

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

CLARK-PLEASANT COMMUNITY
SCHOOL CORPORATION
JOHNSON COUNTY, INDIANA

July 1, 2012 to June 30, 2014



FILED

07/08/2016

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report	3-5
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 <i>Government Auditing Standards</i>	6-7
Financial Statement and Accompanying Notes:	
Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis.....	11
Notes to Financial Statement	12-17
Other Information - Unaudited:	
Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis.....	20-29
Schedule of Payables and Receivables	31
Schedule of Leases and Debt	32
Schedule of Capital Assets.....	33
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance	36-37
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards.....	40-41
Notes to Schedule of Expenditures of Federal Awards	42
Schedule of Findings and Questioned Costs	43-50
Auditee Prepared Document:	
Corrective Action Plan	52-60
Other Reports.....	61

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Karen Canary Patty Grabhorn	07-01-12 to 06-30-15 07-01-15 to 06-30-16
Superintendent of Schools	Dr. Kevin Caress (Vacant) Dr. Rebecca Courtney-Knight (Interim) Dr. Patrick Spray	07-01-12 to 10-05-12 10-06-12 to 10-15-12 10-16-12 to 06-30-13 07-01-13 to 06-30-16
President of the School Board	Dr. E. Curtis Harris John Venter	07-01-12 to 12-31-13 01-01-14 to 12-31-16



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CLARK-PLEASANT COMMUNITY
SCHOOL CORPORATION, JOHNSON COUNTY, INDIANA

Report on the Financial Statement

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

Opinion on Regulatory Basis of Accounting

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

Other 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 April 28, 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

April 28, 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 CLARK-PLEASANT COMMUNITY
SCHOOL CORPORATION, JOHNSON COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of the Clark-Pleasant Community School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2012 to June 30, 2014, and the related notes to the financial statement, and have issued our report thereon dated April 28, 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 2014-001 to be material weaknesses.

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

Compliance and Other Matters

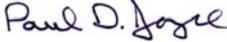
As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2014-001.

Clark-Pleasant Community School Corporation's Response to Findings

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

Purpose of This Report

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


Paul D. Joyce, CPA
State Examiner

April 28, 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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CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2013 and 2014

Fund	Cash and Investments 07-01-12	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-13	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-14
General	\$ 2,736,037	\$ 36,278,578	\$ 36,032,897	\$ 35,508	\$ 3,017,226	\$ 38,913,336	\$ 36,852,038	\$ (292,833)	\$ 4,785,691
Debt Service	3,310,118	13,351,855	13,775,508	(142,372)	2,744,093	13,608,585	13,547,255	(159,454)	2,645,969
Retirement/Severance Bond Fund	323,599	705,226	746,990	-	281,835	526,942	679,349	-	129,428
Capital Projects	3,284,469	5,012,550	5,579,501	-	2,717,518	3,456,317	3,511,987	(500,000)	2,161,848
Transportation Operating Fund	1,393,183	3,900,283	4,378,768	-	914,698	2,955,769	3,436,730	-	433,737
Transportation Bus Replacement	243,925	57,328	42,120	-	259,133	109,200	132,555	-	235,778
Rainy Day	4,500,000	-	-	-	4,500,000	-	-	500,000	5,000,000
Construction Fund	438,726	155,379	477,756	74,621	190,970	154,983	286,018	310,800	370,735
School Lunch	633,848	3,021,927	2,802,482	-	853,293	3,361,278	3,230,508	-	984,063
Textbook Rental	(153,008)	709,857	464,693	142,372	234,528	832,668	991,877	159,454	234,773
Clark-Pleasant Emp Benefit Plan	7,235,751	7,076,030	7,742,256	-	6,569,525	7,592,938	8,087,705	-	6,074,758
Educational Plate Fee	15,995	488	710	-	15,773	300	-	-	16,073
Alternative Education Fund	30,793	13,742	-	-	44,535	13,387	44,535	-	13,387
School SAFE Haven Fund	(9,509)	18,371	8,751	-	111	19,138	18,653	-	596
Johnson Co Comm Found Grant	-	800	390	-	410	-	210	-	200
Donation-Goals 2000 Celebration	5,883	36,966	38,006	-	4,843	20,116	20,090	-	4,869
Palmore Donation	16,310	-	1,500	-	14,810	-	-	-	14,810
Education Foundation	2,379	-	2,379	-	-	-	-	-	-
Student On-Line Software	-	91	-	-	91	424	-	-	515
Future Problem Solvers	-	206	-	-	206	-	-	-	206
CVS/Caremark Donation-WCHS	500	-	440	-	60	-	-	-	60
REMC-CES Outdoor Science Lab	1,361	-	(7)	-	1,368	-	722	-	646
Wal-Mart WCHS Rhythm Masters	1,000	-	648	-	352	-	-	-	352
Lowe's Toolbox for Educ Grant	905	-	-	-	905	-	628	-	277
Hospital Donations	24,600	44,973	69,573	-	-	22,500	22,500	-	-
CPI-Well Fargo Donation	300	60	-	-	360	-	-	-	360
Donation-WCHS Athletics	-	56,928	56,928	-	-	116,639	116,639	-	-
Warrior Santa W/A Cause	-	13,120	6,424	-	6,696	11,952	8,547	-	10,101
Literacy Summit	-	-	-	-	-	1,550	-	-	1,550
Extra-Curricular Activ-Revtrak	90	6,034	6,124	-	-	7,620	4,442	-	3,178
Target Grant	636	-	-	-	636	-	390	-	246
Drug Free Comm-JCASA	1,040	4,124	5,164	-	-	-	-	-	-
Simon Youth Foundation- CPA	-	1,000	681	-	319	5,449	316	-	5,452
CPR Classes	-	-	-	-	-	60	(1,355)	-	1,415
Target Grant- SWES/BES	-	-	-	-	-	2,000	1,619	-	381
Gifted & Talented	6,521	50,935	75,294	-	(17,838)	49,051	22,384	-	8,829
Medicare Reimbursement Fund	-	65,928	-	(65,928)	-	16,936	-	(16,936)	-
Non-English Speaking Program	-	22,705	17,091	-	5,614	21,393	5,395	-	21,612
School Technology-Connectivity	11,385	6,579	-	-	17,964	6,576	-	-	24,540
Classrm Innovation Tech Grant	6,738	102,449	111,681	-	(2,494)	47,974	45,480	-	-
Excess PTRC Distribution	123,012	(123,012)	-	-	-	-	-	-	-
NGA Grant	5,346	-	725	-	4,621	-	2,400	-	2,221
Title I 12-13	-	449,053	538,119	-	(89,066)	223,637	134,571	-	-
Title I 13-14	74,889	-	74,889	-	-	452,916	509,812	-	(56,896)
Medicare Reimbursement- Feder	52,269	-	54,163	31,235	29,341	-	34,071	11,038	6,308
Title II Improv Teach Quality	(30,126)	76,407	64,422	-	(18,141)	44,488	35,446	-	(9,099)
Title III - English Proficienc	(29,236)	30,804	49,063	-	(47,495)	56,024	21,882	-	(13,353)
Education Jobs Fund (Stimulus)	-	21,812	21,812	-	-	-	-	-	-
Payroll Withholding Funds	203,886	8,702,075	8,782,250	-	123,711	9,052,169	9,005,452	-	170,428
Totals	\$ 24,463,615	\$ 79,871,651	\$ 82,030,191	\$ 75,436	\$ 22,380,511	\$ 81,704,315	\$ 80,810,851	\$ 12,069	\$ 23,286,044

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

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts 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.

