(1,104)	(1,937)	(1,489)	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(25,001)	-	-	-	-	-	-	-
Total other financing sources (uses)	(25,001)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(34,539)	17,954	-	-	(1,104)	(1,937)	(1,489)	-
Cash and investments - ending	\$ 55,759	\$ 413,188	\$ -	\$ 206	\$ -	\$ 51,802	\$ -	\$ -

SCHOOL CITY OF HAMMOND  
 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 2009-2010	Title I 2010-2011	Title I 1003(g) School Improvement HHS	Title I 1003(g) Eggers	Title I	Migrant Education FY 08-09	Migrant Education FY 07-08	Summer Migrant 2009 Supplemental
Cash and investments - beginning	\$ (395,871)	\$ 750,477	\$ (7,648)	\$ (10,991)	\$ (715,333)	\$ (49,973)	\$ 50,176	\$ 343
Receipts:								
Local sources	-	-	394	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	2,354,012	44,301	5,227,888	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	2,354,406	44,301	5,227,888	-	-	-
Disbursements:								
Current:								
Instruction	-	-	1,438,595	-	3,495,904	-	-	-
Support services	-	-	723,286	33,310	1,746,648	-	-	-
Noninstructional services	-	-	32,097	-	167,541	-	-	-
Facilities acquisition and construction	-	-	192,352	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	2,386,330	33,310	5,410,093	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	(31,924)	10,991	(182,205)	-	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	395,871	-	-	-	354,674	49,973	-	-
Transfers out	-	(750,477)	-	-	-	-	(50,176)	(343)
Total other financing sources (uses)	395,871	(750,477)	-	-	354,674	49,973	(50,176)	(343)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	395,871	(750,477)	(31,924)	10,991	172,469	49,973	(50,176)	(343)
Cash and investments - ending	\$ -	\$ -	\$ (39,572)	\$ -	\$ (542,864)	\$ -	\$ -	\$ -

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

	Summer Migrant 2008	Summer Migrant 2008 Special Project	Summer Migrant 2009	Summer Migrant 2010/2011	Title III, Part A 06-07	American Student Achievement	McKinney - Vento Education for Homeless	Hurricane Relief
Cash and investments - beginning	\$ (25,136)	\$ 24	\$ (11,420)	\$ (8,741)	\$ 1,815	\$ 534	\$ (16,883)	\$ 54,000
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	63,316	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	63,316	-
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	48,201	-
Support services	-	-	-	-	1,815	534	143	54,000
Noninstructional services	-	-	-	-	-	-	1,801	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	1,815	534	50,145	54,000
Excess (deficiency) of receipts over disbursements	-	-	-	-	(1,815)	(534)	13,171	(54,000)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	25,136	-	11,420	27,533	-	-	-	-
Transfers out	-	(24)	-	(97,760)	-	-	-	-
Total other financing sources (uses)	25,136	(24)	11,420	(70,227)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	25,136	(24)	11,420	(70,227)	(1,815)	(534)	13,171	(54,000)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ (78,968)	\$ -	\$ -	\$ (3,712)	\$ -

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

	Hurricane Relief Spec Ed	Federal Assistance Educational Preschool Handicapped	IDEA Spec Ed 14206-026-PN01	Adult Education and Family Literacy, Title II	Pre Schl Sp Ed 45708-026-PN01	IDEA Spec Ed 14208-026-PN01	Adult Education 06-07	Adult Education 07-08
Cash and investments - beginning	\$ 15,000	\$ (361,750)	\$ 242	\$ 544,626	\$ (14)	\$ 34	\$ 24,890	\$ 26,438
Receipts:								
Local sources	-	35	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	3,405,001	-	358,480	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	3,405,036	-	358,480	-	-	-	-
Disbursements:								
Current:								
Instruction	-	2,716,722	-	171,909	-	-	-	-
Support services	15,000	482,461	242	71,454	-	20	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	35	-	-	-	-	-	-
Total disbursements	15,000	3,199,218	242	243,363	-	20	-	-
Excess (deficiency) of receipts over disbursements	(15,000)	205,818	(242)	115,117	-	(20)	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	14	-	-	-
Transfers out	-	-	-	(711,717)	-	(14)	(24,890)	(26,438)
Total other financing sources (uses)	-	-	-	(711,717)	14	(14)	(24,890)	(26,438)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(15,000)	205,818	(242)	(596,600)	14	(34)	(24,890)	(26,438)
Cash and investments - ending	\$ -	\$ (155,932)	\$ -	\$ (51,974)	\$ -	\$ -	\$ -	\$ -

SCHOOL CITY OF HAMMOND  
 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 IV Part A 2009/10	Title IV Part A 10-11	Indiana Mathematics Initiative	High Schools That Work	Carl Perkins	High Schools That Work CFDA 84.048	High Schools That Work 07/08	PLTW 08/09
Cash and investments - beginning	\$ (321)	\$ -	\$ 272	\$ 659	\$ (59,678)	\$ 7,500	\$ 2,680	\$ (3,029)
Receipts:								
Local sources	-	-	-	-	3,701	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	576,615	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	3,029
Total receipts	-	-	-	-	580,316	-	-	3,029
Disbursements:								
Current:								
Instruction	-	-	-	-	570,065	-	-	-
Support services	-	-	-	659	-	7,500	2,680	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	8,667	-	-	-
Total disbursements	-	-	-	659	578,732	7,500	2,680	-
Excess (deficiency) of receipts over disbursements	-	-	-	(659)	1,584	(7,500)	(2,680)	3,029
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	321	-	-	-	-	-	-	-
Transfers out	-	-	(272)	-	-	-	-	-
Total other financing sources (uses)	321	-	(272)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	321	-	(272)	(659)	1,584	(7,500)	(2,680)	3,029
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ (58,094)	\$ -	\$ -	\$ -

