

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

UNION TOWNSHIP SCHOOL CORPORATION
PORTER COUNTY, INDIANA

July 1, 2013 to June 30, 2015



FILED
05/24/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Pamela Buksar	07-01-13 to 06-30-16
Superintendent of Schools	John Hunter	07-01-13 to 06-30-16
President of the School Board	Michael Jessen	01-01-13 to 12-31-13
	Julie Giorgi	01-01-14 to 12-31-14
	Michael Simatovich	01-01-15 to 12-31-15
	Julie Giorgi	01-01-16 to 12-31-16



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE UNION TOWNSHIP SCHOOL
CORPORATION, PORTER COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Union Township School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2013 to June 30, 2015, and the related notes to the financial statement as listed in the Table of Contents.

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, 2013 to June 30, 2015.

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, 2013 to June 30, 2015, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

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.


Other Information

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated March 8, 2016, 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.


Paul D. Joyce, CPA
State Examiner

March 8, 2016



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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 UNION TOWNSHIP SCHOOL
CORPORATION, PORTER 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 Union Township School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2013 to June 30, 2015, and the related notes to the financial statement, and have issued our report thereon dated March 8, 2016, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

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

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as item 2015-001 and 2015-002 to be material weaknesses.

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

Compliance and Other Matters

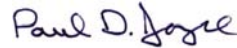
As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2015-002

Union Township School Corporation's Response to Findings

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

March 8, 2016

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

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UNION TOWNSHIP SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2014 and 2015

Fund	Cash and Investments 07-01-13	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-14	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-15
General	\$ 2,013,034	\$ 10,306,935	\$ 9,990,186	\$ -	\$ 2,329,783	\$ 10,143,649	\$ 9,682,720	\$ -	\$ 2,790,712
Referendum Tax Levy	-	686,428	504,838	-	181,590	1,270,738	1,083,198	-	369,130
Debt Service	2,661,212	3,219,859	3,251,506	-	2,629,565	3,308,219	3,278,098	121,989	2,781,675
Retirement/Severance Bond Debt Service	75,424	141,114	151,988	-	64,550	164,225	151,865	29,748	106,658
Capital Projects	841,143	1,747,666	1,718,795	-	870,014	1,727,896	1,629,143	60,097	1,028,864
School Transportation	921,084	1,724,940	1,458,173	(270,985)	916,866	1,747,169	1,494,295	(242,512)	927,228
School Bus Replacement	24,776	262,743	222,224	-	65,295	286,576	153,928	(67,605)	130,338
Rainy Day	3,731,954	27,217	233,837	270,985	3,796,319	-	617,741	380,000	3,558,578
Post-Retirement/Severance Future Benefits	170,099	-	-	-	170,099	-	-	-	170,099
Construction	-	-	-	-	-	77,643	42,673	-	34,970
School Lunch	531,353	575,991	785,090	-	322,254	562,146	595,864	-	288,536
Textbook Rental	170,243	198,087	142,369	-	225,961	195,359	274,212	-	147,108
Levy Excess	199,936	81,781	-	-	281,717	2,084	-	(281,717)	2,084
Educational License Plates	11,738	150	-	-	11,888	188	-	-	12,076
Scholarships and Awards	6,500	-	1,500	-	5,000	2,000	1,000	-	6,000
Construction, Remodeling, and Equipping Buildings	-	-	-	-	-	4,513	4,513	-	-
Wellness Program	4,556	248	4,038	-	766	3,090	2,039	-	1,817
JSS - Kids Caring for Community	-	-	-	-	-	750	-	-	750
Instruction Support	-	32,163	30,528	-	1,635	32,270	31,880	-	2,025
School Technology	2,577	10,056	12,633	-	-	9,585	9,585	-	-
Performance Based Awards	-	-	-	-	-	57,251	55,282	-	1,969
Miscellaneous Programs	-	10,468	10,436	-	32	-	32	-	-
Title I	1	102,842	102,843	-	-	105,136	105,136	-	-
Drug Free Schools	752	-	488	-	264	-	-	-	264
21st Century Learning Center	1,500	-	1,500	-	-	-	-	-	-
Improving Teaching Quality, No Child Left, Title II, Part A	-	10,178	10,177	-	1	9,406	9,406	-	1
Title III - Language Instruction	-	1,176	1,176	-	-	-	-	-	-
Totals	<u>\$ 11,367,882</u>	<u>\$ 19,140,042</u>	<u>\$ 18,634,325</u>	<u>\$ -</u>	<u>\$ 11,873,599</u>	<u>\$ 19,709,893</u>	<u>\$ 19,222,610</u>	<u>\$ -</u>	<u>\$ 12,360,882</u>

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

UNION TOWNSHIP SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

School Corporation, as used herein, shall include, but is not limited to, school townships, school towns, school cities, consolidated school corporations, joint schools, metropolitan school districts, township school districts, county schools, united schools, school districts, cooperatives, educational service centers, community schools, community school corporations, and charter schools.

The School Corporation was established under the laws of the State of Indiana. The School Corporation operates under a Board of School Trustees form of government and provides educational services.

The accompanying financial statement presents the financial information for the School Corporation.

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

Local sources which include taxes, revenue from local governmental units other than school corporations, transfer tuition, transportation fees, investment income, food services, School Corporation activities, revenue from community services activities, and other revenue from local sources.

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

UNION TOWNSHIP SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

Temporary loans which include money received from a loan obtained to pay current expenses prior to the receipt of revenue from taxes levied for that purpose. These loans, sometimes designated tax anticipation warrants, must be repaid from the next semiannual distribution of local property taxes levied for such fund.

Interfund loans which include money temporarily transferred from one fund to a depleted fund for use in paying current operating expenses. Such advancement shall not be made for a period extending beyond the budget year.

Other receipts 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.

UNION TOWNSHIP SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Interfund loans which include money temporarily transferred from one fund to a depleted fund for use in paying current operating expenses. Such advancement shall not be made for a period extending beyond the budget year.

F. Other Financing Sources and Uses

Other financing sources and uses are presented in the aggregate on the face of the financial statement. The aggregate other financing sources and uses include the following:

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.

UNION TOWNSHIP SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. *Deposits and Investments*

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

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

Note 5. *Risk Management*

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

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

Note 6. *Pension Plans*

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. Some full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the School Corporation authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

UNION TOWNSHIP SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy and Annual Pension Cost

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

B. Teachers' Retirement Fund

Plan Description

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

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

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (888) 286-3544

Funding Policy and Annual Pension Cost

The School Corporation contributes the employer's share to TRF for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995. The School Corporation currently receives partial funding, through the school funding formula, from the State of Indiana for this contribution. The employer's share of contributions for certified personnel who are not employed under a federally funded program and were hired before July 1, 1995, is considered to be an obligation of, and is paid by, the State of Indiana.