CLARK-PLEASANT COMMUNITY 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.

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.

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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:

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

Transfers in which includes money received by one fund as a result of transferring money from another fund. The transfers are used for cash flow purposes as provided by various statutory provisions.

Transfers out which includes money paid by one fund to another fund. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the School Corporation. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the School Corporation. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the School Corporation in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and, therefore, the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the School Corporation submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the School Corporation in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

CLARK-PLEASANT COMMUNITY 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. 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

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

B. Additional Pension Plan

The School Corporation also contributes to an additional pension plan unique to the School Corporation. Information regarding this plan may be obtained from the School Corporation.

Note 7. Negative Receipts and Disbursements

The financial statement contains some receipts and/or disbursements that appear as negative entries. This is a result of adjustments made to correct mispostings or to return Excess PTRC Distributions to their original funds.

Note 8. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of federal grant funds that are set up on a reimbursement basis. The reimbursements for expenditures made by the School Corporation were not received by June 30, 2014.

Note 9. Holding Corporations

The School Corporation has entered into a capital lease with Clark-Pleasant Multi School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments for the years ending June 30, 2013 and 2014, totaled \$1,596,500 and \$1,597,000, respectively.

The School Corporation has entered into a capital lease with Clark-Pleasant 1997 Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments for the years ending June 30, 2013 and 2014, totaled \$651,500 and \$651,500, respectively.

The School Corporation has entered into a capital lease with Clark-Pleasant Community School Corporation Building Corporation - 2001 (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments for the years ending June 30, 2013 and 2014, totaled \$2,233,500 and \$1,832,500, respectively.

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

The School Corporation has entered into a capital lease with Clark-Pleasant Intermediate School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments for the years ending June 30, 2013 and 2014, totaled \$1,606,500 and \$1,608,000, respectively.

The School Corporation has entered into capital leases with Clark-Pleasant 2004 School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments for the years ending June 30, 2013 and 2014, totaled \$3,405,500 and \$3,646,500, respectively.

The School Corporation has entered into capital leases with Clark-Pleasant Middle School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments for the years ending June 30, 2013 and 2014, totaled \$4,049,000 and \$4,101,500, respectively.

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OTHER INFORMATION - UNAUDITED

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

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

	General	Debt Service	Retirement/ Severance Bond Fund	Capital Projects	Transportation Operating Fund	Transportation Bus Replacement	Rainy Day	Construction Fund	School Lunch	Textbook Rental
Cash and investments - beginning	\$ 2,736,037	\$ 3,310,118	\$ 323,599	\$ 3,284,469	\$ 1,393,183	\$ 243,925	\$ 4,500,000	\$ 438,726	\$ 633,848	\$ (153,008)
Receipts:										
Local sources	288,763	13,351,855	570,760	3,436,940	2,835,246	57,328	-	-	1,412,699	352,500
Intermediate sources	4	-	-	-	-	-	-	-	-	-
State sources	35,949,211	-	-	-	-	-	-	-	31,255	207,232
Federal sources	-	-	-	-	-	-	-	-	1,565,802	-
Temporary loans	-	-	125,000	150,000	1,043,316	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	145,959	-	145,959
Other	40,600	-	9,466	1,425,610	21,721	-	-	9,420	12,171	4,166
Total receipts	36,278,578	13,351,855	705,226	5,012,550	3,900,283	57,328	-	155,379	3,021,927	709,857
Disbursements:										
Current:										
Instruction	24,742,986	-	-	-	-	-	-	-	-	-
Support services	10,796,441	-	-	2,602,976	2,855,431	42,120	-	-	46,425	318,734
Noninstructional services	493,470	-	-	-	-	-	-	-	2,756,057	-
Facilities acquisition and construction	-	-	-	2,076,525	-	-	-	321,974	-	-
Debt services	-	13,775,508	746,990	900,000	1,523,337	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	155,782	-	145,959
Total disbursements	36,032,897	13,775,508	746,990	5,579,501	4,378,768	42,120	-	477,756	2,802,482	464,693
Excess (deficiency) of receipts over disbursements	245,681	(423,653)	(41,764)	(566,951)	(478,485)	15,208	-	(322,377)	219,445	245,164
Other financing sources (uses):										
Sale of capital assets	815	-	-	-	-	-	-	74,621	-	-
Transfers in	34,693	-	-	-	-	-	-	-	-	142,372
Transfers out	-	(142,372)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	35,508	(142,372)	-	-	-	-	-	74,621	-	142,372
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	281,189	(566,025)	(41,764)	(566,951)	(478,485)	15,208	-	(247,756)	219,445	387,536
Cash and investments - ending	\$ 3,017,226	\$ 2,744,093	\$ 281,835	\$ 2,717,518	\$ 914,698	\$ 259,133	\$ 4,500,000	\$ 190,970	\$ 853,293	\$ 234,528

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

	Clark-Pleasant Emp Benefit Plan	Educational Plate Fee	Alternative Education Fund	School SAFE Haven Fund	Johnson Co Comm Found Grant	Donation-Goals 2000 Celebration	Palmore Donation	Education Foundation	Student On-Line Software	Future Problem Solvers
Cash and investments - beginning	\$ 7,235,751	\$ 15,995	\$ 30,793	\$ (9,509)	\$ -	\$ 5,883	\$ 16,310	\$ 2,379	\$ -	\$ -
Receipts:										
Local sources	7,037,497	-	-	-	800	25,524	-	-	91	206
Intermediate sources	-	488	-	-	-	-	-	-	-	-
State sources	-	-	13,742	18,371	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other	38,533	-	-	-	-	11,442	-	-	-	-
Total receipts	7,076,030	488	13,742	18,371	800	36,966	-	-	91	206
Disbursements:										
Current:										
Instruction	-	710	-	-	390	-	-	-	-	-
Support services	7,742,256	-	-	8,751	-	38,006	1,500	2,379	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	7,742,256	710	-	8,751	390	38,006	1,500	2,379	-	-
Excess (deficiency) of receipts over disbursements	(666,226)	(222)	13,742	9,620	410	(1,040)	(1,500)	(2,379)	91	206
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(666,226)	(222)	13,742	9,620	410	(1,040)	(1,500)	(2,379)	91	206
Cash and investments - ending	\$ 6,569,525	\$ 15,773	\$ 44,535	\$ 111	\$ 410	\$ 4,843	\$ 14,810	\$ -	\$ 91	\$ 206