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

	PLTW Morton 07/08	PLTW Morton Pre-Engineering	PLTW Morton Biomedical 09-10	PLTW Morton Biomedical 10-11	PLTW Gavit Pre-Engineering	Clark TP-6A-44	Gavit TP-6A-44
Cash and investments - beginning	\$ 507	\$ (48)	\$ (31)	\$ 68	\$ -	\$ 967	\$ 16,301
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Other	-	48	31	-	-	-	-
Total receipts	-	48	31	-	-	-	-
Disbursements:							
Current:							
Instruction	-	-	-	-	-	-	-
Support services	507	-	-	68	-	967	15,833
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	507	-	-	68	-	967	15,833
Excess (deficiency) of receipts over disbursements	(507)	48	31	(68)	-	(967)	(15,833)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(468)
Total other financing sources (uses)	-	-	-	-	-	-	(468)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(507)	48	31	(68)	-	(967)	(16,301)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	HHS TP-6A-44	Medicaid Reimbursement - Federal	Headstart 2005	Headstart	Headstart 2010	Small Learning Community Grant	HSTW - Clark, Morton, HHS
Cash and investments - beginning	\$ (468)	\$ 388,685	\$ 34,232	\$ (177,751)	\$ 17	\$ (42,631)	\$ 9,900
Receipts:							
Local sources	-	-	-	130	-	6	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	275,301	-	1,144,839	-	897,768	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	275,301	-	1,144,969	-	897,774	-
Disbursements:							
Current:							
Instruction	-	15,521	-	1,116,957	-	639,903	-
Support services	-	61,502	-	22,855	17	278,682	8,923
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	275	-	300	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	77,023	-	1,140,087	17	918,885	8,923
Excess (deficiency) of receipts over disbursements	-	198,278	-	4,882	(17)	(21,111)	(8,923)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	468	-	-	-	-	-	-
Transfers out	-	-	(34,232)	-	-	-	-
Total other financing sources (uses)	468	-	(34,232)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	468	198,278	(34,232)	4,882	(17)	(21,111)	(8,923)
Cash and investments - ending	\$ -	\$ 586,963	\$ -	\$ (172,869)	\$ -	\$ (63,742)	\$ 977

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

	STAR - Gavit	STAR - Morton	HSTW - MHS	Improving Teaching Quality, No Child Left, Title II, Part A	Title III, Language Instruction	Teacher Incentive/ TAP	ACC Tech Prep
Cash and investments - beginning	\$ 2,500	\$ 437	\$ 1,334	\$ (89,533)	\$ (176,851)	\$ (69,107)	\$ -
Receipts:							
Local sources	-	-	-	168	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	855,486	150,878	776,503	16,146
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	130,122	-	-
Total receipts	<u>-</u>	<u>-</u>	<u>-</u>	<u>855,654</u>	<u>281,000</u>	<u>776,503</u>	<u>16,146</u>
Disbursements:							
Current:							
Instruction	-	-	-	-	19,159	236,661	16,146
Support services	2,500	437	1,334	725,760	104,307	470,948	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	55,480	2,648	-	-
Total disbursements	<u>2,500</u>	<u>437</u>	<u>1,334</u>	<u>781,240</u>	<u>126,114</u>	<u>707,609</u>	<u>16,146</u>
Excess (deficiency) of receipts over disbursements	<u>(2,500)</u>	<u>(437)</u>	<u>(1,334)</u>	<u>74,414</u>	<u>154,886</u>	<u>68,894</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>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(2,500)</u>	<u>(437)</u>	<u>(1,334)</u>	<u>74,414</u>	<u>154,886</u>	<u>68,894</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (15,119)</u>	<u>\$ (21,965)</u>	<u>\$ (213)</u>	<u>\$ -</u>

SCHOOL CITY OF HAMMOND  
 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 - Grants to LEAs	Special Education - Part B	Special Education - Part B - Preschool	McKinney - Vento Education for Homeless (Stimulus)	Education Jobs	Payroll Deductions	Totals
Cash and investments - beginning	\$ 414	\$ 222	\$ 73	\$ -	\$ -	\$ 89,596	\$ 36,429,292
Receipts:							
Local sources	-	-	-	-	-	-	48,769,982
Intermediate sources	-	-	-	-	-	-	338,163
State sources	-	-	-	-	-	-	94,395,096
Federal sources	-	-	-	-	61,927	-	22,805,940
Temporary loans	-	-	-	-	-	-	20,000,000
Other	-	-	-	-	-	75,055,345	75,205,097
Total receipts	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,927</u>	<u>75,055,345</u>	<u>261,514,278</u>
Disbursements:							
Current:							
Instruction	-	-	-	-	53,611	-	69,203,590
Support services	414	222	73	-	8,316	-	61,202,044
Noninstructional services	-	-	-	-	-	-	8,458,663
Facilities acquisition and construction	-	-	-	-	-	-	3,454,212
Debt services	-	-	-	-	-	-	46,459,746
Nonprogrammed charges	-	-	-	-	-	75,060,579	75,127,409
Total disbursements	<u>414</u>	<u>222</u>	<u>73</u>	<u>-</u>	<u>61,927</u>	<u>75,060,579</u>	<u>263,905,664</u>
Excess (deficiency) of receipts over disbursements	<u>(414)</u>	<u>(222)</u>	<u>(73)</u>	<u>-</u>	<u>-</u>	<u>(5,234)</u>	<u>(2,391,386)</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	2,692,899
Transfers out	-	-	-	-	-	-	(2,692,899)
Total other financing sources (uses)	<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>(414)</u>	<u>(222)</u>	<u>(73)</u>	<u>-</u>	<u>-</u>	<u>(5,234)</u>	<u>(2,391,386)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84,362</u>	<u>\$ 34,037,906</u>

SCHOOL CITY OF HAMMOND  
AUDIT RESULT AND COMMENT

**OVERDRAWN CASH BALANCES**

The financial statement presented in this report included the following funds with overdrawn cash balances as of June 30, 2012 and 2013:

Fund	Amount Overdrawn	
	06-30-12	06-30-13
2008 Construction	* \$ 41,514	\$ 222,778
K of C/Eggers Construction	170	114,630
Textbook Rental	* 3,128,283	3,160,344
Group Workcamps	5,413	-
Job Link 2000	9,899	-
Science Conference	10,337	-
Survive Alive	923	1,769
United Way Summer Camp	-	11,524
Adult Ed General (Office)	* 1,276,087	278,636
Title I 2009-2010	395,871	-
Migrant Education FY 08-09	49,973	-
Summer Migrant 2008	25,136	-
Summer Migrant 2009	11,420	-
Summer Migrant 2010/2011	8,741	78,968
PLTW 08/09	3,029	-

\*Fund overdrawn for 3 or more years.