Note 7. Subsequent Event

On September 15, 2015, the School Corporation refunded the Series 2006 School Severance Bonds Series 2011 to now be titled School Severance Bonds, Series 2015. This refunding was completed with the Indiana Bond Bank. Our savings is stated to be \$78,230. This amount will be reflected in the remaining bond payments.

OTHER INFORMATION - UNAUDITED

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

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

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

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

	General	Referendum Tax Levy	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement
Cash and investments - beginning	\$ 2,013,034	\$ -	\$ 2,661,212	\$ 75,424	\$ 841,143	\$ 921,084	\$ 24,776
Receipts:							
Local sources	430,188	686,428	2,219,859	141,114	1,247,666	1,217,991	262,743
Intermediate sources	-	-	-	-	-	-	-
State sources	8,845,455	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	1,000,000	-	1,000,000	-	500,000	500,000	-
Interfund loans	-	-	-	-	-	-	-
Other	31,292	-	-	-	-	6,949	-
Total receipts	10,306,935	686,428	3,219,859	141,114	1,747,666	1,724,940	262,743
Disbursements:							
Current:							
Instruction	6,270,187	146,507	-	-	-	-	-
Support services	2,574,509	244,993	-	-	625,232	958,173	164,210
Noninstructional services	145,490	113,338	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	593,563	-	-
Debt services	1,000,000	-	3,251,506	151,988	500,000	500,000	58,014
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	9,990,186	504,838	3,251,506	151,988	1,718,795	1,458,173	222,224
Excess (deficiency) of receipts over disbursements	316,749	181,590	(31,647)	(10,874)	28,871	266,767	40,519
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(270,985)	-
Total other financing sources (uses)	-	-	-	-	-	(270,985)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	316,749	181,590	(31,647)	(10,874)	28,871	(4,218)	40,519
Cash and investments - ending	\$ 2,329,783	\$ 181,590	\$ 2,629,565	\$ 64,550	\$ 870,014	\$ 916,866	\$ 65,295

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

	Rainy Day	Post- Retirement/ Severance Future Benefits	Construction	School Lunch	Textbook Rental	Levy Excess	Educational License Plates
Cash and investments - beginning	\$ 3,731,954	\$ 170,099	\$ -	\$ 531,353	\$ 170,243	\$ 199,936	\$ 11,738
Receipts:							
Local sources	-	-	-	407,561	173,147	81,781	-
Intermediate sources	-	-	-	-	-	-	150
State sources	-	-	-	6,299	24,940	-	-
Federal sources	-	-	-	162,131	-	-	-
Temporary loans	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	27,217	-	-	-	-	-	-
Total receipts	27,217	-	-	575,991	198,087	81,781	150
Disbursements:							
Current:							
Instruction	-	-	-	-	-	-	-
Support services	9,156	-	-	87,524	142,369	-	-
Noninstructional services	-	-	-	697,566	-	-	-
Facilities acquisition and construction	224,681	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	233,837	-	-	785,090	142,369	-	-
Excess (deficiency) of receipts over disbursements	(206,620)	-	-	(209,099)	55,718	81,781	150
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	270,985	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	270,985	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	64,365	-	-	(209,099)	55,718	81,781	150
Cash and investments - ending	\$ 3,796,319	\$ 170,099	\$ -	\$ 322,254	\$ 225,961	\$ 281,717	\$ 11,888

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

	Scholarships and Awards	Construction, Remodeling, and Equipping Buildings	Wellness Program	JSS - Kids Caring for Community	Instruction Support	School Technology	Performance Based Awards
Cash and investments - beginning	\$ 6,500	\$ -	\$ 4,556	\$ -	\$ -	\$ 2,577	\$ -
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	248	-	-	-	-
State sources	-	-	-	-	32,163	10,056	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	248	-	32,163	10,056	-
Disbursements:							
Current:							
Instruction	-	-	2,255	-	30,528	-	-
Support services	-	-	1,783	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	12,633	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	1,500	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	1,500	-	4,038	-	30,528	12,633	-
Excess (deficiency) of receipts over disbursements	(1,500)	-	(3,790)	-	1,635	(2,577)	-
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,500)	-	(3,790)	-	1,635	(2,577)	-
Cash and investments - ending	\$ 5,000	\$ -	\$ 766	\$ -	\$ 1,635	\$ -	\$ -

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

	Miscellaneous Programs	Title I	Drug Free Schools	21st Century Learning Center	Improving Teaching Quality, No Child Left, Title II, Part A	Title III - Language Instruction	Totals
Cash and investments - beginning	\$ -	\$ 1	\$ 752	\$ 1,500	\$ -	\$ -	\$ 11,367,882
Receipts:							
Local sources	-	-	-	-	-	-	6,868,478
Intermediate sources	-	-	-	-	-	-	398
State sources	10,468	-	-	-	-	1,176	8,930,557
Federal sources	-	102,842	-	-	10,178	-	275,151
Temporary loans	-	-	-	-	-	-	3,000,000
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	65,458
Total receipts	10,468	102,842	-	-	10,178	1,176	19,140,042
Disbursements:							
Current:							
Instruction	10,436	102,843	488	-	5,946	-	6,569,190
Support services	-	-	-	1,500	4,231	1,176	4,814,856
Noninstructional services	-	-	-	-	-	-	956,394
Facilities acquisition and construction	-	-	-	-	-	-	830,877
Debt services	-	-	-	-	-	-	5,461,508
Nonprogrammed charges	-	-	-	-	-	-	1,500
Interfund loans	-	-	-	-	-	-	-
Total disbursements	10,436	102,843	488	1,500	10,177	1,176	18,634,325
Excess (deficiency) of receipts over disbursements	32	(1)	(488)	(1,500)	1	-	505,717
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	270,985
Transfers out	-	-	-	-	-	-	(270,985)
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	32	(1)	(488)	(1,500)	1	-	505,717
Cash and investments - ending	\$ 32	\$ -	\$ 264	\$ -	\$ 1	\$ -	\$ 11,873,599