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

	CVS/ Caremark Donation-WCHS	REMC-CES Outdoor Science Lab	Wal-Mart WCHS Rhythm Masters	Lowe's Toolbox For Educ Grant	Hospital Donations	CPI-Well Fargo Donation	Donation- WCHS Athletics	Warrior Santa W/A Cause	Literacy Summit	Extra- Curricular Activ- Revtrak
Cash and investments - beginning	\$ 500	\$ 1,361	\$ 1,000	\$ 905	\$ 24,600	\$ 300	\$ -	\$ -	\$ -	\$ 90
Receipts:										
Local sources	-	-	-	-	35,350	60	56,728	13,120	-	6,034
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	9,623	-	200	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	44,973	60	56,928	13,120	-	6,034
Disbursements:										
Current:										
Instruction	440	(7)	648	-	-	-	-	6,424	-	6,124
Support services	-	-	-	-	100	-	-	-	-	-
Noninstructional services	-	-	-	-	1,000	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	68,473	-	56,928	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	440	(7)	648	-	69,573	-	56,928	6,424	-	6,124
Excess (deficiency) of receipts over disbursements	(440)	7	(648)	-	(24,600)	60	-	6,696	-	(90)
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(440)	7	(648)	-	(24,600)	60	-	6,696	-	(90)
Cash and investments - ending	\$ 60	\$ 1,368	\$ 352	\$ 905	\$ -	\$ 360	\$ -	\$ 6,696	\$ -	\$ -

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

	Target Grant	Drug Free Comm- JCASA	Simon Youth Foundation-CPA	CPR Classes	Target Grant- SWES/BES	Gifted & Talented	Medicare Reimbursement Fund	Non-English Speaking Program	School Technology- Connectivity	Classrm Innovation Tech Grant
Cash and investments - beginning	\$ 636	\$ 1,040	\$ -	\$ -	\$ -	\$ 6,521	\$ -	\$ -	\$ 11,385	\$ 6,738
Receipts:										
Local sources	-	-	1,000	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	4,124	-	-	-	50,935	65,928	22,705	6,579	102,449
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	-	4,124	1,000	-	-	50,935	65,928	22,705	6,579	102,449
Disbursements:										
Current:										
Instruction	-	-	681	-	-	75,294	-	17,091	-	-
Support services	-	5,164	-	-	-	-	-	-	-	111,681
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	5,164	681	-	-	75,294	-	17,091	-	111,681
Excess (deficiency) of receipts over disbursements	-	(1,040)	319	-	-	(24,359)	65,928	5,614	6,579	(9,232)
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(65,928)	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	(65,928)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(1,040)	319	-	-	(24,359)	-	5,614	6,579	(9,232)
Cash and investments - ending	\$ 636	\$ -	\$ 319	\$ -	\$ -	\$ (17,838)	\$ -	\$ 5,614	\$ 17,964	\$ (2,494)

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

	Excess PTRC Distribution	NGA Grant	Title I 12-13	Title I 13-14	Medicare Reimbursement - Feder	Title II Improv Teach Quality	Title III - English Proficienc	Education Jobs Fund (Stimulus)	Payroll Withholding Funds	Totals
Cash and investments - beginning	\$ 123,012	\$ 5,346	\$ -	\$ 74,889	\$ 52,269	\$ (30,126)	\$ (29,236)	\$ -	\$ 203,886	\$ 24,463,615
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	29,482,501
Intermediate sources	-	-	-	-	-	-	-	-	-	492
State sources	(123,012)	-	-	-	-	-	-	-	-	36,349,519
Federal sources	-	-	449,053	-	-	76,407	30,804	21,812	-	2,143,878
Temporary loans	-	-	-	-	-	-	-	-	-	1,318,316
Interfund loans	-	-	-	-	-	-	-	-	-	301,741
Other	-	-	-	-	-	-	-	-	8,702,075	10,275,204
Total receipts	(123,012)	-	449,053	-	-	76,407	30,804	21,812	8,702,075	79,871,651
Disbursements:										
Current:										
Instruction	-	725	416,286	64,359	54,163	64,422	47,066	21,812	-	25,519,614
Support services	-	-	117,164	6,724	-	-	1,997	-	-	24,697,849
Noninstructional services	-	-	4,669	3,806	-	-	-	-	-	3,259,002
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	2,523,900
Debt services	-	-	-	-	-	-	-	-	-	16,945,835
Nonprogrammed charges	-	-	-	-	-	-	-	-	8,782,250	8,782,250
Interfund loans	-	-	-	-	-	-	-	-	-	301,741
Total disbursements	-	725	538,119	74,889	54,163	64,422	49,063	21,812	8,782,250	82,030,191
Excess (deficiency) of receipts over disbursements	(123,012)	(725)	(89,066)	(74,889)	(54,163)	11,985	(18,259)	-	(80,175)	(2,158,540)
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	75,436
Transfers in	-	-	-	-	33,249	-	-	-	-	210,314
Transfers out	-	-	-	-	(2,014)	-	-	-	-	(210,314)
Total other financing sources (uses)	-	-	-	-	31,235	-	-	-	-	75,436
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(123,012)	(725)	(89,066)	(74,889)	(22,928)	11,985	(18,259)	-	(80,175)	(2,083,104)
Cash and investments - ending	\$ -	\$ 4,621	\$ (89,066)	\$ -	\$ 29,341	\$ (18,141)	\$ (47,495)	\$ -	\$ 123,711	\$ 22,380,511