Other funds with overdrawn cash balances not listed above were the result of expenditures for which reimbursement had not been received as of June 30, 2012 or 2013.

As of March 26, 2014, the 2008 Construction, K of C/Eggers Construction, Textbook Rental, and Adult Ed General (Office) funds cash balances were still overdrawn.

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF THE SCHOOL CITY OF HAMMOND, LAKE COUNTY, INDIANA

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

We have audited the School City of Hammond'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.

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 items 2013-001, 2013-002, and 2013-003. 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 2013-001, 2013-002, 2013-003, and 2014-004 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.

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

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

April 24, 2014

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

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SCHOOL CITY OF HAMMOND  
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</u>					
Child Nutrition Cluster					
School Breakfast Program	Indiana Department of Education	10.553	FY 2012 FY 2013	\$ 1,231,159 -	\$ - 1,309,537
Total - School Breakfast Program				<u>1,231,159</u>	<u>1,309,537</u>
National School Lunch Program	Indiana Department of Education	10.555	FY 2012 FY 2013	4,901,372 -	- 5,143,029
Total - National School Lunch Program				<u>4,901,372</u>	<u>5,143,029</u>
Summer Food Service Program for Children	Indiana Department of Education	10.559	FY 2012 FY 2013	306,334 -	- 254,221
Total - Summer Food Service Program for Children				<u>306,334</u>	<u>254,221</u>
Total - Child Nutrition Cluster				<u>6,438,865</u>	<u>6,706,787</u>
Child and Adult Care Food Program	Indiana Department of Education	10.558	FY 2012 FY 2013	50,674 -	- 54,408
Total - Child and Adult Care Food Program				<u>50,674</u>	<u>54,408</u>
Fresh Fruit and Vegetable Program	Indiana Department of Education	10.582	FY 2012 FY 2013	221,222 -	- 226,391
Total - Fresh Fruit and Vegetable Program				<u>221,222</u>	<u>226,391</u>
Total - U.S. Department of Agriculture				<u>6,710,761</u>	<u>6,987,586</u>
<u>U.S. Department of Education</u>					
Title I, Part A Cluster					
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010	11-4710 12-4710 13-4710	1,713,109 3,816,439 -	- 1,666,091 3,561,797
School District Improvement			FY 10-11	98,240	-
School District Improvement			FY 11-12	51,419	44,301
Total - Title I Grants to Local Educational Agencies Program				<u>5,679,207</u>	<u>5,272,189</u>
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	Indiana Department of Education	84.389		494,993	-
Total - Title I, Part A Cluster				<u>6,174,200</u>	<u>5,272,189</u>
Special Education Cluster					
Special Education - Grants to States	Indiana Department of Education	84.027	14211-026-PN01 14212-026-PN01 14213-026-PN01 2011 Technology	1,114,435 1,622,922 - 69,826	311,566 1,696,751 1,210,750 -
Total - Special Education - Grants to States				<u>2,807,183</u>	<u>3,219,067</u>

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

SCHOOL CITY OF HAMMOND  
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 (continued)					
ARRA - Special Education - Grants to States, Recovery Act	Indiana Department of Education	84.391	333-026-SN01	510,085	-
Special Education - Preschool Grants	Indiana Department of Education	84.173	45711-026-PN01 45712-026-PN01 45713-026-PN01	24,771 96,308 -	35,930 64,056 85,948
Total - Special Education - Preschool Grants				121,079	185,934
ARRA - Special Education - Preschool Grants, Recovery Act	Indiana Department of Education	84.392	44410-026-SN01	59,867	-
Total - Special Education Cluster				3,498,214	3,405,001
Education of Homeless Children and Youth Cluster					
Education for Homeless Children and Youth	Indiana Department of Education	84.196	FY 10-11 FY 11-12 FY 12-13	22,379 57,598 -	- 17,402 45,914
Total - Education for Homeless Children and Youth				79,977	63,316
ARRA - Education for Homeless Children and Youth, Recovery Act	Indiana Department of Education	84.387		25,592	-
Total - Education of Homeless Children and Youth Cluster				105,569	63,316
Teacher Incentive Fund Cluster					
Teacher Incentive Fund	Indiana Department of Education	84.374	PY 11-12 PY 12-13	301,530 -	463,234 313,268
Total - Teacher Incentive Fund Cluster				301,530	776,502
School Improvement Grants Cluster					
School Improvement Grants	Indiana Department of Education	84.377			
1003(g) SIG Professional Development (2012)				-	52,000
1003(g) School Improvement			FY 2011 FY 2012	1,166,661 1,104,261	- 970,527
Total - School Improvement Grants				2,270,922	1,022,527
ARRA - School Improvement Grants, Recovery Act	Indiana Department of Education	84.388	FY 2013	-	1,331,485
Total - School Improvement Grants Cluster				2,270,922	2,354,012
Fund for the Improvement of Education Small Learning Communities	Direct Grant	84.215	S215L080473-11	798,902	897,768
Adult Education - Basic Grants to States	Center of Workforce Innovations	84.002	FY 11-12 CWI-AE-02-PY12	80,341 -	193,148 238,401
Total - Adult Education - Basic Grants to States				80,341	431,549

