

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

COMMUNITY SCHOOLS OF FRANKFORT
CLINTON COUNTY, INDIANA

July 1, 2013 to June 30, 2015



FILED
01/06/2017

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.....	11-13
Notes to Financial Statement	14-19
Other Information - Unaudited:	
Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis.....	22-51
Schedule of Leases and Debt	53
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance	56-57
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards.....	60-61
Notes to Schedule of Expenditures of Federal Awards	62
Schedule of Findings and Questioned Costs	63-66
Auditee-Prepared Documents:	
Summary Schedule of Prior Audit Findings.....	68-69
Corrective Action Plan	70
Other Reports.....	71

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Leslie L. Michael	07-01-13 to 06-30-17
Superintendent of Schools	Don DeWeese	07-01-13 to 06-30-17
President of the School Board	Carol Bartley Sandra L. Miller	07-01-13 to 11-24-14 11-25-14 to 12-31-16



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

TO: THE OFFICIALS OF THE COMMUNITY SCHOOLS OF
FRANKFORT, CLINTON COUNTY, INDIANA

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School Corporation's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

INDEPENDENT AUDITOR'S REPORT
(Continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the School Corporation prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the School Corporation for the period of July 1, 2013 to June 30, 2015.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the School Corporation for the period of July 1, 2013 to June 30, 2015, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the School Corporation's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.


INDEPENDENT AUDITOR'S REPORT
(Continued)

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 and the Schedule of Leases and Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated July 27, 2016, except for the Schedule of Expenditures of Federal Awards, as to which the date is December 15, 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

July 27, 2016, except for the Schedule of Expenditures of Federal Awards,
as to which the date is December 15, 2016



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 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 COMMUNITY SCHOOLS OF
FRANKFORT, CLINTON 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 Community Schools of Frankfort (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2013 to June 30, 2015, and the related notes to the financial statement, and have issued our report thereon dated July 27, 2016, except for the Schedule of Expenditures of Federal Awards, as to which the date is December 15, 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 a deficiency in internal control over financial reporting that we consider to be a material weakness.

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 deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2015-001 to be a material weakness.

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

Compliance and Other Matters

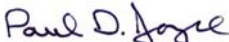
As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2015-001.

Community Schools of Frankfort'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

July 27, 2016, except for the Schedule of Expenditures of Federal Awards,
as to which the date is December 15, 2016

(This page intentionally left blank.)

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.

(This page intentionally left blank.)

COMMUNITY SCHOOLS OF FRANKFORT
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2014 and 2015

Fund	Cash and Investments 07-01-13	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-14	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-15
General	\$ 255,580	\$ 22,721,340	\$ 21,505,840	\$ (457,864)	\$ 1,013,216	\$ 21,867,147	\$ 22,247,849	\$ 100,073	\$ 732,587
Debt Service	1,008,136	2,869,279	3,843,194	-	34,221	4,519,680	3,654,763	(37,941)	861,197
Retirement/Severance Bond Debt Service	116,116	280,808	394,455	-	2,469	435,546	368,495	-	69,520
Capital Projects	984,214	1,404,140	1,482,865	1,168	906,657	1,511,660	1,597,698	5,504	826,123
School Transportation	10,291	618,081	714,798	11,513	(74,913)	691,972	764,481	10,615	(136,807)
School Bus Replacement	43,277	76,928	-	-	120,205	66,427	162,458	-	24,174
Rainy Day	88,046	-	87,742	-	304	-	-	-	304
Tennis Courts Construction	10,651	-	-	-	10,651	-	-	-	10,651
School Lunch	1,850,765	1,717,098	1,419,644	57,677	2,205,896	1,872,801	1,709,919	102	2,368,880
Textbook Rental	(220,146)	261,252	336,877	1,740	(294,031)	260,768	213,976	165,177	(82,062)
Levy Excess	-	-	-	-	-	996	-	(996)	-
Joint Services and Supply - Special Education Cooperative	(202,664)	241,103	38,439	-	-	-	-	-	-
Preschool Conf	688	-	-	-	688	-	-	-	688
Special Ed Coop - Occup Therapy	(313,929)	126,640	162	121,316	(66,135)	30,473	-	-	(35,662)
Building Trades Fund	9,054	-	2,089	-	6,965	-	-	-	6,965
Auto Body Vocational	14,388	-	2	-	14,386	-	-	-	14,386
Child Care Program	(238)	21,555	12,211	-	9,106	24,289	14,964	-	18,431
Alternative Education	3,968	20,000	37,192	-	(13,224)	-	37,455	-	(50,679)
Early Intervention 14-15	-	-	-	-	-	10,000	10,000	-	-
Donations	3,516	1,364	-	-	4,880	960	-	-	5,840
Kyger Clinic	756	-	-	-	756	-	-	-	756
Therapy Grant Dog	100	-	-	-	100	-	-	-	100
MAC Grant - A. Miller	499	-	-	-	499	-	-	-	499
MAC Grant 2011-12	16	-	-	-	16	-	-	-	16
Fuel up to Play Grant	3	-	-	-	3	-	-	-	3
Safe Routes to Schools - Mini Grant	104	-	-	-	104	-	-	-	104
Fuild Up to Play Grant 2012-13	1,244	-	1,199	-	45	-	-	-	45
Safe Routes to School	(3,629)	22,207	55,516	-	(36,938)	-	9,699	-	(46,637)
FALC	(7,209)	-	(7,209)	-	-	-	-	-	-
Dollar General Literacy Grant	-	-	-	-	-	4,000	3,920	-	80
Mattix Trust Fund	2,179	-	116	-	2,063	-	200	-	1,863
FEF 2009-10	327	-	327	-	-	-	-	-	-
FEF 2010-11	324	-	324	-	-	-	-	-	-
FEF 2011-12	1,133	-	1,133	-	-	-	-	-	-
FEF 2012-13	1,374	155	1,537	-	(8)	-	-	-	(8)
FEF Teacher Grant 2013-2014	-	2,945	5,181	-	(2,236)	-	-	-	(2,236)
FEF Teacher Grant 2014-2015	-	-	-	-	-	-	1,555	-	(1,555)
PLTW Eng Year 3	621	-	-	-	621	-	-	-	621
PLTW Biomed Year 2	320	-	-	-	320	-	-	-	320
Biomed Year 3	(3,380)	3,380	-	-	-	-	-	-	-
PLTW Biomed	3,499	(3,380)	-	-	119	-	-	-	119
Epics	344	-	-	-	344	-	-	-	344
Book Fund	548	-	-	-	548	-	38	-	510
HS Grant	1,374	-	-	-	1,374	-	-	-	1,374
Awards Fund	605,893	8,440	10,100	-	604,233	13,949	8,421	-	609,761
Insurance Refund - Agent Change	609	-	-	-	609	-	-	-	609
HS Walmart Grant	2	-	-	-	2	-	-	-	2
E-Rate Grant	107,828	39,233	77,912	-	69,149	63,807	14,931	(100,000)	18,025
High Ability 2010-11	13,584	-	-	-	13,584	-	-	-	13,584
High Ability 2011-12	(181)	-	-	181	-	-	-	-	-
High Ability 2012-13	1,592	-	1,633	41	-	-	-	-	-
High Ability 2013-2014	-	37,908	32,722	-	5,186	-	5,200	-	(14)
High Ability 2014-2015	-	-	-	-	-	38,003	37,312	-	691
Adult and Continuiong Ed 2013-14	-	64,979	64,979	-	-	-	-	-	-
Adult Ed State Funding 14-15	-	-	-	-	-	43,480	58,387	-	(14,907)
Extra-Curricular Activities	7,178	5,476	615	-	12,039	8,023	4,035	-	16,027
Non English 2009-10	12,753	-	-	-	12,753	-	-	-	12,753
Non English 2010-11	996	-	-	-	996	-	-	-	996
Non English 2012-13	19,248	-	19,451	-	(203)	-	(203)	-	-