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

	General	Debt Service	Retirement/ Severance Bond Fund	Capital Projects	Transportation Operating Fund	Transportation Bus Replacement	Rainy Day	Construction Fund	School Lunch	Textbook Rental
Cash and investments - beginning	\$ 3,017,226	\$ 2,744,093	\$ 281,835	\$ 2,717,518	\$ 914,698	\$ 259,133	\$ 4,500,000	\$ 190,970	\$ 853,293	\$ 234,528
Receipts:										
Local sources	318,087	13,608,585	526,942	3,388,765	2,936,258	109,200	-	-	1,401,974	388,750
Intermediate sources	10	-	-	-	-	-	-	-	-	-
State sources	38,524,314	-	-	-	-	-	-	-	34,584	215,916
Federal sources	-	-	-	-	-	-	-	-	1,688,705	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	53,320	221,108	221,108
Other	70,925	-	-	67,552	19,511	-	-	101,663	14,907	6,894
Total receipts	<u>38,913,336</u>	<u>13,608,585</u>	<u>526,942</u>	<u>3,456,317</u>	<u>2,955,769</u>	<u>109,200</u>	<u>-</u>	<u>154,983</u>	<u>3,361,278</u>	<u>832,668</u>
Disbursements:										
Current:										
Instruction	24,850,605	-	-	-	-	-	-	-	-	-
Support services	11,433,929	-	-	1,863,767	2,915,072	132,555	-	-	27,605	770,769
Noninstructional services	567,504	-	-	-	-	-	-	-	2,981,795	-
Facilities acquisition and construction	-	-	-	1,498,220	-	-	-	212,832	-	-
Debt services	-	13,547,255	679,349	150,000	521,658	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	73,186	221,108	221,108
Total disbursements	<u>36,852,038</u>	<u>13,547,255</u>	<u>679,349</u>	<u>3,511,987</u>	<u>3,436,730</u>	<u>132,555</u>	<u>-</u>	<u>286,018</u>	<u>3,230,508</u>	<u>991,877</u>
Excess (deficiency) of receipts over disbursements	<u>2,061,298</u>	<u>61,330</u>	<u>(152,407)</u>	<u>(55,670)</u>	<u>(480,961)</u>	<u>(23,355)</u>	<u>-</u>	<u>(131,035)</u>	<u>130,770</u>	<u>(159,209)</u>
Other financing sources (uses):										
Sale of capital assets	1,269	-	-	-	-	-	-	10,800	-	-
Transfers in	5,898	-	-	-	-	-	500,000	300,000	-	159,454
Transfers out	(300,000)	(159,454)	-	(500,000)	-	-	-	-	-	-
Total other financing sources (uses)	<u>(292,833)</u>	<u>(159,454)</u>	<u>-</u>	<u>(500,000)</u>	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>310,800</u>	<u>-</u>	<u>159,454</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,768,465</u>	<u>(98,124)</u>	<u>(152,407)</u>	<u>(555,670)</u>	<u>(480,961)</u>	<u>(23,355)</u>	<u>500,000</u>	<u>179,765</u>	<u>130,770</u>	<u>245</u>
Cash and investments - ending	<u>\$ 4,785,691</u>	<u>\$ 2,645,969</u>	<u>\$ 129,428</u>	<u>\$ 2,161,848</u>	<u>\$ 433,737</u>	<u>\$ 235,778</u>	<u>\$ 5,000,000</u>	<u>\$ 370,735</u>	<u>\$ 984,063</u>	<u>\$ 234,773</u>

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

	Clark-Pleasant Emp Benefit Plan	Educational Plate Fee	Alternative Education Fund	School SAFE Haven Fund	Johnson Co Comm Found Grant	Donation-Goals 2000 Celebration	Palmore Donation	Education Foundation	Student On-Line Software	Future Problem Solvers
Cash and investments - beginning	\$ 6,569,525	\$ 15,773	\$ 44,535	\$ 111	\$ 410	\$ 4,843	\$ 14,810	\$ -	\$ 91	\$ 206
Receipts:										
Local sources	7,296,340	-	-	-	-	20,116	-	-	424	-
Intermediate sources	-	300	-	-	-	-	-	-	-	-
State sources	-	-	13,387	19,138	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other	296,598	-	-	-	-	-	-	-	-	-
Total receipts	7,592,938	300	13,387	19,138	-	20,116	-	-	424	-
Disbursements:										
Current:										
Instruction	-	-	44,535	-	210	-	-	-	-	-
Support services	8,087,705	-	-	18,653	-	20,090	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	8,087,705	-	44,535	18,653	210	20,090	-	-	-	-
Excess (deficiency) of receipts over disbursements	(494,767)	300	(31,148)	485	(210)	26	-	-	424	-
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(494,767)	300	(31,148)	485	(210)	26	-	-	424	-
Cash and investments - ending	\$ 6,074,758	\$ 16,073	\$ 13,387	\$ 596	\$ 200	\$ 4,869	\$ 14,810	\$ -	\$ 515	\$ 206

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

	CVS/ Caremark Donation-WCHS	REMC-CES Outdoor Science Lab	Wal-Mart WCHS Rhythm Masters	Lowe's Toolbox For Educ Grant	Hospital Donations	CPI-Well Fargo Donation	Donation- WCHS Athletics	Warrior Santa W/A Cause	Literacy Summit	Extra- Curricular Activ- Revtrak
Cash and investments - beginning	\$ 60	\$ 1,368	\$ 352	\$ 905	\$ -	\$ 360	\$ -	\$ 6,696	\$ -	\$ -
Receipts:										
Local sources	-	-	-	-	22,500	-	23,000	11,952	1,550	7,620
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	93,639	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	22,500	-	116,639	11,952	1,550	7,620
Disbursements:										
Current:										
Instruction	-	722	-	628	-	-	-	8,547	-	4,442
Support services	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	2,047	-	63,320	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	20,453	-	53,319	-	-	-
Total disbursements	-	722	-	628	22,500	-	116,639	8,547	-	4,442
Excess (deficiency) of receipts over disbursements	-	(722)	-	(628)	-	-	-	3,405	1,550	3,178
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(722)	-	(628)	-	-	-	3,405	1,550	3,178
Cash and investments - ending	\$ 60	\$ 646	\$ 352	\$ 277	\$ -	\$ 360	\$ -	\$ 10,101	\$ 1,550	\$ 3,178

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

	Target Grant	Drug Free Comm- JCASA	Simon Youth Foundation-CPA	CPR Classes	Target Grant- SWES/BES	Gifted & Talented	Medicare Reimbursement Fund	Non-English Speaking Program	School Technology- Connectivity	Classrm Innovation Tech Grant
Cash and investments - beginning	\$ 636	\$ -	\$ 319	\$ -	\$ -	\$ (17,838)	\$ -	\$ 5,614	\$ 17,964	\$ (2,494)
Receipts:										
Local sources	-	-	5,449	60	2,000	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	49,051	16,936	21,393	6,576	47,974
Federal sources	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	5,449	60	2,000	49,051	16,936	21,393	6,576	47,974
Disbursements:										
Current:										
Instruction	390	-	316	-	1,619	22,384	-	5,395	-	-
Support services	-	-	-	(1,355)	-	-	-	-	-	45,480
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	390	-	316	(1,355)	1,619	22,384	-	5,395	-	45,480
Excess (deficiency) of receipts over disbursements	(390)	-	5,133	1,415	381	26,667	16,936	15,998	6,576	2,494
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(16,936)	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	(16,936)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(390)	-	5,133	1,415	381	26,667	-	15,998	6,576	2,494
Cash and investments - ending	\$ 246	\$ -	\$ 5,452	\$ 1,415	\$ 381	\$ 8,829	\$ -	\$ 21,612	\$ 24,540	\$ -