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

SCHOOL CITY OF HAMMOND  
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>					
Career and Technical Education - Basic Grants to States	Indiana Department of Education	84.048	11-4700-4710 12-4700-4710 13-4700-4710 Robotics	96,327 399,025 - 6,340	- 124,015 452,600 -
Total - Career and Technical Education - Basic Grants to States				<u>501,692</u>	<u>576,615</u>
Safe and Drug-Free Schools and Communities - State Grants	Indiana Department of Education	84.186	09-4710	<u>34,612</u>	-
Tech-Prep Education	Indiana Department of Education	84.243	PLTW Morton BioMed 2010/2011 13-4700-4710 Carry Over	10,908 -	- 16,146
Total - Tech-Prep Education				<u>10,908</u>	<u>16,146</u>
English Language Acquisition Grants	Indiana Department of Education	84.365	01111-046-PN01 01112-099-PN01 01113-099-FLUX 01113-051-PN01	114,172 - - -	- 91,981 7,967 50,930
Total - English Language Acquisition Grants				<u>114,172</u>	<u>150,878</u>
Improving Teacher Quality State Grants	Indiana Department of Education	84.367	PY 09-11 PY 10-12 PY 11-13	386,993 527,508 -	- 381,983 473,503
Total - Improving Teacher Quality State Grants				<u>914,501</u>	<u>855,486</u>
Education Jobs Fund	Indiana Department of Education	84.410		<u>44,147</u>	<u>61,927</u>
Total - U.S. Department of Education				<u>14,849,710</u>	<u>14,861,389</u>
<u>U.S. Department of Health and Human Services</u>					
Head Start Cluster Head Start	Geminus Corporation	93.600	2011 2012 2013	651,626 270,166 -	- 890,964 253,875
Total - Head Start Cluster				<u>921,792</u>	<u>1,144,839</u>
Medicaid Cluster Medical Assistance Program	Indiana Family and Social Services Administration	93.778		<u>140,995</u>	<u>275,300</u>
Total - Medicaid Cluster				<u>140,995</u>	<u>275,300</u>
Total - U.S. Department of Health and Human Services				<u>1,062,787</u>	<u>1,420,139</u>
Total federal awards expended				<u>\$ 22,623,258</u>	<u>\$ 23,269,114</u>

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

SCHOOL CITY OF HAMMOND  
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. This differed from how the Schedule of Expenditures of Federal Awards was previously prepared based upon the timing of the federal disbursement.

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 ended 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	\$ 88,703	\$ 94,221
National School Lunch Program	10.555	353,057	368,954

SCHOOL CITY OF HAMMOND  
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?	no
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	no
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:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
	Child Nutrition Cluster
	Title I, Part A Cluster
	Special Education Cluster
	School Improvement Grants Cluster
84.215	Fund for the Improvement of Education

Dollar threshold used to distinguish between Type A and Type B programs: \$1,376,771

Auditee qualified as low-risk auditee?	no
--	----

**Section II – Financial Statement Findings**

No matters are reportable.

SCHOOL CITY OF HAMMOND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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

**FINDING 2013-001 - INTERNAL CONTROLS AND COMPLIANCE OVER SUSPENSION AND DEBARMENT REQUIREMENTS RELATED TO THE CHILD NUTRITION CLUSTER**

Federal Agency: U.S. Department of Agriculture  
Federal Programs: School Breakfast Program, National School Lunch Program,  
Summer Food Service Program for Children  
CFDA Numbers: 10.553, 10.555, 10.559  
Federal Award Years: FY 2012, FY 2013  
Pass-Through Entity: Indiana Department of Education

Management of the School Corporation has not established an effective internal control system, related to the grant agreement and Suspension and Debarment requirements that have a direct and material effect on the programs. 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 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. An internal control system 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.

The School Corporation's Food Service officials indicated knowledge of Suspension and Debarment requirements. Officials indicated that a completed certification regarding Suspension and Debarment was obtained from the vendor prior to the awarding of a contract. However, completed certifications were not found in the School Corporation's procurement files. Officials also indicated that they performed online searches of vendors prior to entering into transactions with a vendor. One online search was performed and evidence of the search was found; however, the search occurred after the School Corporation entered into contracts. The Food Service Department did not follow the School Corporation's established policies and procedures over Suspension and Debarment.

7 CFR 3016.35 Subawards to debarred and suspended parties states:

"Grantees and subgrantees must not make any award or permit any award (subgrant or contract) at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension."

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 remain undetected. Noncompliance with the grant agreement or the Suspension and Debarment requirements of the program could result in the loss of federal funds to the School Corporation.

We recommended that the School Corporation's management ensure that all employees have implemented the School Corporations established policies, procedures, and controls related to the grant agreement and Suspension and Debarment requirements and ensure that all contracts that will be financed with federal assistance are not awarded to an entity which has been Suspended or Debarred.

SCHOOL CITY OF HAMMOND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

**FINDING 2013-002 - INTERNAL CONTROLS AND COMPLIANCE OVER  
REPORTING REQUIREMENTS RELATED TO THE CHILD NUTRITION CLUSTER**

Federal Agency: U.S. Department of Agriculture  
Federal Programs: School Breakfast Program, National School Lunch Program,  
Summer Food Service Program for Children  
FDA Numbers: 10.553, 10.555, 10.559  
Federal Award Years: FY 2012, FY 2013  
Pass-Through Entity: Indiana Department of Education

Management of the School Corporation has not established an effective internal control system, related to the grant agreement and the Reporting requirements that have a direct and material effect on the programs. 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 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 School Corporation has not designed or implemented adequate policies or procedures to ensure that required reports were accurately or timely prepared. The Director of Food and Nutrition was solely responsible for preparing and submitting the required Annual Financial Reports. The Food Service Coordinator was solely responsible for preparing and submitting the monthly claims for reimbursements. Segregation of duties, such as an oversight or approval process, has not been established.

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.

The Annual Financial Report filed by the School Corporation for the fiscal year ending June 30, 2013, did not agree with the School Corporation's financial records. The Annual Financial Report filed by the School Corporation was prepared from the School Corporation's financial records; however, the supporting summary ledger was dated as of July 15, 2013; not the required ending date of June 30, 2013. This caused the Annual Financial Report to be overstated by \$837,144, \$126,234, and \$710,910, for receipts disbursements and the ending cash balance, respectively.

7 CFR 3016.20(b) states in part:

"The financial management systems of other grantees and subgrantees must meet the following standards:

- (1) *Financial reporting.* Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant."

SCHOOL CITY OF HAMMOND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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 remain undetected. Noncompliance with the grant agreement or the Reporting requirements of 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 reporting requirements and ensure that all required reports are prepared on an accurate basis, in accordance with the Reporting requirements.