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

COMMUNITY SCHOOLS OF FRANKFORT
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2014 and 2015
(Continued)

Fund	Cash and Investments 07-01-13	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-14	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-15
Non English 2013-14	-	87,356	64,205	-	23,151	-	23,200	-	(49)
Non English 2014-15	-	-	-	-	-	89,595	59,792	-	29,803
School Technology	-	-	-	-	-	1,059	-	-	1,059
Non English 2006-07	2,920	-	-	-	2,920	-	-	-	2,920
Performance Based Awards	-	-	-	-	-	52,181	61,201	-	(9,020)
Excellence in Performance Grant	-	-	-	-	-	-	72,462	-	(72,462)
School Performance Awards HS	-	-	-	-	-	13,921	16,303	-	(2,382)
Title I 2009-10	14,474	-	-	-	14,474	-	-	-	14,474
Title I 2010-11	-	-	678	678	-	-	-	-	-
Title I 2011-2012	-	-	531	531	-	-	-	-	-
Title I 2012-2013	(37,353)	300,289	265,787	2,851	-	-	-	-	-
Title I 2013-2014	-	516,099	719,500	-	(203,401)	567,028	363,627	-	-
Title I 2014-2015	-	-	-	-	-	578,954	651,511	-	(72,557)
Title I Improvement 2014	-	-	248	-	(248)	53,415	53,167	-	-
14-15 Title I School Improvement	-	-	-	-	-	3,200	8,221	-	(5,021)
Title V 2007-8	20	-	-	-	20	-	-	-	20
Migrant 2009-10	1,128	-	-	-	1,128	-	-	-	1,128
Migrant 2012-13	(398)	19,518	13,270	100	5,950	-	-	-	5,950
Migrant 2013-2014	-	24,718	35,791	-	(11,073)	22,042	10,977	-	(8)
Migrant 2014-2015	-	-	-	-	-	29,556	39,746	-	(10,190)
Special Ed Flow Thru 2009-10	3,933	-	-	-	3,933	-	-	-	3,933
Special Ed Flow Thru 2010-11	17,136	-	17,136	-	-	-	-	-	-
Special Ed Flow Thru 2011-12	(272,136)	272,160	-	-	24	-	-	-	24
Special Ed Flow Thru CSF 2009-10	(319)	-	-	319	-	-	-	-	-
Sp Ed Flow Thru CSF 2010-11	17,131	-	17,131	-	-	-	-	-	-
Sp Ed Flow Thru CSF 2011-12	-	87,742	87,742	-	-	-	-	-	-
Special Ed CSF 2012-2013	(125,266)	333,106	231,010	-	(23,170)	26,513	3,343	-	-
Special Ed CSF 2013-2014	-	-	468,233	-	(468,233)	650,842	184,057	1,488	40
Sp Ed CSF 2014-2015	-	-	-	-	-	455,921	477,192	-	(21,271)
Technical Assistance Grant	-	-	9,950	-	(9,950)	13,951	4,001	-	-
Preschool 2009-10	490	-	-	-	490	-	-	-	490
Preschool 2010-11	313	-	-	-	313	-	-	-	313
Preschool 2011-12	(41,552)	68,332	26,780	-	-	-	-	-	-
Preschool 2012-13	-	15,857	17,740	-	(1,883)	23,176	21,293	-	-
Preschool 13-14	-	-	5,885	-	(5,885)	5,980	695	-	(600)
Adult Ed 2010-11	(758)	-	-	758	-	-	-	-	-
Adult Ed 2011-12	7,728	-	7,209	-	519	-	-	-	519
Adult Ed 2012-13	(13,234)	26,012	12,778	-	-	-	-	-	-
Adult Ed 2013-14	-	20,721	40,207	-	(19,486)	19,486	-	-	-
Adult Ed 2014-2015	-	-	-	-	-	19,338	36,268	-	(16,930)
Adult Ed Title	3,250	-	131	-	3,119	-	-	-	3,119
Drug Free Schools 2008-9	187	-	-	-	187	-	-	-	187
Drug Free Schools 2009-10	562	-	-	-	562	-	-	-	562
Nutritional Grant - State, P.L.	-	-	-	-	-	1,200	1,101	-	99
Healthier US School Challenge	-	-	-	-	-	4,988	154	-	4,834
Perkins 2011-12	13,974	-	-	-	13,974	-	-	-	13,974
Perkins 2012-2013	11,068	5,281	15,265	-	1,084	-	-	-	1,084
Perkins 2013-2014	-	32,005	47,833	-	(15,828)	30,670	20,094	-	(5,252)
Perkins 2014-2015	-	-	-	-	-	35,721	27,487	-	8,234
Medicaid Reimbursement - Federal	44,377	121,716	11,320	-	154,773	202,537	66,386	(79,533)	211,391
RTI BR/SC	6,608	-	-	-	6,608	-	-	-	6,608
21st Century Year 3	9,058	-	-	-	9,058	-	-	-	9,058
21st Century 2012-13	(1,319)	-	(1,319)	-	-	-	144	-	(144)
21st Century 2013-2014	(26,290)	252,454	279,023	-	(52,859)	50,171	(1,956)	732	-
21st Century 2014-2015	-	-	-	-	-	-	205,176	-	(205,176)
Title II 2008-9	5,457	-	-	-	5,457	-	-	-	5,457
Title IIA 2009-10	17,714	-	-	-	17,714	-	-	-	17,714
Title IIA	2,764	(2,775)	(1)	10	-	-	-	-	-
Title II 2012-13	(2,820)	79,601	85,870	-	(9,089)	21,323	12,425	-	(191)