UNION TOWNSHIP SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015

	General	Referendum Tax Levy	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement
Cash and investments - beginning	\$ 2,329,783	\$ 181,590	\$ 2,629,565	\$ 64,550	\$ 870,014	\$ 916,866	\$ 65,295
Receipts:							
Local sources	419,568	1,270,738	2,308,219	164,225	1,227,896	1,235,637	286,576
Intermediate sources	-	-	-	-	-	-	-
State sources	8,657,270	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	1,000,000	-	1,000,000	-	500,000	500,000	-
Interfund loans	-	-	-	-	-	-	-
Other	66,811	-	-	-	-	11,532	-
Total receipts	10,143,649	1,270,738	3,308,219	164,225	1,727,896	1,747,169	286,576
Disbursements:							
Current:							
Instruction	6,219,645	337,717	-	-	-	-	-
Support services	2,460,037	487,081	-	-	714,889	960,498	153,928
Noninstructional services	3,038	258,400	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	414,254	-	-
Debt services	1,000,000	-	3,278,098	151,865	500,000	533,797	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	9,682,720	1,083,198	3,278,098	151,865	1,629,143	1,494,295	153,928
Excess (deficiency) of receipts over disbursements	460,929	187,540	30,121	12,360	98,753	252,874	132,648
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	121,989	29,748	60,097	57,488	12,395
Transfers out	-	-	-	-	-	(300,000)	(80,000)
Total other financing sources (uses)	-	-	121,989	29,748	60,097	(242,512)	(67,605)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	460,929	187,540	152,110	42,108	158,850	10,362	65,043
Cash and investments - ending	\$ 2,790,712	\$ 369,130	\$ 2,781,675	\$ 106,658	\$ 1,028,864	\$ 927,228	\$ 130,338

UNION TOWNSHIP SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015
 (Continued)

	Rainy Day	Post- Retirement/ Severance Future Benefits	Construction	School Lunch	Textbook Rental	Levy Excess	Educational License Plates
Cash and investments - beginning	\$ 3,796,319	\$ 170,099	\$ -	\$ 322,254	\$ 225,961	\$ 281,717	\$ 11,888
Receipts:							
Local sources	-	-	-	353,635	167,625	2,084	-
Intermediate sources	-	-	-	-	-	-	188
State sources	-	-	-	6,336	27,734	-	-
Federal sources	-	-	-	202,175	-	-	-
Temporary loans	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	77,643	-	-	-	-
Total receipts	-	-	77,643	562,146	195,359	2,084	188
Disbursements:							
Current:							
Instruction	-	-	-	-	-	-	-
Support services	4,700	-	-	83,078	274,212	-	-
Noninstructional services	-	-	-	512,786	-	-	-
Facilities acquisition and construction	613,041	-	42,673	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	617,741	-	42,673	595,864	274,212	-	-
Excess (deficiency) of receipts over disbursements	(617,741)	-	34,970	(33,718)	(78,853)	2,084	188
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	380,000	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(281,717)	-
Total other financing sources (uses)	380,000	-	-	-	-	(281,717)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(237,741)	-	34,970	(33,718)	(78,853)	(279,633)	188
Cash and investments - ending	\$ 3,558,578	\$ 170,099	\$ 34,970	\$ 288,536	\$ 147,108	\$ 2,084	\$ 12,076

UNION TOWNSHIP SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015
 (Continued)

	Scholarships and Awards	Construction, Remodeling, and Equipping Buildings	Wellness Program	JSS - Kids Caring for Community	Instruction Support	School Technology	Performance Based Awards
Cash and investments - beginning	\$ 5,000	\$ -	\$ 766	\$ -	\$ 1,635	\$ -	\$ -
Receipts:							
Local sources	2,000	4,513	-	750	-	-	-
Intermediate sources	-	-	3,090	-	-	-	-
State sources	-	-	-	-	32,270	9,585	57,251
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>2,000</u>	<u>4,513</u>	<u>3,090</u>	<u>750</u>	<u>32,270</u>	<u>9,585</u>	<u>57,251</u>
Disbursements:							
Current:							
Instruction	-	-	600	-	31,880	-	55,282
Support services	-	-	1,439	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	4,513	-	-	-	9,585	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	1,000	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	<u>1,000</u>	<u>4,513</u>	<u>2,039</u>	<u>-</u>	<u>31,880</u>	<u>9,585</u>	<u>55,282</u>
Excess (deficiency) of receipts over disbursements	<u>1,000</u>	<u>-</u>	<u>1,051</u>	<u>750</u>	<u>390</u>	<u>-</u>	<u>1,969</u>
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,000</u>	<u>-</u>	<u>1,051</u>	<u>750</u>	<u>390</u>	<u>-</u>	<u>1,969</u>
Cash and investments - ending	<u>\$ 6,000</u>	<u>\$ -</u>	<u>\$ 1,817</u>	<u>\$ 750</u>	<u>\$ 2,025</u>	<u>\$ -</u>	<u>\$ 1,969</u>

UNION TOWNSHIP SCHOOL CORPORATION
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended June 30, 2015
(Continued)

	Miscellaneous Programs	Title I	Drug Free Schools	21st Century Learning Center	Improving Teaching Quality, No Child Left, Title II, Part A	Title III - Language Instruction	Totals
Cash and investments - beginning	\$ 32	\$ -	\$ 264	\$ -	\$ 1	\$ -	\$ 11,873,599
Receipts:							
Local sources	-	-	-	-	-	-	7,443,466
Intermediate sources	-	-	-	-	-	-	3,278
State sources	-	-	-	-	-	-	8,790,446
Federal sources	-	105,136	-	-	9,406	-	316,717
Temporary loans	-	-	-	-	-	-	3,000,000
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	155,986
Total receipts	-	105,136	-	-	9,406	-	19,709,893
Disbursements:							
Current:							
Instruction	32	105,136	-	-	9,406	-	6,759,698
Support services	-	-	-	-	-	-	5,139,862
Noninstructional services	-	-	-	-	-	-	774,224
Facilities acquisition and construction	-	-	-	-	-	-	1,084,066
Debt services	-	-	-	-	-	-	5,463,760
Nonprogrammed charges	-	-	-	-	-	-	1,000
Interfund loans	-	-	-	-	-	-	-
Total disbursements	32	105,136	-	-	9,406	-	19,222,610
Excess (deficiency) of receipts over disbursements	(32)	-	-	-	-	-	487,283
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	661,717
Transfers out	-	-	-	-	-	-	(661,717)
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(32)	-	-	-	-	-	487,283
Cash and investments - ending	\$ -	\$ -	\$ 264	\$ -	\$ 1	\$ -	\$ 12,360,882

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UNION TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2015