***FINDING 2013-003 - INTERNAL CONTROLS AND COMPLIANCE OVER ALLOWABLE COSTS REQUIREMENTS RELATED TO THE FUND FOR THE IMPROVEMENT OF EDUCATION***

Federal Agency: U.S. Department of Education  
Federal Program: Fund for the Improvement of Education  
CFDA Number: 84.215  
Federal Award Number: S215L080473-11

Management of the School Corporation has not established an effective internal control system, related to Allowable Costs. 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.

Approximately 85 percent of the budget and funds disbursed from the fund for the Improvement of Education grant award was for compensation or personnel services. The grant award was used to develop a Smaller Learning Communities program at four high schools, where certain individuals at the high schools were compensated solely from the grant.

When employees are paid entirely from a grant, the grantee is required to obtain signed semiannual certifications from the grant personnel. Inquiry of the Grant Project Director and the School Corporation Grant Manager, along with a review of grant files, determined the semiannual certifications required to support compensation under Circular A-87 were not available for audit.

The School Corporation had not established controls to ensure semi-annual certifications were prepared and retained for audit.

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."

SCHOOL CITY OF HAMMOND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

OMB Circular A-87, Attachment B, Section 8, Compensation for personal services, states in part:

"h. Support of salaries and wages. These standards regarding time distribution are in addition to the standards for payroll documentation. . . .

- (3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee. . . ."

The failure to establish internal controls could enable material noncompliance to remain undetected. Noncompliance with the grant agreement or the compliance requirements that have a direct and material effect on the program could result in the loss of federal funds to the School Corporation.

We recommended that the School Corporation develop policies and procedures to ensure compliance and to comply with Allowable Costs requirements regarding compensation paid from federal funds.

***FINDING 2013-004 - INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO FUND FOR THE IMPROVEMENT OF EDUCATION***

Federal Agency: U.S. Department of Education  
Federal Program: Fund for the Improvement of Education  
CFDA Number: 84.215  
Federal Award Number: S215L080473-11

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 compliance requirements that have a direct and material effect on the program. This includes the compliance requirements over Cash Management 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.

*Cash Management:* The Receipts Clerk prepared and electronically submitted the claims for reimbursement based upon cash reports. The claims for reimbursement were provided to the Director of Business Services along with the receipt and supporting documentation (copies of ledgers); however, there was no documentation available to determine if a review was performed.

*Reporting:* The Grant Project Director compiled and submitted the Annual Performance Report from data provided by the participating schools and consultant. The report prepared by the Grant Project Director was not reviewed prior to submission to the U.S. Department of Education. Segregation of duties, such as an oversight or approval process, has not been established.

SCHOOL CITY OF HAMMOND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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, 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 remain undetected. Noncompliance with the grant agreement or the compliance requirements that have a direct and material effect on 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 all compliance requirements that have a direct and material effect on the program.

# School City of Hammond

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Dr. Walter J. Watkins, Superintendent

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**Finding Number:** **2011-4 Suspended and Disbarred – Controls and Compliance**

Original SBA Audit Report Number: B40266  
Fiscal Year: July 1, 2009 to June 30, 2011

Auditee Contact Person: Jana M. Abshire  
Title of Contact Person: Turnaround Officer  
Phone Number: 219-933-2400, ext. 1515

Audited Contact Person: Connie Manous  
Title of Contact Person: Director of Special Education  
Phone Number: 219-933-2400, ext. 1081

**Status of Finding:**

This finding has been correct. The process now requires that each expenditure from grant funds have an EPLS search to ensure that they have no findings. Purchase Orders now show EPLS VERIFIED. Also, the Business Services Department has sent out reminders to staff of the need to document the verification of EPLS prior to entering into contracts or issuing purchase orders. Copies of evidence to this effect are then attached to the PO by the Turnaround and Special Ed Offices.

**Finding Number:** **2011-5 Procurement – Controls and Compliance**

Original SBA Audit Report Number: B40266  
Fiscal Year: July 1, 2009 to June 30, 2011

Audited Contact Person: Jana M. Abshire  
Title of Contact Person: Turnaround Officer  
Phone Number: 219-933-2400, ext. 1515

Audited Contact Person: Connie Manous  
Title of Contact Person: Director of Special Education  
Phone Number: 219-933-2400, ext. 1081

Audited Contact Person: Anthony Salinas  
Title of Contact Person: Director of Language Development Programs  
219-933-2400, ext. 2086

**Status of Finding:**

This finding was fully corrected immediately upon report. The process now requires that each grant director monitor and track all expenditures per vendor. This information is documented on a spreadsheet or system ledger report. School City of Hammond hired a Director of Business Services/Grants Management to monitor and be a liaison between the Grant Directors and Business Services Department. The Director of Business Services and CFO has instructed staff on the bid process, and board policies.

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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**Finding Number:** 2011-6 Cash Management – Controls and Compliance  
**Original SBA Audit Report Number:** B40266  
**Fiscal Year:** July 1, 2009 to June 30, 2011  
**Audited Contact Person:** Jana M. Abshire  
**Title of Contact Person:** Turnaround Officer  
**Phone Number:** 219-933-2400, ext. 1515

**Status of Finding:**

This finding was fully corrected immediately upon report. IDOE changed to a reimbursement procedure for all federal grants. These reimbursement requests were done twice each month. The Grants Manager checked to ensure that the requested amount matched the ledger expenditures in a cumulative manner. All cash balances, draws and disbursements and transfers were reviewed, monitored and reconciled by the Grant Director and Business Services Department on a monthly basis. Documentation of grant amendments were reviewed and approved by Business Services Department.

**Finding Number:** 2011-7 Allowable Costs – Interest Earnings on Advances  
**Original SBA Audit Report Number:** B40266  
**Fiscal Year:** July 1, 2009 to June 30, 2011  
**Audited Contact Person:** Jana M. Abshire  
**Title of Contact Person:** Turnaround Officer  
**Phone Number:** 219-933-2400, ext. 1515  
**Audited Contact Person:** Connie Manous  
**Title of Contact Person:** Director of Special Education  
**Phone Number:** 219-933-2400, ext. 1081

**Status of Finding:**

This finding was fully corrected immediately upon report. School City of Hammond now complies with the reimbursement process so that interest on federal dollars is no longer earned.

