

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

FINANCIAL STATEMENT EXAMINATION REPORT
OF
NORTHWEST INDIANA PUBLIC SCHOOL STUDY COUNCIL
LAKE COUNTY, INDIANA
July 1, 2013 to June 30, 2015



FILED
06/16/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Mark Sperling Aaron Case	07-01-13 to 11-30-14 12-01-14 to 06-30-16
President of the Study Council Board	George Letz Brian Smith Tom Cripliver	07-01-13 to 06-30-14 07-01-14 to 06-30-15 07-01-15 to 06-30-16



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE NORTHWEST INDIANA PUBLIC
SCHOOL STUDY COUNCIL, LAKE COUNTY, INDIANA

We have examined the accompanying financial statement of the Northwest Indiana Public School Study Council (Study Council), for the period of July 1, 2013 to June 30, 2015. The financial statement is the responsibility of the Study Council's management. Our responsibility is to express an opinion on the financial statement based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial statement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the Study Council 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 comprehensive 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 these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the Study Council for the period of July 1, 2013 to June 30, 2015.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the Study Council for the period of July 1, 2013 to June 30, 2015, on the basis of accounting described in Note 1.

Our examination was conducted for the purpose of forming an opinion on the Study Council's financial statement. The Schedules of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the examination procedures applied to the financial statement and, accordingly, we express no opinion on them.

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

March 29, 2016

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

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NORTHWEST INDIANA PUBLIC SCHOOL STUDY COUNCIL
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2014 and 2015

<u>Fund</u>	<u>Cash and Investments 07-01-13</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 06-30-14</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 06-30-15</u>
General	<u>\$ 32,829</u>	<u>\$ 26,827</u>	<u>\$ 14,707</u>	<u>\$ 44,949</u>	<u>\$ 38,017</u>	<u>\$ 13,477</u>	<u>\$ 69,489</u>

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

NORTHWEST INDIANA PUBLIC SCHOOL STUDY COUNCIL
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Study Council was established under the laws of the State of Indiana, pursuant to Indiana Code 35-1-1 and Indiana Code 20-5-4 on April 5, 1984. The Study Council organized for the purpose of promoting the "Joint Study of Educational Issues" and is governed by a Board of Directors.

The accompanying financial statement presents the financial information for the Study Council.

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, Study Council activities, revenue from community services activities, and other revenue from local sources.

NORTHWEST INDIANA PUBLIC SCHOOL STUDY COUNCIL
NOTES TO FINANCIAL STATEMENT
(Continued)

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 professional development and general administration.

F. Fund Accounting

The General fund is established, maintained, and reported by the Study Council and 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 Study Council. The money accounted for in the General fund may only be available for use for certain, legally restricted purposes.

Note 2. Budgets

The fund of the Study Council is not required to be budgeted.

Note 3. 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 Study Council 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.

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OTHER INFORMATION - UNAUDITED

The Study Council's Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

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

The other information presented was approved by management of the Study Council. It is presented as intended by the Study Council.

NORTHWEST INDIANA PUBLIC SCHOOL STUDY COUNCIL
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ending June 30, 2014

	<u>General</u>
Cash and investments - beginning	\$ <u>32,829</u>
Receipts:	
Local sources	25,875
Other	<u>952</u>
Total receipts	<u>26,827</u>
Disbursements:	
General administration	4,707
Professional development	<u>10,000</u>
Total disbursements	<u>14,707</u>
Deficiency of receipts over disbursements	<u>12,120</u>
Cash and investments - ending	<u><u>\$ 44,949</u></u>

NORTHWEST INDIANA PUBLIC SCHOOL STUDY COUNCIL
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ending June 30, 2015

	<u>General</u>
Cash and investments - beginning	\$ 44,949
Receipts:	
Local sources	38,000
Other	<u>17</u>
Total receipts	<u>38,017</u>
Disbursements:	
General administration	3,477
Professional development	<u>10,000</u>
Total disbursements	<u>13,477</u>
Excess of receipts over disbursements	<u>24,540</u>
Cash and investments - ending	<u><u>\$ 69,489</u></u>

OTHER REPORTS

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