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 98,370</u>	<u>\$ -</u>

UNION TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2015

Description of Debt		Ending	Principal and
Type	Purpose	Principal	Interest Due
		Balance	Within One
			Year
Governmental activities:			
General obligation bonds	2010 WHS Refinance	\$ 5,288,494	\$ 1,817,450
General obligation bonds	2002 Pension Bonds	145,427	55,462
General obligation bonds	2006 Pension Bonds	785,000	100,061
General obligation bonds	2009 QSCB	1,410,000	155,000
General obligation bonds	2010 QSCB	1,582,050	144,100
General obligation bonds	2015 GO Bond	1,925,000	48,775
General obligation bonds	2015 Wheeler-Union Twp Series 2015	1,865,000	46,003
Totals		<u>\$ 13,000,971</u>	<u>\$ 2,366,851</u>

UNION TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2015

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

	Ending Balance
Governmental activities:	
Land	\$ 522,588
Buildings	22,924,624
Improvements other than buildings	922,155
Machinery, equipment, and vehicles	<u>3,757,907</u>
Total capital assets	<u>\$ 28,127,274</u>

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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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 UNION TOWNSHIP SCHOOL
CORPORATION, PORTER COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Union Township School Corporation's (School Corporation) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the period of July 1, 2013 to June 30, 2015. 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 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 programs. However, our audit does not provide a legal determination of the School Corporation's compliance.

Basis for Qualified Opinion on Child Nutrition Cluster

As described in items 2015-005, 2015-006, 2015-007, and 2015-008 in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with requirements regarding Equipment and Real Property Management, Procurement, Program Income and Special Tests and Provisions-Verifications that are applicable to its Child Nutrition Cluster. Compliance with such requirements is necessary, in our opinion, for the School Corporation to comply with requirements applicable to that program.

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

Qualified Opinion on Child Nutrition Cluster

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion* paragraph, 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 the Child Nutrition Cluster for the period of July 1, 2013 to June 30, 2015.

Unmodified Opinion on Each of the Other 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 its other major federal program identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs for the period of July 1, 2013 to June 30, 2015.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2015-004. Our opinion on the major federal programs 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 the major federal programs 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.

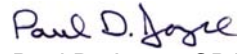
Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses 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 2015-003, 2015-004, 2015-005, 2015-006, 2015-007, 2015-008, and 2015-009 to be material weaknesses.

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

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

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


Paul D. Joyce, CPA
State Examiner

March 8, 2016

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

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UNION TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2014 and 2015

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 6/30/2014	Total Federal Awards Expended 6/30/2015
<u>Department of Agriculture</u>					
Child Nutrition Cluster					
School Breakfast Program	Indiana Department of Education	10.553	FY 13/14, FY 14/15	\$ 27,956	\$ 35,343
National School Lunch Program		10.555	FY 13/14, FY 14/15	175,493	195,434
Total - Department of Agriculture				203,449	230,777
<u>Department of Education</u>					
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010	FY 13/14, FY 14/15	102,842	105,136
Special Education Cluster					
Special Education - Grants to States	Indiana Department of Education	84.027	14212-050-PN01	2,133	-
			14213-050-PN01	68,112	2,539
			14214-050-PN01	225,829	301,335
			14215-050-PN01	1,778	4,269
Total Special Education - Grants to States				297,852	308,143
Special Education Preschool Grants	Indiana Department of Education	84.173			
			45714-050-PN01	5,148	-
			45715-050-PN01	-	4,988
Total - Special Education Preschool Grants				5,148	4,988
Total - Special Education Cluster (IDEA)				303,000	313,131
Safe and Drug-Free Schools and Communities - State Grants	Indiana Department of Education	84.186	FY 13/14	488	-
Twenty-First Century Community Learning Centers	Indiana Department of Education	84.287	FY 13/14	1,500	-
English Language Acquisition State Grants	Northwest Indiana Educational Service Center	84.365	FY 13/14	1,176	-
Improving Teacher Quality State Grants	Indiana Department of Education	84.367	FY 13/14, FY 14/15	10,177	9,406
Total - Department of Education				419,183	427,673
Total federal awards expended				\$ 622,632	\$ 658,450

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

UNION TOWNSHIP SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

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

Circular A-133 requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$500,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with Indiana Code (IC 5-11-1-25), audits of school corporations shall be conducted biennially. Such audits shall include both years within the biennial period.

Note 2. Noncash Assistance

The School Corporation expended the following amount of noncash assistance for the years ending June 30, 2014 and 2015. This noncash assistance is also included in the federal expenditures presented in the schedule.

Program Title	Federal CFDA Number	2014	2015
National School Lunch Program	10.555	\$ 41,152	\$ 28,601

Note 3. Special Education Cooperative

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

UNION TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

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

Identification of Major Programs:

Name of Federal Program or Cluster

Child Nutrition Cluster
Special Education Cluster

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

Auditee qualified as low-risk auditee?	no
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Section II - Financial Statement Findings

FINDING 2015-001 - FINANCIAL TRANSACTIONS AND REPORTING

We noted deficiencies in the internal control system of the School Corporation related to financial transactions and reporting. Control activities should be selected and developed at various levels of the School Corporation to reduce risks to the achievement of financial reporting objectives. The School Corporation has not separated incompatible activities related to cash and investments and receipts. One person issued receipts, recorded receipts, prepared the deposit tickets and reconciled the bank balances to the record balances. There was no segregation of duties, such as an oversight, review, or approval process.

UNION TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

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

FINDING 2015-002 - THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

During the audit of the SEFA, we noted the following deficiencies:

1. Child Nutrition Cluster expenditures of \$434,226 were omitted.
2. Federal awarding agencies and program names were omitted.
3. CFDA numbers were omitted.

Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA presented in this report.

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

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

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

UNION TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

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

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available. . . . "

Section III - Federal Award Findings and Questioned Costs

FINDING 2005-003 - INTERNAL CONTROLS OVER CHILD NUTRITION CLUSTER

Federal Agency: U.S. Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Years: FY 13/14, FY 14/15
Pass-Through Entity: Indiana Department of Education

The School Corporation has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the Allowable Costs-Indirect Costs, Eligibility, Suspension and Debarment, and Reporting requirements. The failure to establish an effective internal control system places the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow non-compliance 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.

Allowable Costs - Indirect costs

The School Corporation has not designed or implemented adequate policies and procedures to ensure that indirect cost rates are properly calculated and recorded. One employee was solely responsible for preparing the indirect cost calculations and transferring indirect costs from the School Lunch fund to the General fund. There was no segregation of duties, such as an oversight, review, or approval process.