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

	Excess PTRC Distribution	NGA Grant	Title I 12-13	Title I 13-14	Medicare Reimbursement - Feder	Title II Improv Teach Quality	Title III - English Proficienc	Education Jobs Fund (Stimulus)	Payroll Withholding Funds	Totals
Cash and investments - beginning	\$ -	\$ 4,621	\$ (89,066)	\$ -	\$ 29,341	\$ (18,141)	\$ (47,495)	\$ -	\$ 123,711	\$ 22,380,511
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	30,069,572
Intermediate sources	-	-	-	-	-	-	-	-	-	310
State sources	-	-	-	-	-	-	-	-	-	38,949,269
Federal sources	-	-	223,637	452,916	-	44,488	56,024	-	-	2,465,770
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	589,175
Other	-	-	-	-	-	-	-	-	9,052,169	9,630,219
Total receipts	-	-	223,637	452,916	-	44,488	56,024	-	9,052,169	81,704,315
Disbursements:										
Current:										
Instruction	-	2,400	105,157	363,942	34,071	35,446	19,167	-	-	25,499,976
Support services	-	-	28,537	140,515	-	-	2,715	-	-	25,486,037
Noninstructional services	-	-	877	5,355	-	-	-	-	-	3,555,531
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	1,776,419
Debt services	-	-	-	-	-	-	-	-	-	14,898,262
Nonprogrammed charges	-	-	-	-	-	-	-	-	9,005,452	9,005,452
Interfund loans	-	-	-	-	-	-	-	-	-	589,174
Total disbursements	-	2,400	134,571	509,812	34,071	35,446	21,882	-	9,005,452	80,810,851
Excess (deficiency) of receipts over disbursements	-	(2,400)	89,066	(56,896)	(34,071)	9,042	34,142	-	46,717	893,464
Other financing sources (uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	12,069
Transfers in	-	-	-	-	11,038	-	-	-	-	976,390
Transfers out	-	-	-	-	-	-	-	-	-	(976,390)
Total other financing sources (uses)	-	-	-	-	11,038	-	-	-	-	12,069
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(2,400)	89,066	(56,896)	(23,033)	9,042	34,142	-	46,717	905,533
Cash and investments - ending	\$ -	\$ 2,221	\$ -	\$ (56,896)	\$ 6,308	\$ (9,099)	\$ (13,353)	\$ -	\$ 170,428	\$ 23,286,044

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CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2014

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 1,027,480</u>	<u>\$ 79,348</u>

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2014

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Clark-Pleasant Multi School Building Corporation	Clark-Pleasant Multi-School Refunding	\$ 1,597,000	4/13/2006	1/15/2018
Clark-Pleasant 1997 Building Corporation	Clark-Pleasant Middle School Refunding	651,745	7/15/2006	1/15/2024
Clark-Pleasant Community School Corporation Building Corporation - 2001	WCHS/WES	1,830,869	7/15/2012	7/15/2026
Clark-Pleasant Intermediate Schoool Building Corporation	Clark Pleasant Intermediate	1,603,000	1/15/2013	1/15/2027
Clark-Pleasant 2004 School Building Corporation	Admin./Operations Center	1,891,463	1/15/2013	1/15/2026
Clark-Pleasant 2004 School Building Corporation	Pleaant Crossing (West)	1,832,493	1/15/2015	1/15/2028
Central Nine Career Center	Central Nine Career Center	77,798	1/15/2008	7/15/2018
Clark-Pleasant Middle School Building Corporation	New Middle School	3,603,000	1/15/2011	1/15/2029
Clark-Pleasant Middle School Building Corporation	WCHS/CPMS-QSCB	490,000	1/15/2011	7/15/2026

Type	Description of Debt	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:				
General obligation bonds	School Pension Bonds - 2001		\$ 750,000	\$ 240,565
General obligation bonds	School Pension Bonds - 2005		2,860,000	334,313
Notes and loans payable	Common School Fund - Technology		<u>21,866</u>	<u>22,030</u>
Totals			<u>\$ 3,631,866</u>	<u>\$ 596,908</u>

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2014

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

	Ending Balance
Governmental activities:	
Land	\$ 4,689,434
Infrastructure	175,980
Buildings	250,184,775
Improvements other than buildings	3,425,705
Machinery, equipment, and vehicles	9,177,863
Total governmental activities	267,653,757
Total capital assets	\$ 267,653,757

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE CLARK-PLEASANT COMMUNITY
SCHOOL CORPORATION, JOHNSON COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2014-002, 2014-003, and 2014-004. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control over Compliance

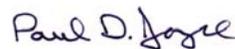
Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over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

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2014-002, 2014-003, 2014-004, 2014-005, and 2014-006 to be material weaknesses.

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

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


Paul D. Joyce, CPA
State Examiner

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2013 and 2014

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-13	Total Federal Awards Expended 06-30-14
<u>Department of Agriculture</u>					
Child Nutrition Cluster					
School Breakfast Program	Indiana Department of Education	10.553	FY 2013 FY 2014	\$ 271,569 -	\$ - 283,954
Total - School Breakfast Program				<u>271,569</u>	<u>283,954</u>
National School Lunch Program	Indiana Department of Education	10.555	FY 2013 FY 2014	1,457,178 -	- 1,532,226
Total - National School Lunch Program				<u>1,457,178</u>	<u>1,532,226</u>
Summer Food Service Program for Children	Indiana Department of Education	10.559	FY 2013 FY 2014	39,483 -	- 45,442
Total - Summer Food Service Program for Children				<u>39,483</u>	<u>45,442</u>
Total - Child Nutrition Cluster				<u>1,768,230</u>	<u>1,861,622</u>
Total - Department of Agriculture				<u>1,768,230</u>	<u>1,861,622</u>
<u>Department of Education</u>					
Title I, Part A Cluster					
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010			
Title I 12-13 (FY 12)			#13-4145	449,053	243,350
Title I 13-14 (FY13)			#14-4145	-	433,203
Total - Title I, Part A Cluster				<u>449,053</u>	<u>676,553</u>
Special Education Cluster (IDEA)					
Special Education_ Grants to States	Indiana Department of Education	84.027			
			14211-033-PN01	531	-
			14212-033-PN01	355,679	286
			14213-033-PN01	780,889	313,978
			14214-033-PN01	-	812,329
			99914-033-TA01	-	12,358
Total - Special Education_ Grants to States				<u>1,137,099</u>	<u>1,138,951</u>

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

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2013 and 2014
(Continued)