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

COMMUNITY SCHOOLS OF FRANKFORT
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2014 and 2015
(Continued)

Fund	Cash and Investments 07-01-13	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-14	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-15
Title II 13-14	-	6,519	9,604	-	(3,085)	-	6,379	-	(9,464)
Title IID 2009-10	4,302	-	-	-	4,302	-	-	-	4,302
Rural Schools and Low Income Program - Pass Through State	-	10,674	4,174	-	6,500	-	2,087	-	4,413
Rural School and Low Income 2013	-	15,750	46,979	-	(31,229)	44,909	13,680	-	-
Rural and Low Income 2014-15	-	-	-	-	-	52,823	52,823	-	-
Rural and Low Income 2015-16	-	-	-	-	-	-	54,594	-	(54,594)
Title III 2009-10	3,561	-	-	-	3,561	-	-	-	3,561
Title III 2011-12	213	-	(108)	-	321	-	-	-	321
Title III 2012-13	(5,498)	50,567	39,726	-	5,343	-	7,000	-	(1,657)
Title III 2013-2014	-	71,459	92,544	-	(21,085)	57,595	39,404	-	(2,894)
Title III 2014-2015	-	-	-	-	-	62,322	103,696	-	(41,374)
Title III-WIDA	-	-	-	-	-	-	3,289	-	(3,289)
Math Science Grant 2007-10	40,138	-	-	-	40,138	-	-	-	40,138
Science and Tech Addition	957	-	-	-	957	-	-	-	957
Prepaid School Lunch Fund	-	-	-	-	-	12,488	-	-	12,488
Payroll Funds	269,290	5,686,281	5,640,018	-	315,553	5,474,297	5,426,074	-	363,776
Totals	<u>\$ 4,403,572</u>	<u>\$ 38,642,373</u>	<u>\$ 38,453,916</u>	<u>\$ (258,981)</u>	<u>\$ 4,333,048</u>	<u>\$ 40,141,183</u>	<u>\$ 39,052,646</u>	<u>\$ 65,221</u>	<u>\$ 5,486,806</u>

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

COMMUNITY SCHOOLS OF FRANKFORT
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, the following: 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.

State sources, which 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.

COMMUNITY SCHOOLS OF FRANKFORT
NOTES TO FINANCIAL STATEMENT
(Continued)

Federal sources, which 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.

Other receipts, which include amounts received from various sources including, but not limited to, the following: return of petty cash, return of cash change, insurance claims for losses, sale of securities, and other receipts not listed in another category above.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

Instruction, which includes outflows for regular programs, special programs, adult and continuing education programs, summer school programs, enrichment programs, remediation, and payments to other governmental units.

Support services, which include outflows for support services related to students, instruction, general administration, and school administration. It also includes outflows for central services, operation and maintenance of plant services, and student transportation.

Noninstructional services, which include outflows for food service operations and community service operations.

Facilities acquisition and construction, which includes outflows for the acquisition, development, construction, and improvement of new and existing facilities.

Debt services, which include fixed obligations resulting from financial transactions previously entered into by the School Corporation. It includes all expenditures for the reduction of the principal and interest of the School Corporation's general obligation indebtedness.

Nonprogrammed charges, which include outflows for donations to foundations, securities purchased, indirect costs, scholarships, and self-insurance payments.