UNION TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Eligibility

The School Corporation has not designed or implemented adequate policies and procedures to ensure that determinations of eligibility for free and reduced price meals are accurate. Applications were not subjected to review prior to notification of eligibility. There is no segregation of duties, such as an oversight, review, or approval process.

Suspension and Debarment

The School Corporation has not designed or implemented adequate policies and procedures to ensure that vendors selected for goods and services have not been suspended or debarred from participation in federal programs. The School Corporation relied on a consultant from a purchasing cooperative to verify compliance with suspension and debarment requirements. There was no oversight, review, or approval process over the consultant's responsibilities.

Reporting

The School Corporation has not designed or implemented adequate policies and procedures to ensure that all required reports were accurate. One employee was solely responsible for preparing and submitting all required reports. There was no segregation of duties, such as an oversight, review, or approval process.

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

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

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

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

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

FINDING 2015-004 - CASH MANAGEMENT

Federal Agency: U.S Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Years: FY 13/14, FY 14/15
Pass-Through Entity: Indiana Department of Education

UNION TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Internal Controls

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 for Cash Management. The failure to establish an effective internal control system places the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

The School Corporation has not designed or implemented adequate policies and procedures to ensure that the School Lunch fund monthly cash balances are limited to three months' average expenditures in compliance with Cash Management requirements. There is no oversight, review, or monitoring of the cash balances.

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

Compliance

The cash balance in the School Lunch fund exceeded three months' average expenditures for all twenty-four months of the audit period. For the 2013/2014 school year, the three month's average expenditures was \$155,785, the average monthly balance was \$410,830. For the 2014/2015 school year, the three month's average expenditures was \$147,821, the average monthly balance was \$314,017.

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."

7 CFR 210.9(b) states in part:

"Agreement. Each school food authority approved to participate in the program shall enter into a written agreement with the State agency that may be amended as necessary. Nothing in the preceding sentence shall be construed to limit the ability of the State agency to suspend or terminate the agreement in accordance with §210.25. If a single State agency administers any combination of the Child Nutrition Programs, that State agency shall provide each school food authority with a single agreement with respect to the operation of those programs. The agreement shall contain a statement to the effect that the 'School Food Authority and participating schools under its jurisdiction, shall comply with all provisions of 7 CFR parts 210 and 245.' This agreement shall provide that each school food authority shall, with respect to participating schools under its jurisdiction:

- (1) Maintain a nonprofit school food service and observe the requirements for and limitations on the use of nonprofit school food service revenues set forth in §210.14 and the limitations on any competitive school food service as set forth in §210.11;

UNION TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (2) Limit its net cash resources to an amount that does not exceed 3 months average expenditures for its nonprofit school food service or such other amount as may be approved in accordance with §210.19(a); . . . "

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

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

FINDING 2015-005 - EQUIPMENT AND REAL PROPERTY MANAGEMENT

Federal Agency: U.S. Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Years: FY 13/14, FY 14/15
Pass-Through Entity: Indiana Department of Education

Internal Controls

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 for Equipment and Real Property Management. The failure to establish an effective internal control system places the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

The School Corporation has not designed or implemented adequate policies and procedures to ensure that equipment purchased with federal program funds was properly recorded in the capital asset records. An oversight, review, or monitoring 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 compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the programs. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

Compliance

During the audit period, several pieces of equipment were purchased with School Lunch funds. Of the six items tested, three could not be found on the Capital Asset Inventory. In addition, the School Corporation's inventory records did not adequately identify equipment acquired with federal funds.

UNION TOWNSHIP SCHOOL CORPORATION
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."

7 CFR 3016.32 states in part:

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

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

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

We recommended that the School Corporation's management establish controls, including segregation of duties, related to the grant agreement and compliance requirements for Equipment and Real Property Management. In addition, we recommended that the School Corporation comply with the Equipment and Real Property Management requirements.

FINDING 2015-006 - PROCUREMENT

Federal Agency: U.S. Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Years: FY 13/14, FY 14/15
Pass-Through Entity: Indiana Department of Education

UNION TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Internal Controls

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 for Procurement. The failure to establish an effective internal control system places the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

The School Corporation has not designed or implemented adequate policies and procedures to ensure compliance with the Procurement requirements of the programs. The School Corporation relied on a consultant from a purchasing cooperative to perform procurement activities. There was no oversight, review, or approval process over the consultant's responsibilities.

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

Compliance

The consultant administered the bidding process and made a recommendation to the School Corporation for the winning bids; however, the School Corporation never formally approved or awarded the bids. The School Corporation also did not follow their policies and procedures for Procurement. The School Board did not approve the contracts with the vendors.

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."

7 CFR § 3016.36, states in part:

- (1) Grantees and subgrantees will use their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section.
- (2) Grantees and subgrantees will maintain a contract administration system which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders."

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

UNION TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

We recommended that the School Corporation's management establish controls, including segregation of duties, related to the grant agreement and the Procurement compliance requirements. Additionally, we recommended that the School Corporation comply with the Procurement requirements of the programs.

FINDING 2015-007 - PROGRAM INCOME

Federal Agency: U.S. Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, and 10.555
Federal Award Years: FY 13/14, FY 14/15
Pass-Through Entity: Indiana Department of Education

Internal Controls

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 requirement for Program Income. The failure to establish an effective internal control system places the School Corporation at risk of non-compliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

The School Corporation has not designed or implemented adequate policies and procedures to ensure that program income was properly recorded. An oversight, review, 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 compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the programs. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

Compliance

The School Corporation did not comply with requirements for accounting for program income generated from the operation of the food service program. All monthly receipts from sales, as well as prepayments, were recorded directly in the School Lunch fund; prepayments were not recorded in a Prepaid Food fund.

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."

UNION TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

7 CFR 210.14(c) states:

"Financial assurances. The school food authority shall meet the requirements of the State agency for compliance with § 210.19(a) including any separation of records of nonprofit school food service from records of any other food service which may be operated by the school food authority as provided in paragraph (a) of this section."

Clearing Account Number 8400 - Prepaid Food has been established to account for prepaid food. The collections are to be receipted to 8410 with 8420 representing the transfers out of the clearing account and recognition in the appropriate revenue classifications (1611 to 1614 series) in the School Lunch fund. The transfer should be made periodically and at the end of each month to appropriately classify meals (breakfast, lunch, etc.) when known (charged by student). Subsidiary records by student should be routinely reconciled to the cash balance and at month end. (The School Administrator and Uniform Compliance Guidelines Vol.183)

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

We recommended that the School Corporation establish controls, including segregation of duties, related to the grant agreement and compliance requirements for Program Income. In addition, we recommended that the School Corporation comply with the Program Income requirements.