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-13	Total Federal Awards Expended 06-30-14
<u>Department of Education (continued)</u>					
Special Education Cluster (IDEA) (continued)					
Special Education_ Preschool Grants	Indiana Department of Education	84.173			
			45712-033-PN01	135	-
			45713-033-PN01	25,473	524
			45714-033-PN01	-	17,294
				<u>25,608</u>	<u>17,818</u>
Total - Special Education - Preschool Grants				<u>25,608</u>	<u>17,818</u>
Total - Special Education Cluster (IDEA)				<u>1,162,707</u>	<u>1,156,769</u>
English Language Acquisition State Grants					
English Language Acquisition State Grants	Indiana Department of Education	84.365			
Title III 11-12			51112-101	30,804	-
Title III 12-13			01113-035-PN01	-	33,950
Title III 13-15			0114-011-PN01	-	22,074
				<u>30,804</u>	<u>56,024</u>
Total - English Language Acquisition State Grants				<u>30,804</u>	<u>56,024</u>
Improving Teacher Quality State Grants					
Improving Teacher Quality State Grants	Indiana Department of Education	84.367			
Title II Part A			FY 10-11	9,886	-
			FY 11-12	66,521	-
			FY 12-13	-	44,488
				<u>76,407</u>	<u>44,488</u>
Total - Improving Teacher Quality State Grants				<u>76,407</u>	<u>44,488</u>
Education Jobs Fund					
Education Jobs Fund	Indiana Department of Education	84.410	S410A100015	21,812	-
Total - Department of Education				<u>1,740,783</u>	<u>1,933,834</u>
<u>Department of Health and Human Services</u>					
Medicaid Cluster					
Medical Assistance Program	Indiana Family and Social Services Administration	93.778			
			FY13	42,294	-
			FY14	-	10,867
				<u>42,294</u>	<u>10,867</u>
Total - Department of Health and Human Services				<u>42,294</u>	<u>10,867</u>
Total federal awards expended				<u>\$ 3,551,307</u>	<u>\$ 3,806,323</u>

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

CLARK-PLEASANT COMMUNITY 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, 2013 and 2014. This noncash assistance is also included in the federal expenditures presented in the SEFA.

Program Title	Federal CFDA Number	2013	2014
National School Lunch Program	10.555	\$ 195,618	\$ 168,524

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.

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

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

Identification of Major Programs:

Name of Federal Program or Cluster

Child Nutrition Cluster
Title I, Part A Cluster
Special Education Cluster (IDEA)

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

Auditee qualified as low-risk auditee? no

Section II - Financial Statement Findings

FINDING 2014-001 - PREPARATION OF 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 did not have procedures in place to ensure that the SEFA was accurate and complete. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected.

During the audit of the SEFA, the following errors were noted: The Child Nutrition Cluster, Special Education Cluster (IDEA), Medical Assistance Program, and English Language Acquisition State Grants were omitted from the SEFA for both years of the audit period. The Title I Grants to Local Educational Agencies, Improving Teacher Quality State Grants, and Education Jobs Fund grants for the year ending June 30, 2013, were omitted from the SEFA. Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA presented in this report.

CLARK-PLEASANT COMMUNITY 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 Indiana Public School Corporations, Chapter 9)

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

"The auditee shall: . . . (d) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with section .310."

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

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

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.
- (4) Include notes that describe the significant accounting policies used in preparing the schedule.
- (5) To the extent practical, pass-through entities should identify in the schedule the total amount provided to subrecipients from each Federal program.
- (6) Include, in either the schedule or a note to the schedule, the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the schedule."

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III - Federal Award Findings and Questioned Costs

FINDING 2014-002 - PROCUREMENT AND SUSPENSION AND DEBARMENT

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, National School Lunch Program,
Summer Food Service Program for Children

CFDA Numbers: 10.553, 10.555, 10.559

Federal Award Numbers and Years (or Other Identifying Number): FY 2013, FY 2014

Pass-Through Entity: Indiana Department of Education

Management of the School Corporation had not established an effective internal control system related to the Procurement and Suspension and Debarment compliance requirement.

The School Corporation is one of nine School Corporations that comprise the Southern Indiana Commodity Cooperative (Cooperative). These nine School Corporations entered into an interlocal agreement to create cost and administrative savings related to the Child Nutrition Cluster programs. The Cooperative administers the procurement process; however, the individual member School Corporations purchase their own food and related supplies.

The Cooperative had not designed or implemented adequate internal controls, policies, and procedures related to the Procurement and Suspension and Debarment compliance requirement that apply to vendor selection. Bids were solicited and contracts were awarded but formal contracts were not provided for audit inspection. Additionally, neither the Cooperative nor the School Corporation had procedures in place to ensure compliance with Suspension and Debarment regulations before the School Corporation entered into covered transactions. No audit evidence was presented that School Corporation staff verified that the six food service vendors were not suspended or debarred.

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(b)(1) states:

"Grantees and sub grantees 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."

Indiana Code 5-22-7-8 states: "A contract must be awarded with reasonable promptness by written notice to the lowest responsible and responsive bidder."

2 CRF 180.300 states:

"What must I do before I enter into a covered transaction with another person at the next lower tier?

When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified.

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

You do this by:

- (a) Checking the EPLS; or
- (b) Collecting a certification from that person; or
- (c) Adding a clause or condition to the covered transaction with that person."

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

We recommended that the School Corporation's management establish controls and oversight related to Procurement and Suspension and Debarment.

FINDING 2014-003 - ALLOWABLE COSTS/COST PRINCIPLES

Federal Agency: Department of Education
Federal Program: Title I Grants to Local Educational Agencies
CFDA Number: 84.010
Federal Award Number and Year (or Other Identifying Number): #13-4145
Pass-Through Entity: Indiana Department of Education

The School Corporation had not established an effective internal control system related to the grant agreement and the Allowable Costs/Cost Principles compliance requirement that has a direct and material effect to the program.

The School Corporation had not designed or implemented adequate policies or procedures to ensure that semiannual certifications are in compliance with the program requirement. Semiannual certifications for the 2012-2013 school year were not provided for audit.

OMB Circular A 87, Attachment B, item 8(h)(3), states in part:

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

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 enabled material noncompliance to go undetected. Non-compliance with the grant agreement or the compliance requirement that have a direct and material effect to the programs could have resulted in the loss of federal funds to the School Corporation.

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

We recommended that the School Corporation establish effective internal controls including communication and monitoring over the Allowable Costs/Cost Principles compliance requirement.

FINDING 2014-004 - EARMARKING

Federal Agency: Department of Education

Federal Program: Title I Grants to Local Educational Agencies

CFDA Number: 84.010

Federal Award Numbers and Years (or Other Identifying Number): #13-4145, #14-4145

Pass-Through Entity: Indiana Department of Education

Management of the School Corporation had not established effective internal controls over Earmarking.

The School Corporation was required to use one percent of their grant allocation to pay for parental involvement activities. The School Corporation was required to allocate \$6,924 for the FY 2012 grant and \$5,904 for the FY 2013 grant. The actual amounts spent were \$5,546 by the FY 2012 grant and \$4,065 by the FY 2013 grant. This resulted in a shortfall of \$1,378 for the FY 2012 grant and a shortfall of \$1,839 for the FY 2013 grant.