F. Other Financing Sources and Uses

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

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.

COMMUNITY SCHOOLS OF FRANKFORT
NOTES TO FINANCIAL STATEMENT
(Continued)

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

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

COMMUNITY SCHOOLS OF FRANKFORT
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

COMMUNITY SCHOOLS OF FRANKFORT
NOTES TO FINANCIAL STATEMENT
(Continued)

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Note 7. Negative Receipts and Disbursements

The financial statement contains some receipts and disbursements which appear as negative entries. This is a result of correction of errors.

Note 8. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. For grant funds, this is a result of expenditures being made prior to the receipt of the reimbursement. For other funds, disbursements exceeded receipts and available cash balances.

COMMUNITY SCHOOLS OF FRANKFORT
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 9. *Holding Corporation*

The School Corporation has entered into a capital lease with Frankfort High School/Elementary School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related-party of the School Corporation. Lease payments during the years ended June 30, 2014 and 2015, totaled \$3,201,000 and \$3,184,000, respectively.

Note 10. *Subsequent Events*

The School Corporation passed a \$30,000,000 building referendum in May 2015. A Bond Anticipation Note in the amount of \$920,000 was closed in August 2015. The first offering of bonds was sold in November 2015 in the amount of \$18,115,000 and the second offering was sold in March 2016 in the amount of \$9,000,000.

(This page intentionally left blank.)

OTHER INFORMATION - UNAUDITED

The School Corporation's Financial Reports can be found on the Indiana Department of Education website: <http://www.doe.in.gov/finance/school-financial-reports>. 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.

COMMUNITY SCHOOLS OF FRANKFORT
 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 Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Tennis Courts Construction	School Lunch
Cash and investments - beginning	\$ 255,580	\$ 1,008,136	\$ 116,116	\$ 984,214	\$ 10,291	\$ 43,277	\$ 88,046	\$ 10,651	\$ 1,850,765
Receipts:									
Local sources	577,285	2,869,279	280,808	1,404,140	618,081	76,928	-	-	353,956
State sources	22,142,089	-	-	-	-	-	-	-	7,857
Federal sources	-	-	-	-	-	-	-	-	1,355,285
Other receipts	1,966	-	-	-	-	-	-	-	-
Total receipts	<u>22,721,340</u>	<u>2,869,279</u>	<u>280,808</u>	<u>1,404,140</u>	<u>618,081</u>	<u>76,928</u>	<u>-</u>	<u>-</u>	<u>1,717,098</u>
Disbursements:									
Instruction	14,200,790	-	-	-	-	-	-	-	-
Support services	6,943,571	-	-	555,971	714,798	-	-	-	-
Noninstructional services	361,479	-	-	-	-	-	-	-	1,419,644
Facilities acquisition and construction	-	-	-	926,894	-	-	-	-	-
Debt services	-	3,843,194	394,455	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	87,742	-	-
Total disbursements	<u>21,505,840</u>	<u>3,843,194</u>	<u>394,455</u>	<u>1,482,865</u>	<u>714,798</u>	<u>-</u>	<u>87,742</u>	<u>-</u>	<u>1,419,644</u>
Excess (deficiency) of receipts over disbursements	<u>1,215,500</u>	<u>(973,915)</u>	<u>(113,647)</u>	<u>(78,725)</u>	<u>(96,717)</u>	<u>76,928</u>	<u>(87,742)</u>	<u>-</u>	<u>297,454</u>
Other financing sources (uses):									
Sale of capital assets	9,304	-	-	1,168	11,513	-	-	-	-
Transfers in	118,948	-	-	-	-	-	-	-	57,677
Transfers out	(586,116)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(457,864)</u>	<u>-</u>	<u>-</u>	<u>1,168</u>	<u>11,513</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,677</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>757,636</u>	<u>(973,915)</u>	<u>(113,647)</u>	<u>(77,557)</u>	<u>(85,204)</u>	<u>76,928</u>	<u>(87,742)</u>	<u>-</u>	<u>355,131</u>
Cash and investments - ending	<u>\$ 1,013,216</u>	<u>\$ 34,221</u>	<u>\$ 2,469</u>	<u>\$ 906,657</u>	<u>\$ (74,913)</u>	<u>\$ 120,205</u>	<u>\$ 304</u>	<u>\$ 10,651</u>	<u>\$ 2,205,896</u>

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

	Textbook Rental	Levy Excess	Joint Services and Supply - Special Education Cooperative	Preschool Conf	Special Ed Coop - Occup Therapy	Building Trades Fund	Auto Body Vocational	Child Care Program	Alternative Education
Cash and investments - beginning	\$ (220,146)	\$ -	\$ (202,664)	\$ 688	\$ (313,929)	\$ 9,054	\$ 14,388	\$ (238)	\$ 3,968
Receipts:									
Local sources	84,919	-	241,103	-	126,640	-	-	-	-
State sources	176,333	-	-	-	-	-	-	-	20,000
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	21,555	-
Total receipts	261,252	-	241,103	-	126,640	-	-	21,555	20,000
Disbursements:									
Instruction	-	-	38,438	-	-	2,089	2	12,211	37,192
Support services	336,877	-	1	-	162	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	336,877	-	38,439	-	162	2,089	2	12,211	37,192
Excess (deficiency) of receipts over disbursements	(75,625)	-	202,664	-	126,478	(2,089)	(2)	9,344	(17,192)
Other financing sources (uses):									
Sale of capital assets	1,740	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	121,316	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	1,740	-	-	-	121,316	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(73,885)	-	202,664	-	247,794	(2,089)	(2)	9,344	(17,192)
Cash and investments - ending	\$ (294,031)	\$ -	\$ -	\$ 688	\$ (66,135)	\$ 6,965	\$ 14,386	\$ 9,106	\$ (13,224)