FINDING 2015-008 SPECIAL TESTS AND PROVISIONS - VERIFICATIONS

Federal Agency: U.S. Department of Agriculture
Federal Programs: School Breakfast Program, National School Lunch Program
CFDA Numbers: 10.553, 10.555
Federal Award Years: FY 13/14, FY 14/15
Pass-Through Entity: Indiana Department of Education

Internal Controls

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

The School Corporation has not designed or implemented adequate policies and procedures to ensure that the verifications of free and reduced price meal applications were accurately determined. An oversight, review, or approval process has not been established.

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

Compliance

Upon review of the verified school lunch applications one out of the three selected for verification in November of 2014, was verified incorrectly. During a review by the Indiana Department of Education in March of 2015, the School Corporation was made aware of the error on the verification and the household was removed from reduced lunches in April of 2015.

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."

7 CFR 245.6a(c) states in part: "Verification requirement - (1) General. The local educational agency must verify eligibility of children in a sample of household applications approved for free and reduced price meal benefits for that school year. . . ."

7 CFR 210.15(b) states in part:

"*Recordkeeping summary.* In order to participate in the Program, a school food authority or a school, as applicable, must maintain records to demonstrate compliance with Program requirements.

These records include but are not limited to: . . .

- (4) Currently approved and denied applications for free and reduced price lunches and a description of the verification activities, including verified applications, and any accompanying source documentation in accordance with 7 CFR 245.6a of this Title . . .

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

We recommended that the School Corporation establish controls, including segregation of duties, related to the grant agreement and compliance requirements for Special Tests and Provisions for Verifications. In addition, we recommended that the School Corporation comply with the Special Tests and Provisions for Verifications requirements.

UNION TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2015-009 - INTERNAL CONTROLS OVER SPECIAL EDUCATION CLUSTER

Federal Agency: U.S. Department of Education

Federal Programs: Special Education_Grants to States, Special Education_Preschool Grants

CFDA Numbers: 84.027, 84.173

Federal Award Numbers and Years: 14212-050-PN01, 14213-050-PN01,
14214-050-PN01, 45215-050-PN01,
FY 13/14, FY 14/15

Pass-Through Entity: Indiana Department of Education

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

Activities Allowed and Allowable Costs/Cost Principles

Over ninety-five percent (95%) of the grant expenditures were for payroll and related benefit costs for special education personnel. One employee was responsible for the preparation, recording, and payment of the bi-weekly payroll and related benefit costs. There was no evidence of an oversight or review process. Policies or procedures have also not been designed or implemented to ensure that required periodic certifications are prepared for all personnel paid solely from federal funds or that timesheets for hourly employees indicate the program or fund from which the employee will be paid.

Level of Effort - Maintenance of Effort (MOE)

The School Corporation has not designed or implemented policies and procedures to ensure that the MOE calculation was accurate. One individual calculated and reported the MOE. An oversight, review, or approval process has not been established.

Period of Availability

The School Corporation historically expends the available funds in advance of the end of the period of availability. However, evidence of a review process was not noted to ensure that grant funds are disbursed within the period of availability and that expenditures are not made from expired grant funds.

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.

UNION TOWNSHIP SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

OMB Circular A-133, Subpart C, section .300(b) states:

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

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

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

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AUDITEE PREPARED DOCUMENT

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

Union Township School Corporation

Mr. John Hunter, ED. S.
Superintendent

Dr. Michael Stephens, PH. D.
Assistant Superintendent

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"Every Student, Every Day"

CORRECTIVE ACTION PLAN

FINDING 2015-001

Contact Person Responsible for Corrective Action: Pamela S. Buksar
Contact Phone Number: (219) 759-2531

Description of Corrective Action Plan:

Segregation of Duties

The Treasurer will complete the receipt and deposit ticket. The Treasurer will have one of the Administrative Assistants, the Assistant Superintendent or the Superintendent initial the deposit ticket to make sure that it matches the receipts and also initial the Receipt Control Document. One of the Administrative Assistants will take the deposit to the bank.

The Treasurer will complete the monthly reconciliation to the bank statement. The Superintendent or the Assistant Superintendent will check the bank statement against the ledger and sign for approval.

Anticipated Completion Date:

The receipt/deposit ticket started 2/19/16.

The bank reconciliation/ledger approval started with the January 2016 bank statement.

Pamela S. Buksar
(Signature)

Treasurer
(Title)

3/8/16
(Date)

Union Township School Corporation

Mr. John Hunter, ED. S.
Superintendent

Dr. Michael Stephens, PH. D.
Assistant Superintendent

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CORRECTIVE ACTION PLAN

FINDING 2015-002

Contact Person Responsible for Corrective Action: Pamela S. Buksar
Contact Phone Number: (219) 759-2531

Description of Corrective Action Plan:

Schedule of Expenditures of Federal Awards

Procedures have been implemented to insure the accuracy of the Schedule of Expenditures of Federal Awards for the Annual Financial Report that is reported through Gateway. The Schedule of Expenditures of Federal Awards was corrected. Going forward, the Treasurer will prepare the Schedule of Expenditures of Federal Awards and the Superintendent or the Assistant Superintendent will review and sign off on the report before it is submitted through Gateway.

Anticipated Completion Date:
Corrected January 2016

Pamela S. Buksar
(Signature)

Treasurer
(Title)

3/8/16
(Date)

Board of Trustees

Julie Giorgi, President

Robert Gilliana Jr., Vice President

Shaine Trupkovich, Secretary

Stacey Buehler, Deputy Secretary

Michael Simatovich, Member

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CORRECTIVE ACTION PLAN

FINDING 2015-003

Contact Person Responsible for Corrective Action: Pamela S. Buksar
Contact Phone Number: (219) 759-2531

Description of Corrective Action Plan:

Internal Controls Over Child Nutrition Cluster

Allowable Costs – Indirect Costs

The Treasurer previously worked with both the Indiana Department of Education and The Indiana Department of Education – Division of School and Community Nutrition Services on applying for an Indirect Cost Rate to be used for the School Lunch Program.