The Title I Fiscal Handbook provided by Indiana Department of Education on Title I Set-Asides states:

"Certain reservations or set-asides are required for LEAs. Some set-asides are *mandatory*, with the percentage of the current allocation determined by NCLB requirements. Others are at the discretion of the LEA. Neglected is determined by the amount stated on the Allocation letter. All set-asides should be deducted from the total allocation (Basic, Targeted, EFIG, Concentration) before determining the amount of money that goes to each school served."

Parent Involvement Set-Asides is required. The Title I Fiscal Handbook states: "An LEA must reserve 1% of its grant allocation if the allocation is \$500,000 or above. 95% of the 1% must be budgeted at the school level."

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 adequate internal controls over Earmarking for parental involvement enabled material noncompliance to go undetected. Noncompliance with the Earmarking compliance requirement could result in the loss of federal funds to the School Corporation.

We recommended that the School Corporation establish effective internal controls including communication and monitoring over the parental involvement Earmarking requirement.

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2014-005 - SPECIAL TESTS AND PROVISIONS - PAID LUNCH EQUITY

Federal Agency: Department of Agriculture
Federal Program: National School Lunch Program
CFDA Number: 10.555
Federal Award Number and Year (or Other Identifying Number): FY 2013
Pass-Through Entity: Indiana Department of Education

Management of the School Corporation had not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the Special Test and Provision requirement regarding Paid Lunch Equity. The School Lunch Director was aware of the compliance requirements related to Paid Lunch Equity for the Child Nutrition Cluster; however, no formal internal control system had been established and implemented.

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

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 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 have enabled material noncompliance to go undetected. Noncompliance with the grant agreement or the compliance requirement 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 requirement listed above.

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

***FINDING 2014-006 - CASH MANAGEMENT, LEVEL OF EFFORT,
REPORTING, AND PERIOD OF AVAILABILITY***

Federal Agency: 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 (or Other Identifying Number): 14211-033-PN01, 14212-033-PN01,
14213-033-PN01, 14214-033-PN01,
99914-033-TA01, 45712-033-PN01,
45713-033-PN01, 45714-033-PN01

Pass-Through Entity: Indiana Department of Education

Management of the School Corporation had not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the following compliance requirements: Cash Management, Level of Effort, Period of Availability, and Reporting.

The School Corporation is one of the eight member School Corporations of Special Services Johnson County and Surrounding Schools Special Education Cooperative (Cooperative). The Cooperative is the fiscal agent for the participating School Corporations.

Cash Management and Reporting

The Treasurer prepares the cash reimbursement reports from the software reports and retains those reports in the file. There were no controls in place to ensure that the cash reimbursement reports were accurate.

Level of Effort

The School Corporation must submit a pre-application spreadsheet, which includes the Excess Cost Calculator and the Maintenance of Effort worksheets. The School Corporation's financial managers prepare these spreadsheets. There were no controls in place to ensure the accuracy of the spreadsheets prior to submitting.

Period of Availability

The School Corporation had not designed or implemented adequate policies or procedures to ensure that grant funds would be properly encumbered and spent by the end of the 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.

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.

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the programs. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

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

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

The failure to establish internal controls could have enabled 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 Corporations management establish controls, including segregation of duties, related to the grant agreement and compliance requirements listed above.

AUDITEE PREPARED DOCUMENT

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



CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION

50 Center Street • Whiteland, Indiana 46184-1698 • (317)535-7579 • FAX (317)535-4931

CLARK-PLEASANT COMMUNITY SCHOOL CORPORATION CORRECTIVE ACTION PLAN

Finding Number 2014-001

PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Auditee Contact Person	Patty Grabhorn
Title of Contact Person	Treasurer
Phone Number	317-535-7579

Corrective Action:

The School District has developed a tracking and reporting tool for the Schedule of Expenditures and Federal Awards. The Corporation Treasurer will update the SEFA appropriately and have available for future audits and provide to the Director of Business the SEFA to upload the required information into the Gateway system.



VISION ... EXCELLENCE

Finding Number 2014-002

PROCUREMENT AND SUSPENSION AND DEBARMENT

Auditee Contact Person	Kim Combs
Title of Contact Person	Director of Food Service
Phone Number	317-535-7579

Corrective Action:

In order to comply fully with internal controls related to procurement, suspension, and debarment, the following procedures are being implemented.

- The Cooperative will develop and implement policies and procedures to ensure compliance with all procurement, suspension, and debarment rules.
- All vendors from which purchases are made will be checked annually by the Food Service Department for compliance with suspension and debarment regulations. The IDOA site will be checked annually by the Food Service Department for the list of vendors currently suspended from doing business in the State of Indiana. The SAM (System for Award Management) site will be searched by vendor to check suspension or debarment with federal agencies. In addition, each vendor will be sent suspension and debarment documents that must be returned indicating that they are not prohibited from doing business either with either the State of Indiana or Federal agencies. This documentation will be shared with all corporations who are a part of the Cooperative.
- For transactions/purchases not covered with Cooperative bids, all State and Federal procurement guidelines will be followed as outlined in 2 CFR Part 200 Procurement Standards.
- A memo dated November 13, 2015 was received from USDA related to guidance on competitive procurement standards for program operators. The section cited in this memo, 7 CFR Part 210.21 has been reviewed by the Food Service Department to ensure that our program is conducting procurement transactions in accordance with governing regulations.

Finding Number 2014-003

ALLOWABLE COSTS/COST PRINCIPLES

Auditee Contact Person	Shelley Gies
Title of Contact Person	Director of Curriculum & Instruction
Phone Number	317-535-7579

Corrective Action:

The District will review internal controls and be sure they are being followed. Specific internal control areas to be reviewed and addressed with staff:

- Review of the Title I Fiscal Handbook provided by the Indiana Department of Education by the Business Office, Curriculum and Instruction Department, and Principals in order to comply with regulations as outlined.
- Curriculum and Instruction Department will implement internal controls to insure federal reports such as semi-certification reports and student rosters are completed and maintained for supporting documentation:
 - Semi-Certification: Curriculum and Instruction Department complete the forms and share with Principals for review and signatures. Forms are then maintained for documentation support
 - Student Rosters: Principals and Instructional Coaches submit rosters to Curriculum and Instruction Department. Rosters are entered into student management software by Curriculum and Instruction Department. Once entered, rosters are then reviewed by Principals and Instructional Coaches for accuracy.