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

	Early Intervention 14-15	Donations	Kyger Clinic	Therapy Grant Dog	MAC Grant - A. Miller	MAC Grant 2011-12	Fuel Up To Play Grant	Safe Routes to Schools - Mini Grant	Fuel Up To Play Grant 2012-13
Cash and investments - beginning	\$ -	\$ 3,516	\$ 756	\$ 100	\$ 499	\$ 16	\$ 3	\$ 104	\$ 1,244
Receipts:									
Local sources	-	1,364	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	1,364	-	-	-	-	-	-	-
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	1,199
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-	-	-	1,199
Excess (deficiency) of receipts over disbursements	-	1,364	-	-	-	-	-	-	(1,199)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,364	-	-	-	-	-	-	(1,199)
Cash and investments - ending	\$ -	\$ 4,880	\$ 756	\$ 100	\$ 499	\$ 16	\$ 3	\$ 104	\$ 45

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

	Safe Routes to School	FALC	Dollar General Literacy Grant	Mattix Trust Fund	FEF 2009-10	FEF 2010-11	FEF 2011-12	FEF 2012-13	FEF Teacher Grant 2013-2014
Cash and investments - beginning	\$ (3,629)	\$ (7,209)	\$ -	\$ 2,179	\$ 327	\$ 324	\$ 1,133	\$ 1,374	\$ -
Receipts:									
Local sources	22,207	-	-	-	-	-	-	155	2,945
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	22,207	-	-	-	-	-	-	155	2,945
Disbursements:									
Instruction	55,516	(7,209)	-	116	-	-	-	163	5,181
Support services	-	-	-	-	327	324	1,133	1,374	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	55,516	(7,209)	-	116	327	324	1,133	1,537	5,181
Excess (deficiency) of receipts over disbursements	(33,309)	7,209	-	(116)	(327)	(324)	(1,133)	(1,382)	(2,236)
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	(33,309)	7,209	-	(116)	(327)	(324)	(1,133)	(1,382)	(2,236)
Cash and investments - ending	\$ (36,938)	\$ -	\$ -	\$ 2,063	\$ -	\$ -	\$ -	\$ (8)	\$ (2,236)

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

	FEF Teacher Grant 2014-2015	PLTW Eng Year 3	PLTW Biomed Year 2	Biomed Year 3	PLTW Biomed	Epics	Book Fund	HS Grant	Awards Fund
Cash and investments - beginning	\$ -	\$ 621	\$ 320	\$ (3,380)	\$ 3,499	\$ 344	\$ 548	\$ 1,374	\$ 605,893
Receipts:									
Local sources	-	-	-	3,380	(3,380)	-	-	-	8,440
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	3,380	(3,380)	-	-	-	8,440
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	10,100
Total disbursements	-	-	-	-	-	-	-	-	10,100
Excess (deficiency) of receipts over disbursements	-	-	-	3,380	(3,380)	-	-	-	(1,660)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	3,380	(3,380)	-	-	-	(1,660)
Cash and investments - ending	\$ -	\$ 621	\$ 320	\$ -	\$ 119	\$ 344	\$ 548	\$ 1,374	\$ 604,233

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

	Insurance Refund - Agent Change	HS Walmart Grant	E-Rate Grant	High Ability 2010-11	High Ability 2011-12	High Ability 2012-13	High Ability 2013-2014	High Ability 2014-2015	Adult and Continuiong Ed 2013-14
Cash and investments - beginning	\$ 609	\$ 2	\$ 107,828	\$ 13,584	\$ (181)	\$ 1,592	\$ -	\$ -	\$ -
Receipts:									
Local sources	-	-	39,233	-	-	-	-	-	-
State sources	-	-	-	-	-	-	37,908	-	64,979
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	39,233	-	-	-	37,908	-	64,979
Disbursements:									
Instruction	-	-	-	-	-	1,633	30,052	-	64,979
Support services	-	-	75,000	-	-	-	2,670	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	2,912	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	77,912	-	-	1,633	32,722	-	64,979
Excess (deficiency) of receipts over disbursements	-	-	(38,679)	-	-	(1,633)	5,186	-	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	181	41	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	181	41	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(38,679)	-	181	(1,592)	5,186	-	-
Cash and investments - ending	\$ 609	\$ 2	\$ 69,149	\$ 13,584	\$ -	\$ -	\$ 5,186	\$ -	\$ -

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

	Adult Ed State Funding 14-15	Extra- Curricular Activities	Non English 2009-10	Non English 2010-11	Non English 2012-13	Non English 2013-14	Non English 2014-15	School Technology	Non English 2006-07
Cash and investments - beginning	\$ -	\$ 7,178	\$ 12,753	\$ 996	\$ 19,248	\$ -	\$ -	\$ -	\$ 2,920
Receipts:									
Local sources	-	5,476	-	-	-	-	-	-	-
State sources	-	-	-	-	-	87,356	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	5,476	-	-	-	87,356	-	-	-
Disbursements:									
Instruction	-	615	-	-	19,451	63,857	-	-	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	348	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	615	-	-	19,451	64,205	-	-	-
Excess (deficiency) of receipts over disbursements	-	4,861	-	-	(19,451)	23,151	-	-	-
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	-	4,861	-	-	(19,451)	23,151	-	-	-
Cash and investments - ending	\$ -	\$ 12,039	\$ 12,753	\$ 996	\$ (203)	\$ 23,151	\$ -	\$ -	\$ 2,920