The application and supporting documents were approved by the Indiana Department of Education and Union Township School Corporation was given an Indirect Cost Rate for both years that were audited. The Treasurer used this rate to calculate the transfer of indirect costs from the School Lunch Fund to The General Fund. Going forward, The Treasurer will have either the Superintendent or the Assistant Superintendent review and approve the process and to approve the amount that is being transferred..

Eligibility

The process for approving or denying Free and Reduced Applications has changed. The Principal of each school will determine if the application for Free or Reduced Meals is complete and correct. The Principal will sign the application to show if the application is approved for free or reduced lunch or if the application is denied. The Principal has designated one person in his/her office to review and initial and date that the information is correct. The school secretary will then send a copy of the application to the Cafeteria Manager and to The Administration Office.

Suspension and Debarment

As a member of the Northwest Indiana Education Service Center, Union Township School Corporation participates in the annual cooperative bid for bread and milk to be used in the school lunch program. The School Corporation will research the bidder through the SAM website (System for Award Management) before requesting approval from the Board of School Trustees.

Reporting

The reporting of School Lunch is done by the corporation treasurer. The treasurer collects the Monthly Claim for Reimbursement reports from each kitchen manager. These reports are generated through Meal

Board of Trustees

Julie Giorgi, President

Robert Gilliana Jr., Vice President

Shaine Trupkovich, Secretary

Stacey Buehler, Deputy Secretary

Michael Simatovich, Member

Time. The treasurer then takes the school lunch manager's report and inputs the information into the Indiana Department of Education - Division of School and Community Nutrition Services web site. Going forward, the treasurer will have each school lunch manager initial that the input of students receiving services is the same as they turned in at the end of each month. The Annual Report is completed by the corporation treasurer and will be reviewed and approved by either the Superintendent or the Assistant Superintendent.

Anticipated Completion Date:

The monthly report was corrected February 2016.

The Annual Report will be corrected after its completion in the summer or 2016.

Pamela L. Buehler
(Signature)

Treasurer
(Title)

3/8/16
(Date)

UNION TOWNSHIP SCHOOL CORPORATION

MR. JOHN HUNTER, Ed. S.
SUPERINTENDENT

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DR. MICHAEL STEPHENS, Ph.D.
ASSISTANT SUPERINTENDENT

CORRECTIVE ACTION PLAN

FINDING 2015-004

Contact Person Responsible for Corrective Action: Pamela S. Buksar
Contact Phone Number: (219) 759-2531

Description of Corrective Action Plan:

Cash Management

Internal Controls

The School Lunch Program's cash balance is more than the allotted three month average of expenditures. This being noted, the School Corporation has implemented the use of the Indirect Cost Rate to transfer funds from the School Lunch Fund to The General Fund. We have used the Indirect Cost Rate process for the past two years. This is helping reduce the School Lunch Fund's cash balance. It should be noted that the School Lunch employees were not given an increase in their wages from 2009 through 2014. The increase they received in 2015 was not given until September 2015. This factors in to the above average three month cash balance. Also, the high school kitchen is very active in regards to catering school events. This also increases the average cash balance. Also, let it be noted that the School Lunch Fund pays for all of the kitchen repairs and new equipment purchases. We have plans on the purchase of new kitchen equipment that will further reduce the cash balance.

Union Township School Corporation is going to request from Indiana Department of Education -- Division of School and Community Nutrition to not raise school lunch prices through the Paid Equity Program for the 2016-2017 school year. Union Township School Corporation is going to purchase a new serving line and ice machine for John Simatovich Elementary School in the summer of 2016. Union Township School Corporation is going to purchase a new dishwasher and washer and dryer for Wheeler High School in the summer of 2016. Starting with the 2016-2017 school year, the ala-carte items will be priced at the same amount or slightly higher of the cost to purchase.

The Superintendent, Treasurer and Kitchen Managers will collectively monitor the cash balance on a monthly basis. They will also work closely with the Indiana Department of Education - Division of School and Community Nutrition to monitor the Paid Equity Program.

Compliance

The School Corporation will be taking into consideration the needs of kitchen equipment and repairs that will help reduce the cash balance.

Board of Trustees

Michael Simatovich, President Robert Gilliana Jr., Vice President Julie Giorgi, Secretary
Stacey Buehler, Member Shaine Trupkovich, Member

Anticipated Completion Date:

Internal Controls for the Indirect Cost Rate will be put into place the next time the program is offered.

Pamela S. Butler

(Signature)

Treasurer

(Title)

3/8/2016

(Date)

Union Township School Corporation

Mr. John Hunter, ED. S.
Superintendent

Dr. Michael Stephens, PH. D.
Assistant Superintendent

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CORRECTIVE ACTION PLAN

FINDING 2015-005

Contact Person Responsible for Corrective Action: Pamela S. Buksar
Contact Phone Number: (219) 759-2531

Description of Corrective Action Plan:

Equipment and Real Property Management

Internal Controls

The Internal Control practice that we use is as follows: The Purchasing Agent will give purchase information to the Administrative Assistant relative to the purchase of a capital asset as outlined in Policy 7455 for the purpose of adding these items to the Capital Asset inventory and tagging these purchases. Once tagged, the Purchasing Agent will review the list to ensure the Capital Asset inventory record is updated.

Compliance

The three assets that were not found in the Capital Asset Inventory Book were acquired before CBIZ Valuation conducted the inventory. Therefore, the School Corporation is in the process of recording the three pieces of equipment that were not recorded and give them asset tags.

Anticipated Completion Date:
Completed March 2016

Pamela S. Buksar
(Signature)

Treasurer
(Title)

3/8/16
(Date)

Union Township School Corporation

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Superintendent

Dr. Michael Stephens, PH. D.
Assistant Superintendent

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CORRECTIVE ACTION PLAN

FINDING 2015-006

Contact Person Responsible for Corrective Action: Pamela S. Buksar
Contact Phone Number: (219) 759-2531

Description of Corrective Action Plan:

Procurement

Internal Controls

Union Township School Corporation is a member of the Northwest Indiana Education Service Center (NWIESC). As a member of NWIESC the school corporation annually participates in a cooperative bid for milk to be used in the School Lunch Program. Acceptance of the most responsive and responsible vendors from the NWIESC cooperative bid for milk shall be recommended by the Food Service Manager to the Superintendent for presentation to the Board of School Trustees for approval. Please note that this process was done for the 2015-2016 school year with School Board Approval on 8/12/15.

Compliance

The Board of School Trustees approved the 2015-2016 Milk Bid at the 8/12/15 school board meeting.