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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**Finding Number:** 2011-8 Reporting – Timeliness and Accuracy  
**Original SBA Audit Report Number:** B40266  
**Fiscal Year:** July 1, 2009 to June 30, 2011

**Audited Contact Person:** Alesia Y. Pritchett  
**Title of Contact Person:** Director of Business Services  
**Phone Number:** 219-933-2400, ext. 1025

**Status of Finding:**

All applicable grants on this form are reimbursable, therefore no interest is earned. However, districts have been informed that although this is true, we are still required to go through the process because it is a federal requirement for compliance. We will continue to submit the reports as required.

**Finding Number:** 2011-9 Maintenance of Fiscal Effort  
**Original SBA Audit Report Number:** B40266  
**Fiscal Year:** July 1, 2009 to June 30, 2011

**Audited Contact Person:** Connie Manous  
**Title of Contact Person:** Director of Special Education  
**Phone Number:** 219-933-2400, ext. 1081

**Status of Finding:**

All records are being maintained in the CFO office by year to support the maintenance of efforts calculation.

**Finding Number:** 2011-10 Sub Recipient Monitoring  
**Original SBA Audit Report Number:** B40266  
**Fiscal Year:** July 1, 2009 to June 30, 2011

**Audited Contact Person:** Connie Manous  
**Title of Contact Person:** Director of Special Education  
**Phone Number:** 219-933-2400, ext. 1081

**Status of Finding:**

School City of Whiting *will* no longer be a sub recipient of the School City of Hammond for the Part B Special Education and Preschool education effective immediately. No further action is needed.

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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

<b>Finding Number:</b>	<b>2011-11 Highly Qualified Teachers</b>
Original SBA Audit Report Number:	B40266
Fiscal Year:	July 1, 2009 to June 30, 2011
Audited Contact Person:	Jana M. Abshire
Title of Contact Person:	Turnaround Officer
Phone Number:	219-933-2400, ext. 1515

### Status of Finding:

This finding was fully corrected immediately upon report. School City of Hammond now requires all Program Directors to maintain a list of employees paid from grants, their position and credentials. This list is reviewed at the beginning of each school year. Each grant employee is required to verify their credentials through copies of licenses, diplomas, etc. and their signature. This is then checked against the position for which they are being paid. Non-certified employees must provide proof of passing the ParaPro test, 60 hours of college credit or a minimum of an Associates' Degree diploma. Copies of this documentation will be available in the HR department and the individual grant office.

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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

<b>Finding Number:</b>	<b>2011-12 Activities Allowed – Control and Compliance</b>
Original SBA Audit Report Number:	B40266
Fiscal Year:	July 1, 2009 to June 30, 2011
Audited Contact Person:	Edward Schoenfelt
Title of Contact Person:	Project Manager
Phone Number:	219-650-5307, ext. 7539

### Status of Finding:

#### CONTROL & COMPLIANCE (FIDELITY)

- the project director and the grant Steering Committee developed protocols to ensure the accuracy of all records
- the project director approves all expenditures prior to payments being made
- all claims have the signature of the project director before submitted for payment
- the project director monitors the grant budget to ensure that proposed expenditures and subsequent claims are allowable under federal code and the specific requirements for the Smaller Learning Communities grant program
- the project director monitors all SLCP balance sheets for the four high schools (Hammond HS, Morton, HS, Merrillville HS & Lowell HS) across the three school corporations (School City of Hammond, Merrillville Community School Corporation & Tri-Creek School Corporation)
- the project director meets quarterly with the School City of Hammond financial officer to ensure that claim requests, approvals, and disbursements are aligned and reflect the current balance sheets
- Thus, the project director creates fidelity to program goals and objectives through detailed and accurate reporting in all financial aspects of the grant

#### TRANSPARENCY

- the project director provides a detailed annual budget for each of the four participating high schools grant recipients
- the project director regularly meets with the Steering Committee, comprised of the superintendents, principals, and project coordinators from the three school corporations to discuss grant progress, address implementation issues, and discuss budgetary matters
- the project director ensures that grant recipients adheres to the federal guidelines
- the project manager communicates with grant recipients as needed on a routine basis
- the project director routinely confers with the federally assigned program officer (Inas El-Sabban, HSGI co-Team Lead, Inas.EL-Sabban@ed.gov , 202-205-3810) on all financial matters as needed
- Thus, the project director models and fosters strategic transparency at all levels and stages of the grant implementation process.

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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

<b>Finding Number:</b>	<b>2011-13 Reporting</b>
Original SBA Audit Report Number:	B40266
Fiscal Year:	July 1, 2009 to June 30, 2011
<b>Audited Contact Person:</b>	Edward Schoenfelt
Title of Contact Person:	Project Manager
Phone Number:	219-650-5307, ext. 7539

### Status of Finding:

- the project director and the grant Steering Committee developed protocols to ensure the accuracy of all records documented in the annual performance report
- the annual report utilizes the *U S. Department of Education Smaller Learning Communities Grant Performance Report* forms (*Annual Performance Report & Project Status Chart*) and established protocols to provide evidence of grant achievement along with documenting fiduciary responsibilities
- the designated grant project coordinators from the four respective high schools (Hammond HS, Morton, HS, Merrillville HS & Lowell HS) also utilize the same federally mandated grant forms (i.e. *Project Status Chart*) to report progress and fiscal accountability across the three school corporations (School City of Hammond, Merrillville Community School Corporation & Tri-Creek School Corporation)
- the Project Status Chart forms from each of the four high schools are combined to create a *Lakeshore High School Project Status Chart* on an annual basis
- the aggregate data from the *Lakeshore High School Project Status Chart* is combined with the fiscal accountability data found provided by the participating high schools/school districts to form the Lakeshore High School Project Annual Performance Report
- the *Lakeshore High School Project Annual Performance Report* includes the following federally mandated sections: A) cover & executive summary, B) Total Project and Carryover Narrative, B-2) Supplemental Award Budget Narrative, C) Challenges and Lessons Learned (Grant Project Aggregate & School Level)
- the project director aggregates all federal reports and submits them for federal review per *U S. Department of Education* guidelines to the assigned program officer (Inas El-Sabban, HSGI co-Team Lead, Inas.EL-Sabban@ed.gov , 202-205-3810)
- the project director monitors the grant budget to ensure that proposed expenditures and subsequent claims are allowable under federal code and the specific requirements for the Smaller Learning Communities grant program
- the project director monitors all SLCP balance sheets for the four high schools (Hammond HS, Morton, HS, Merrillville HS & Lowell HS) across the three school corporations (School City of Hammond, Merrillville Community School Corporation & Tri-Creek School Corporation) ensuring direct agreement among and between the school corporations and respective high schools
- the project director meets annually with the School City of Hammond financial officer to ensure that claim requests, approvals, and disbursements are aligned and in direct agreement with the official records document in local, state and federal reports
- Thus, the project director creates fidelity to program goals and objectives through detailed and accurate reporting in all financial aspects of the grant annual report, and ensures transparency throughout the fiduciary process