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

	Performance Based Awards	Excellence in Performance Grant	School Performance Awards HS	Title I 2009-10	Title I 2010-11	Title I 2011-2012	Title I 2012-2013	Title I 2013-2014	Title I 2014-2015
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 14,474	\$ -	\$ -	\$ (37,353)	\$ -	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	300,289	516,099	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	300,289	516,099	-
Disbursements:									
Instruction	-	-	-	-	678	-	140,641	359,632	-
Support services	-	-	-	-	-	47	102,701	328,406	-
Noninstructional services	-	-	-	-	-	484	1,345	8,441	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	21,100	23,021	-
Total disbursements	-	-	-	-	678	531	265,787	719,500	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	(678)	(531)	34,502	(203,401)	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	678	531	2,851	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	678	531	2,851	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	37,353	(203,401)	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 14,474	\$ -	\$ -	\$ -	\$ (203,401)	\$ -

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

	Title I Improvement 2014	14-15 Title I School Improvement	Title V 2007-8	Migrant 2009-10	Migrant 2012-13	Migrant 2013-2014	Migrant 2014-2015	Special Ed Flow Thru 2009-10	Special Ed Flow Thru 2010-11
Cash and investments - beginning	\$ -	\$ -	\$ 20	\$ 1,128	\$ (398)	\$ -	\$ -	\$ 3,933	\$ 17,136
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	19,518	24,718	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	19,518	24,718	-	-	-
Disbursements:									
Instruction	-	-	-	-	6,490	18,147	-	-	-
Support services	248	-	-	-	-	3,647	-	-	17,136
Noninstructional services	-	-	-	-	6,780	13,997	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	248	-	-	-	13,270	35,791	-	-	17,136
Excess (deficiency) of receipts over disbursements	(248)	-	-	-	6,248	(11,073)	-	-	(17,136)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	100	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	100	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(248)	-	-	-	6,348	(11,073)	-	-	(17,136)
Cash and investments - ending	\$ (248)	\$ -	\$ 20	\$ 1,128	\$ 5,950	\$ (11,073)	\$ -	\$ 3,933	\$ -

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

	Special Ed Flow Thru 2011-12	Special Ed Flow Thru CSF 2009-10	Sp Ed Flow Thru CSF 2010-11	Sp Ed Flow Thru CSF 2011-12	Special Ed CSF 2012-2013	Special Ed CSF 2013-2014	Sp Ed CSF 2014-2015	Technical Assistance Grant	Preschool 2009-10
Cash and investments - beginning	\$ (272,136)	\$ (319)	\$ 17,131	\$ -	\$ (125,266)	\$ -	\$ -	\$ -	\$ 490
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	272,160	-	-	87,742	333,106	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	272,160	-	-	87,742	333,106	-	-	-	-
Disbursements:									
Instruction	-	-	17,131	87,742	57,682	330,671	-	9,950	-
Support services	-	-	-	-	173,328	137,562	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	17,131	87,742	231,010	468,233	-	9,950	-
Excess (deficiency) of receipts over disbursements	272,160	-	(17,131)	-	102,096	(468,233)	-	(9,950)	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	319	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	319	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	272,160	319	(17,131)	-	102,096	(468,233)	-	(9,950)	-
Cash and investments - ending	\$ 24	\$ -	\$ -	\$ -	\$ (23,170)	\$ (468,233)	\$ -	\$ (9,950)	\$ 490

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

	Preschool 2010-11	Preschool 2011-12	Preschool 2012-13	Preschool 13-14	Adult Ed 2010-11	Adult Ed 2011-12	Adult Ed 2012-13	Adult Ed 2013-14	Adult Ed 2014-2015
Cash and investments - beginning	\$ 313	\$ (41,552)	\$ -	\$ -	\$ (758)	\$ 7,728	\$ (13,234)	\$ -	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	68,332	15,857	-	-	-	26,012	20,721	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	68,332	15,857	-	-	-	26,012	20,721	-
Disbursements:									
Instruction	-	26,780	17,740	5,885	-	7,209	12,778	40,207	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	26,780	17,740	5,885	-	7,209	12,778	40,207	-
Excess (deficiency) of receipts over disbursements	-	41,552	(1,883)	(5,885)	-	(7,209)	13,234	(19,486)	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	758	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	758	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	41,552	(1,883)	(5,885)	758	(7,209)	13,234	(19,486)	-
Cash and investments - ending	\$ 313	\$ -	\$ (1,883)	\$ (5,885)	\$ -	\$ 519	\$ -	\$ (19,486)	\$ -

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

	Adult Ed Title	Drug Free Schools 2008-9	Drug Free Schools 2009-10	Nutritional Grant - State, P.L.	Healthier US School Challenge	Perkins 2011-12	Perkins 2012-2013	Perkins 2013-2014	Perkins 2014-2015
Cash and investments - beginning	\$ 3,250	\$ 187	\$ 562	\$ -	\$ -	\$ 13,974	\$ 11,068	\$ -	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	5,281	32,005	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	5,281	32,005	-
Disbursements:									
Instruction	131	-	-	-	-	-	15,265	47,833	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	131	-	-	-	-	-	15,265	47,833	-
Excess (deficiency) of receipts over disbursements	(131)	-	-	-	-	-	(9,984)	(15,828)	-
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	(131)	-	-	-	-	-	(9,984)	(15,828)	-
Cash and investments - ending	\$ 3,119	\$ 187	\$ 562	\$ -	\$ -	\$ 13,974	\$ 1,084	\$ (15,828)	\$ -