Anticipated Completion Date:
Completed August 2015

Pamela S. Buksar
(Signature)

Treasurer
(Title)

3/8/16
(Date)

UNION TOWNSHIP SCHOOL CORPORATION

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SUPERINTENDENT

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DR. MICHAEL STEPHENS, Ph.D.

ASSISTANT SUPERINTENDENT

CORRECTIVE ACTION PLAN

FINDING 2015-007

Contact Person Responsible for Corrective Action: Pamela S. Buksar

Contact Phone Number: (219) 759-2531

Description of Corrective Action Plan:

Program Income

Internal Controls

Union Township School Corporation does not separate the pre-paid food collections from the daily receipts of the school lunch program.

In February 2016 Union Township School Corporation opened a Clearing Account for the pre-paid student account. At the end of each month the kitchen managers will send a listing to the Treasurer of student meal balances. The Treasurer will deposit the balances into the Clearing Account. At the end of the school year the balance will be reported on the Annual Financial Report. At the end of each month and at the end of the school year the Treasurer will review with each kitchen manager their balances. The Treasurer will also give the report to the Superintendent for review.

Compliance

A Pre-Paid Food clearing account has been established in the Union Township School Corporation financial accounting system. All pre-paid income will be deposited into this account as it is received. At the end of each month income will be reconciled, transferred and recorded to the appropriate income classifications in the School Lunch fund 8400 in the corporation financial system. Such income recognition by the corporation shall be evidenced by the appropriate School Lunch Record of Daily Cash Received reports and any other supporting documentation that is prepared by the School Lunch Managers. The balance of pre-paid food funds that remain in the clearing account at the end of each month shall equal the roster of student account balances as maintained in the School Lunch kitchen student account systems records. A end of the month summary roster shall be provided to the corporation office to include with the corporation monthly financial accounting reconciliation documentation. All documentation required to support the School Food Service Department financial accounting and reporting shall be maintained as required by the Food Service Department in accordance with all state, federal and corporation retention requirements.

Anticipated Completion Date:

A Pre-Paid School Lunch Clearing Account was created in February 2016.

At the end of February 2016 the Clearing Account should have the balance of Pre-Paid funds and documentation to prove the balance.

Board of Trustees

Michael Simatovich, President

Robert Gilliana Jr., Vice President

Julie Giorgi, Secretary

Stacey Buehler, Member

Shaine Trupkovich, Member

Pamela S. Perkins
(Signature)

Treasurer
(Title)

3/8/16
(Date)

UNION TOWNSHIP SCHOOL CORPORATION

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ASSISTANT SUPERINTENDENT

CORRECTIVE ACTION PLAN

FINDING 2015-008

Contact Person Responsible for Corrective Action: Pamela S. Buksar
Contact Phone Number: (219) 759-2531

Description of Corrective Action Plan:

Special Tests and Provisions - Verifications

Internal Controls

The Administrative Assistant in the Administration Office follows the State Mandated guidelines to complete the Review and Verification process for the School Lunch Program.

Once the report is completed the Administrative Assistant will review the report with the Treasurer. The Treasurer will initial for approval. After the report is entered in the School Lunch Program web-site the Treasurer will review and initial that it is correct. The Treasurer will give the completed report to the Superintendent for review.

Compliance

The Administrative Assistant that completes the Verification Report will send the report to the Treasurer for review and accuracy before the report is submitted to the Indiana Department of Education – Division of School and Community Nutrition web-site. The Treasurer will review the report for accuracy. Once the Treasurer approves the report, the Administrative Assistant will send the report to the Indiana Department of Education – Division of School and Community Nutrition web-site.

Anticipated Completion Date:

December 2016 is the next time this report is due to be completed and submitted to the Indiana Department of Education – Division of School and Community Nutrition Department.

Pamela S. Buksar
(Signature)

Treasurer
(Title)

3/8/16

(Date)

Board of Trustees

Michael Simatovich, President Robert Gilliana Jr., Vice President Julie Giorgi, Secretary
Stacey Buehler, Member Shaine Trupkovich, Member

UNION TOWNSHIP SCHOOL CORPORATION

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ASSISTANT SUPERINTENDENT

CORRECTIVE ACTION PLAN

FINDING 2015-009

Contact Person Responsible for Corrective Action: Ms Quinn Van Rys, Chief Financial Officer for Porter County Education Services Cooperative and Pamela S. Buksar, UTSC Treasurer

Contact Phone Number: Pam Buksar (219) 759-2531 Quinn Van Rys (219) 850-1911

Description of Corrective Action Plan:

Internal Controls Over Special Education Cluster

Activities Allowed and Allowable Costs/Costs Principles

Porter County Education Services (PCES) hourly employees' time sheets will be matched with the payroll accounting code report that indicates which employees were paid from which accounts. The report and time sheets will be reviewed to insure correct payment of personnel and such review evidenced by the PCES CFO (initial & date). The certified teaching staff hired by the PCES board specifically for special education are for grant eligible positions. Certified staff members and the account codes from which they are paid are also included with the payroll account code report review process.

Level of Effort – Maintenance of Effort (MOE)

PCES personnel calculate the member school corporations' MOE each fiscal year. PCES will complete the calculation, summarize the underlying data and provide that information to each member district for review/acknowledgement and evidence of such by the member district. PCES will maintain this evidenced documentation for audit review.

Period of Availability

Monthly, PCES personnel review the summary of receipts and expenditures for each grant fund. A comparison of YTD receipts, expenditures and total approved budget amounts for each grant provides on-going monitoring to determine the amount of grant funds still available for expenditure. Once the budget amount has been expended, the grant fund accounts are closed (deactivated) so that additional expenditures from a subsequent period cannot be charged to the completed grant. Such review will be evidenced by initial and date of the PCES reviewer.

Board of Trustees

Michael Simatovich, President Robert Gilliana Jr., Vice President Julie Giorgi, Secretary
Stacey Buehler, Member Shaine Trupkovich, Member

Union Township School Corporation will request electronically via email for PCES to provide these items for Union Township School Corporation personnel to review these processes for compliance. Union Township School Corporation personnel will evidence such review by signature and date on the corresponding documents.

Anticipated Completion Date:

Activities Allowed and Allowable Costs/Costs Principles was implemented with the 9/18/15 payroll.

Level of Effort-Maintenance of Effort (MOE) will be implemented during the next calculation of MOE for state reporting.

Period of Availability – This plan was in place prior to the audit review but formal evidence began September 2015.

James S. Buckner

(Signature)

Treasurer

March 8, 2016

OTHER REPORTS

In addition to this report, other reports may have been issued for the School Corporation. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.