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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

<b>Finding Number:</b>	<b>2011-14 Supplement Versus Supplant</b>
Original SBA Audit Report Number:	B40266
Fiscal Year:	July 1, 2009 to June 30, 2011
Audited Contact Person:	Jana M. Abshire
Title of Contact Person:	Turnaround Officer
Phone Number:	219-933-2400, ext. 1515

### Status of Finding:

This finding was fully corrected immediately upon report. Scheduling and class offerings for HHS students are monitored by the SCH Chief Administrator for Curriculum and Instruction. When enrollment stabilized, students were offered additional learning time and classes through implementation of the 1003(g) grant. This grant funding period has expired so beginning in the 2013-2014 school year extra instructional support is provided through Title 1 funding.

<b>Finding Number:</b>	<b>2011-15 Activities Allowed/Allowable Costs</b>
Original SBA Audit Report Number:	B40266
Fiscal Year:	July 1, 2009 to June 30, 2011
Audited Contact Person:	Jana M. Abshire
Title of Contact Person:	Turnaround Officer
Phone Number:	219-933-2400, ext. 1515

### Status of Finding:

This finding was fully corrected immediately upon report. A Turnaround Officer was hired and monitored all goods and services for HHS to ensure that grant funding was supplementing what this school received from general fund. All grant P.O.'s were signed by this Turnaround Officer to ensure compliance with the federal regulations governing supplementing vs. supplanting until the expiration of the 1003(g) grant.

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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**Finding Number:** 2011-16 Controls  
**Original SBA Audit Report Number:** B40266  
**Fiscal Year:** July 1, 2009 to June 30, 2011

**Audited Contact Person:** Anthony Salinas  
**Title of Contact Person:** Director of Language Development Program  
**Phone Number:** 219-933-2400, ext. 2086

### Status of Finding:

School City of Hammond has contracted with Educational Consulting Services to assist the SCH Human Resources department in an extensive review on all staffing and personnel related matters throughout the corporation. The previously mentioned position of a Grants Coordinator will be developed by July 1, 2012 to review all grant related expenditures. Tighter controls and oversight placed on hiring and grant related functions will provide the additional oversight needed to address this finding. Documentation for all Federal Grants will be housed in both the Grant Department and Business Services Department. Corrective was taken.

The position of Grants Coordinator was combined with the Director of Business Services. The review of grant related expenses is done by the Grant Director and Business Services Department.

**Finding Number:** 2011-17 Allowable Activities and Allowable Costs Compliance  
**Original SBA Audit Report Number:** B40266  
**Fiscal Year:** July 1, 2009 to June 30, 2011

**Audited Contact Person:** Anthony Salinas  
**Title of Contact Person:** Director of Language Development Program  
**Phone Number:** 219-933-2400, ext. 2086

### Status of Finding:

Through the work of Educational Consulting Services a district review will be conducted that analyzes employee wages and benefits as they relate to the Board of School Trustees of the SCH approved salary schedules. The Business Department will review and ensure that overtime pay is done in accordance with the Fair Labor Standards Act. Corrective action was taken.

All other concerns as it relates to the remaining items in this finding are related to the issue of allowable activities and expenditures and reviewed by the Business Services Department and Grant Director. Also, the Grant Director contacts the state office for questionable expenses. Any unallowable expenditure are denied and immediately referred back to the Grant Director.

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Dr. Walter J. Watkins, Superintendent

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**Finding Number:** 2011-18 Cash Management Controls and Compliance

Original SBA Audit Report Number: B40266  
Fiscal Year: July 1, 2009 to June 30, 2011

Audited Contact Person: Anthony Salinas  
Title of Contact Person: Director of Language Development Program  
Phone Number: 219-933-2400, ext. 2086

Status of Finding:  
The grant terms have changed since the last audit period. The cash drawdowns are based on reimbursable expenses.

**Finding Number:** 2011-19 Period of Availability Compliance Compliance

Original SBA Audit Report Number: B40266  
Fiscal Year: July 1, 2009 to June 30, 2011

Audited Contact Person: Anthony Salinas  
Title of Contact Person: Director of Language Development Program  
Phone Number: 219-933-2400, ext. 2086

Status of Finding:

All grant terms are being adhered to as it relates to expenditures and encumbrances. The Business Services Department works with the Language Development Program Department to assure timely compliance with the grant terms.

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*Board of School Trustees*

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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**Finding Number:** 2011-20 Reporting Compliance  
**Original SBA Audit Report Number:** B40266  
**Fiscal Year:** July 1, 2009 to June 30, 2011  
**Audited Contact Person:** Anthony Salinas  
**Title of Contact Person:** Director of Language Development Program  
**Phone Number:** 219-933-2400, ext. 2086

**Status of Finding:**  
All grant terms are being adhered to as it relates to reporting of expenditures and proper submission of budget amendments. The Business Services Department works with the Language Development Program Department to assure timely compliance with the grant terms.