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

	Medicaid Reimbursement - Federal	RTI BR/SC	21st Century Year 3	21st Century 2012-13	21st Century 2013-2014	21st Century 2014-2015	Title II 2008-9	Title IIA 2009-10	Title IIA
Cash and investments - beginning	\$ 44,377	\$ 6,608	\$ 9,058	\$ (1,319)	\$ (26,290)	\$ -	\$ 5,457	\$ 17,714	\$ 2,764
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	121,716	-	-	-	252,454	-	-	-	(2,775)
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	121,716	-	-	-	252,454	-	-	-	(2,775)
Disbursements:									
Instruction	6,125	-	-	(1,319)	218,521	-	-	-	-
Support services	-	-	-	-	59,221	-	-	-	(1)
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	5,195	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	1,281	-	-	-	-
Total disbursements	11,320	-	-	(1,319)	279,023	-	-	-	(1)
Excess (deficiency) of receipts over disbursements	110,396	-	-	1,319	(26,569)	-	-	-	(2,774)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	10
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	10
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	110,396	-	-	1,319	(26,569)	-	-	-	(2,764)
Cash and investments - ending	\$ 154,773	\$ 6,608	\$ 9,058	\$ -	\$ (52,859)	\$ -	\$ 5,457	\$ 17,714	\$ -

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

	Title II 2012-13	Title II 13-14	Title IID 2009-10	Rural Schools and Low Income Program - Pass Through State	Rural School and Low Income 2013	Rural and Low Income 2014-15	Rural and Low Income 2015-16	Title III 2009-10	Title III 2011-12
Cash and investments - beginning	\$ (2,820)	\$ -	\$ 4,302	\$ -	\$ -	\$ -	\$ -	\$ 3,561	\$ 213
Receipts:									
Local sources	-	-	-	4,174	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	79,601	6,519	-	6,500	15,750	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	79,601	6,519	-	10,674	15,750	-	-	-	-
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	-
Support services	85,870	9,604	-	4,174	46,979	-	-	-	(108)
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	85,870	9,604	-	4,174	46,979	-	-	-	(108)
Excess (deficiency) of receipts over disbursements	(6,269)	(3,085)	-	6,500	(31,229)	-	-	-	108
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(6,269)	(3,085)	-	6,500	(31,229)	-	-	-	108
Cash and investments - ending	\$ (9,089)	\$ (3,085)	\$ 4,302	\$ 6,500	\$ (31,229)	\$ -	\$ -	\$ 3,561	\$ 321

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

	Title III 2012-13	Title III 2013-2014	Title III 2014-2015	Title III- WIDA	Math Science Grant 2007-10	Science and Tech Addition	Prepaid School Lunch Fund	Payroll Funds	Totals
Cash and investments - beginning	\$ (5,498)	\$ -	\$ -	\$ -	\$ 40,138	\$ 957	\$ -	\$ 269,290	\$ 4,403,572
Receipts:									
Local sources	-	-	-	-	-	-	-	-	6,717,133
State sources	-	-	-	-	-	-	-	-	22,536,522
Federal sources	50,567	71,459	-	-	-	-	-	-	3,678,916
Other receipts	-	-	-	-	-	-	-	5,686,281	5,709,802
Total receipts	<u>50,567</u>	<u>71,459</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,686,281</u>	<u>38,642,373</u>
Disbursements:									
Instruction	21,463	78,813	-	-	-	-	-	-	16,052,470
Support services	18,263	13,731	-	-	-	-	-	-	9,633,016
Noninstructional services	-	-	-	-	-	-	-	-	1,812,518
Facilities acquisition and construction	-	-	-	-	-	-	-	-	935,001
Debt services	-	-	-	-	-	-	-	-	4,237,649
Nonprogrammed charges	-	-	-	-	-	-	-	5,640,018	5,783,262
Total disbursements	<u>39,726</u>	<u>92,544</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,640,018</u>	<u>38,453,916</u>
Excess (deficiency) of receipts over disbursements	<u>10,841</u>	<u>(21,085)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,263</u>	<u>188,457</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	23,825
Transfers in	-	-	-	-	-	-	-	-	303,310
Transfers out	-	-	-	-	-	-	-	-	(586,116)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(258,981)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>10,841</u>	<u>(21,085)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,263</u>	<u>(70,524)</u>
Cash and investments - ending	<u>\$ 5,343</u>	<u>\$ (21,085)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,138</u>	<u>\$ 957</u>	<u>\$ -</u>	<u>\$ 315,553</u>	<u>\$ 4,333,048</u>

COMMUNITY SCHOOLS OF FRANKFORT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015