Finding Number 2014-004

MATCHING LEVEL OF EFFORT, AND EARMARKING

Auditee Contact Person	Shelley Gies
Title of Contact Person	Director of Curriculum & Instruction
Phone Number	317-535-7579

Corrective Action:

The District will review internal controls and be sure they are being followed. Specific internal control areas to be reviewed and addressed with staff:

- Review of the Title I Fiscal Handbook provided by the Indiana Department of Education by the Business Office, Curriculum and Instruction Department, and Principals in order to comply with regulations including but not limited to Earmarking for parental involvement.
- Curriculum and Instruction Department will verify expenditures with Principals and approve all expenditures.
- Corporation Treasurer will review with the Curriculum and Instruction Department claim requests to verify accuracy.
- Corporation Treasurer will provide financial information regarding grant reimbursement requests, grant expenditures, and remaining balances to spend the Curriculum and Instruction Department. The Curriculum and Instruction Department will monitor balances and communicate with the Principals.

Finding Number 2014-005

SPECIAL TESTS AND PROVISIONS PAID LUNCH EQUITY

Auditee Contact Person	Kim Combs
Title of Contact Person	Director of Food Service
Phone Number	317-535-7579

Corrective Action:

The District will review internal controls and be sure they are being followed. Specific internal control areas to be reviewed with staff:

- **Paid Lunch Equity:** As part of the annual review process of establishing lunch prices, the Director of Food Service will submit lunch equity calculation documentation to the Assistant Superintendent, who is responsible for supervision of the Food Service Department. Once reviewed by the Assistant Superintendent, the lunch equity documentation will be shared with the Business Department.



*Special Services Johnson County and Surrounding Schools
500 Earlywood Drive, Franklin, Indiana 46131*

Corrective Action Plan

Section III - Federal Award Findings and Questioned Costs

Finding 2013-001 - Internal Control Over Special Education Cluster

Finding 2014-001 - Internal Control Over Special Education Cluster

Federal Agency: Department of Education

Federal Program: Special Education Cluster

CFDA Number: 84.027, 84.173

Federal Award Number and Year (or Other Identifying Number: 14211-033-PN01; 14212-033-PN01; 14213-033-PN01; 14214-033-PN01; 99914-033-PN01; 45712-033-PN01; 45713-033-PN01; 45714-033-PN01

Pass Through Entity: Indiana Department of Education

Contact Person: Brenda J. Bennett
Phone Number: (317) 738-7009
E-Mail Address: bbennett@ssjcs.k12.in.us
Date Completed: 10-20-15

The Business Office continues to implement training sessions on each business office employees work responsibilities. The treasurer and other business office employees are completing written instructions to process a payroll, paying claims, balancing the bank statements, closing a monthly budget and management of federal grants. A review of one business office employee's completed work is being completed by someone other than the preparer of the detailed work. Documentation that the item has been reviewed is acknowledged by stamping the document that it was reviewed on such date plus requiring signature of that individual reviewing the document. This would include, payroll reports, claims, receipts, bank statements, federal cash requests and modifications. A list of utility claims for any given month is being provided to the Building Maintenance Supervisor to review for accuracy. Employee mileage claims will be reviewed by their designated supervisors for approval before being processed by the accounts payable clerk. All claims are currently being reviewed by the Treasurer. The treasurer poses questions when discrepancies are reflected. Any claims that need approval per a student IEP, etc. are being reviewed by the appropriate personnel initiating the approval for such claims.

Purchase orders are being processed by a business office employee due to their knowledge of budget accounts. The purchases are being checked in by a non-business office employee. The employee that checks in the purchases provides a copy of the purchase order signed by the employee that purchased the materials to the accounts payable clerk for payment of the invoice.



*Special Services Johnson County and Surrounding Schools
500 Earlywood Drive, Franklin, Indiana 461*

The SEFA (Schedule of Expenditures of Federal Awards) report is being completed by utilizing the spreadsheet maintained by the Treasurer for each audit period on each federal grant award. As of FY 2015, the Treasurer is now required to submit each district their percent of the expenditures and revenue per each district's allocated amount. Each district is now required to report these expenditures/revenue on their SEFA reports. SEFA reports will be reviewed by another business office employee.

Segregation of Duties: The Business Office has already implemented procedures for cross-checking assigned duties in managing the federal grant awards. The deputy treasurer has assumed the responsibility of one grant award. All grant award documentation such as cash requests, modifications, period of availability, etc. will be reviewed by another business office employee that is familiar with the budget accounts.

In order to comply with allowable costs, procurement, suspension and debarment rules, the Business Office will reference OMB Circular A-133 for guidance and implement policies directly applied for purchases as a way of avoiding the use of a vendor that has been suspended and disbarred from the federal government list of vendors. OMB Circular A-133 will be used to reference compliance requirements, allowable costs and other activities associated with transaction at hand. Documentation of the decided reference will be attached to the information such as a requisition to order, etc. for another Special Services employee to review prior to proceeding a purchase to insure interpretation of the OMB Circular A-133 guidelines are the same from one individual to another.

Special Services continues to work with the local districts (LEA) by providing supporting documentation on completion of the MOE/Excess Costs Calculations. Each district (LEA) will establish internal controls by maintaining all supporting documentation used to calculate the maintenance of effort. Easy interpretation charts will also be maintained by the district(s) of how the calculations were derived. Proof of an internal review of the maintenance of effort calculation is being provided by the district(s) to Special Services in written format. This acknowledgement of internal review must be provided at the same time the Maintenance of Effort report is submitted to Special Services. The internal review received from the district(s) will be signed and dated by those district's employees confirming the maintenance of effort report is true and accurate to the best of their knowledge as presented to Special Services. Special Services reviews for accuracy pertinent information provided by the Department of Education to the Districts in completion of their calculations.

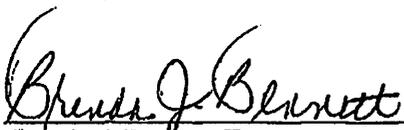


**Special Services Johnson County and Surrounding Schools
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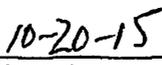
Period of Availability: The treasurer reviews the monthly claims to make sure that claims are being paid from the appropriate active grant awards. The treasurer communicates to the business office employees the grant term of each grant award, assigned fund numbers and when mileage claims cannot be paid from grant award that has terminated. Monthly appropriation reports are ran to assure claims are not paid from a grant award that is inactive.

In order to implement internal control over each LEA's federal grant allocation, federal reports such as cash requests, modifications, quarterly non-public reports, interest earned reports and semi-certification reports will be provided to the Governing Board of Special Services for review which is comprised of the superintendent from each local district within the cooperative. A signature page will be provided for approval of reports as presented.

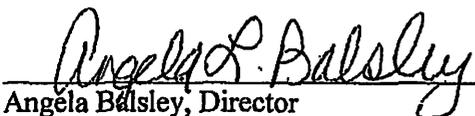
The Business Office is working diligently to maintain the status of internal controls in OMB Circular A-133, Subpart C, and section.300.



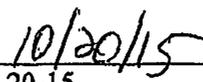
Brenda J. Bennett Treasurer



10-20-15



Angela Balsley, Director



10-20-15

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/>.