**Finding Number:** 2011-21 Special Tests and Provisions – Private School Participation  
**Original SBA Audit Report Number:** B40266  
**Fiscal Year:** July 1, 2009 to June 30, 2011  
**Audited Contact Person:** Anthony Salinas  
**Title of Contact Person:** Director of Language Development Program  
**Phone Number:** 219-933-2400, ext. 2086

**Status of Finding:**  
The Language Development Department has been corresponding with the applicable private schools within our district to offer services. The documentation is kept on file in the Language Development Program Office.

A handwritten signature in black ink, reading 'Alesia Y. Pritchett', written over a horizontal line.

Alesia Y. Pritchett, CPA  
Director of Business Services/Grant Management  
February 21, 2014

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## CORRECTIVE ACTION PLAN

### **FINDING 2013-1 -INTERNAL CONTROLS AND COMPLIANCE OVER SUSPENSION AND DEBARMENT REQUIREMENTS RELATED TO THE CHILD NUTRITION CLUSTER PROGRAMS**

Auditee Contact Person: Julie Boettger  
Title of Contact Person: Food Service Director  
Phone Number: 219-933-2400, ext. 1056

The bids reviewed in the audit did contain a statement, # 26 under the section entitled Bid Instructions, "Any bidder who proposes to do business with the School City of Hammond may not be under proposal for debarment, have been debarred, or suspended by a Federal agency." However, to more fully comply with Federal regulations all future bids will include a debarment/suspension certification statement for bidders to complete. In addition, all vendors issued purchase orders for Food and Nutrition purchases will be looked up on the Excluded Parties List annually and a print screen of the findings will be kept in the procurement files. A directive was given to begin this practice immediately.

### **FINDING 2013-2 - INTERNAL CONTROLS AND COMPLIANCE OVER REPORTING REQUIREMENTS RELATED TO THE CHILD NUTRITION CLUSTER**

Auditee Contact Person: Julie Boettger  
Title of Contact Person: Food Service Director  
Phone Number: 219-933-2400, ext. 1056

Corrections to the Annual Financial Report for fiscal year ending June 30, 2013 were discussed with the Department of Education, Division of School and Community Nutrition and resubmitted. To improve internal controls by providing segregation of duties, Food and Nutrition processes have been updated as follows:

- Monthly claims will be prepared by the Food and Nutrition Coordinator then reviewed by the Director of Food and Nutrition prior to being submitted. A print screen of the claim will be signed by the director and kept in the file as evidence of the review process. This will begin with the April 2014 claim.
- The Annual Financial Report will be prepared by the Director of Food and Nutrition Services. A print screen of the report and supporting documentation will be provided to the Chief Administrator for Business Services for his review. After the review, the Chief Administrator for Business Services will sign the print screen and it will be kept in the file as evidence of the review process. This will begin with the 2013-14 AFR.

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# School City of Hammond

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Dr. Walter J. Watkins, Superintendent

## **FINDING 2013-3 - INTERNAL CONTROLS AND COMPLIANCE OVER ALLOWABLE COSTS REQUIREMENTS RELATED TO THE FUND FOR THE IMPROVEMENT OF EDUCATION**

Auditee Contact Person: Ed Schoenfelt  
Title of Contact Person: Project Manager  
Phone Number: 219-926-5555, ext. #7

Grant Directors have been informed to keep track of time and effort logs for employees paid with federal funds. A semi-annual reminder has been sent to grant administrators. The Business Office will request copies of the Semi-Annual Certifications and Personnel Activity Report (PAR) at the closed of the six month period. The Improvement of Education is a four year grant, which was extended for the 2013-14 school year. There are no salaried employees paid from this year's carryover. All stipend forms are retained in the payroll department for audit. The project manager states that it was not part of the initial grant terms to track semiannual certifications for individuals paid from this grant.

## **FINDING 2013-4 - INTERNAL CONTROLS AND COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO FUND FOR THE IMPROVEMENT OF EDUCATION**

Auditee Contact Person: Ed Schoenfelt  
Title of Contact Person: Project Manager  
Phone Number: 219-926-555, ext. #7

### ***Cash Management***

In the future for direct drawn downs, the Director of Business Services will sign-off on all hard copies of the ledger (supporting documentation) prior to submission by the receipts clerk.

### ***Reporting***

The financial information is compiled by the Business Office and reviewed by the Director of Business Services prior to submission to the Project Director. The Project Director compiles the complete report and submits to the School Superintendents for review. Each School Superintendent reviews their school's report and signs-off on the Standard ED 524B Performance Report Cover Sheet each annual reporting period. This form shares the grant funds expended during this period by this school corporation and the local funds that were matched in the small learning communities grant improvement program process. In the future, a final sign-off will be done by the Director of Business Services prior to submission.

Alesia Y. Pritchett, CPA  
Director of Business Services/Grant Management  
April 22, 2014

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SCHOOL CITY OF HAMMOND  
EXIT CONFERENCE

The contents of this report were discussed on April 24, 2014, with Theophilus Boone, Jr., Chief Administrator of Business Services/Treasurer; Dr. Walter J. Watkins, Superintendent of Schools; Deborah White, President of the School Board; and Alesia Y. Pritchett, Director of Business Services/Grant Administration. The Official Response has been made a part of this report and may be found on page 88.

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## AUDIT RESULTS AND COMMENTS

### OVERDRAWN CASH BALANCES

**Auditee Contract Person**  
**Title of Contact Person**  
**Phone Number**

Theophilus Boone, Jr.  
Chief Administrator for Business Services  
(219) 933-2400, ext. 1018

One of the seven funds that were overdrawn was the Textbook Rental Fund. There are two primary reasons for this deficit over the last few audits. First, all Indiana school corporations are required to provide free textbooks to students on free and reduced lunch. However, the state's appropriation has not been adequate to pay all claims. Second, delinquent and nonpayment from parents for those that don't receive free textbooks.

Nonetheless, in the future the Business Department will monitor all cash balances on a bi-annual basis to ensure that overdrawn cash balances are addressed promptly in an effort reduce them prior to the end of the fiscal year. Lastly, additional internal procedures will be put into place to assist fund managers in maintaining balances and expenditures in accordance with State and Federal guidelines.

Alesia Y. Pritchett, CPA  
Director of Business Services/Grant Management  
April 22, 2014

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