	General	Debt Service	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Tennis Courts Construction	School Lunch
Cash and investments - beginning	\$ 1,013,216	\$ 34,221	\$ 2,469	\$ 906,657	\$ (74,913)	\$ 120,205	\$ 304	\$ 10,651	\$ 2,205,896
Receipts:									
Local sources	217,923	4,519,680	435,546	1,511,660	691,972	66,427	-	-	328,119
State sources	21,638,221	-	-	-	-	-	-	-	8,417
Federal sources	-	-	-	-	-	-	-	-	1,536,265
Other receipts	11,003	-	-	-	-	-	-	-	-
Total receipts	<u>21,867,147</u>	<u>4,519,680</u>	<u>435,546</u>	<u>1,511,660</u>	<u>691,972</u>	<u>66,427</u>	<u>-</u>	<u>-</u>	<u>1,872,801</u>
Disbursements:									
Instruction	14,319,375	-	-	-	-	-	-	-	-
Support services	7,432,669	-	-	594,864	764,481	162,458	-	-	-
Noninstructional services	403,960	-	-	-	-	-	-	-	1,604,693
Facilities acquisition and construction	-	-	-	1,002,834	-	-	-	-	-
Debt services	91,845	3,654,763	368,495	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	105,226
Total disbursements	<u>22,247,849</u>	<u>3,654,763</u>	<u>368,495</u>	<u>1,597,698</u>	<u>764,481</u>	<u>162,458</u>	<u>-</u>	<u>-</u>	<u>1,709,919</u>
Excess (deficiency) of receipts over disbursements	<u>(380,702)</u>	<u>864,917</u>	<u>67,051</u>	<u>(86,038)</u>	<u>(72,509)</u>	<u>(96,031)</u>	<u>-</u>	<u>-</u>	<u>162,882</u>
Other financing sources (uses):									
Sale of capital assets	44,545	-	-	5,504	10,615	-	-	-	102
Transfers in	180,528	-	-	-	-	-	-	-	-
Transfers out	(125,000)	(37,941)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>100,073</u>	<u>(37,941)</u>	<u>-</u>	<u>5,504</u>	<u>10,615</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>102</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(280,629)</u>	<u>826,976</u>	<u>67,051</u>	<u>(80,534)</u>	<u>(61,894)</u>	<u>(96,031)</u>	<u>-</u>	<u>-</u>	<u>162,984</u>
Cash and investments - ending	<u>\$ 732,587</u>	<u>\$ 861,197</u>	<u>\$ 69,520</u>	<u>\$ 826,123</u>	<u>\$ (136,807)</u>	<u>\$ 24,174</u>	<u>\$ 304</u>	<u>\$ 10,651</u>	<u>\$ 2,368,880</u>

COMMUNITY SCHOOLS OF FRANKFORT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015
 (Continued)

	Textbook Rental	Levy Excess	Joint Services and Supply - Special Education Cooperative	Preschool Conf	Special Ed Coop - Occup Therapy	Building Trades Fund	Auto Body Vocational	Child Care Program	Alternative Education
Cash and investments - beginning	\$ (294,031)	\$ -	\$ -	\$ 688	\$ (66,135)	\$ 6,965	\$ 14,386	\$ 9,106	\$ (13,224)
Receipts:									
Local sources	76,748	996	-	-	30,473	-	-	-	-
State sources	184,020	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	24,289	-
Total receipts	260,768	996	-	-	30,473	-	-	24,289	-
Disbursements:									
Instruction	-	-	-	-	-	-	-	14,964	37,455
Support services	213,976	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	213,976	-	-	-	-	-	-	14,964	37,455
Excess (deficiency) of receipts over disbursements	46,792	996	-	-	30,473	-	-	9,325	(37,455)
Other financing sources (uses):									
Sale of capital assets	2,236	-	-	-	-	-	-	-	-
Transfers in	162,941	-	-	-	-	-	-	-	-
Transfers out	-	(996)	-	-	-	-	-	-	-
Total other financing sources (uses)	165,177	(996)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	211,969	-	-	-	30,473	-	-	9,325	(37,455)
Cash and investments - ending	\$ (82,062)	\$ -	\$ -	\$ 688	\$ (35,662)	\$ 6,965	\$ 14,386	\$ 18,431	\$ (50,679)

COMMUNITY SCHOOLS OF FRANKFORT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015
 (Continued)

	Early Intervention 14-15	Donations	Kyger Clinic	Therapy Grant Dog	MAC Grant - A. Miller	MAC Grant 2011-12	Fuel Up To Play Grant	Safe Routes to Schools - Mini Grant	Fuel Up To Play Grant 2012-13
Cash and investments - beginning	\$ -	\$ 4,880	\$ 756	\$ 100	\$ 499	\$ 16	\$ 3	\$ 104	\$ 45
Receipts:									
Local sources	-	960	-	-	-	-	-	-	-
State sources	10,000	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	10,000	960	-	-	-	-	-	-	-
Disbursements:									
Instruction	9,217	-	-	-	-	-	-	-	-
Support services	783	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	10,000	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	960	-	-	-	-	-	-	-
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	-	960	-	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ 5,840	\$ 756	\$ 100	\$ 499	\$ 16	\$ 3	\$ 104	\$ 45

COMMUNITY SCHOOLS OF FRANKFORT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015
 (Continued)

	Safe Routes to School	FALC	Dollar General Literacy Grant	Mattix Trust Fund	FEF 2009-10	FEF 2010-11	FEF 2011-12	FEF 2012-13	FEF Teacher Grant 2013-2014
Cash and investments - beginning	\$ (36,938)	\$ -	\$ -	\$ 2,063	\$ -	\$ -	\$ -	\$ (8)	\$ (2,236)
Receipts:									
Local sources	-	-	4,000	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	4,000	-	-	-	-	-	-
Disbursements:									
Instruction	9,699	-	3,920	200	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	9,699	-	3,920	200	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	(9,699)	-	80	(200)	-	-	-	-	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(9,699)	-	80	(200)	-	-	-	-	-
Cash and investments - ending	\$ (46,637)	\$ -	\$ 80	\$ 1,863	\$ -	\$ -	\$ -	\$ (8)	\$ (2,236)

COMMUNITY SCHOOLS OF FRANKFORT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015
 (Continued)

	FEF Teacher Grant 2014-2015	PLTW Eng Year 3	PLTW Biomed Year 2	Biomed Year 3	PLTW Biomed	Epics	Book Fund	HS Grant	Awards Fund
Cash and investments - beginning	\$ -	\$ 621	\$ 320	\$ -	\$ 119	\$ 344	\$ 548	\$ 1,374	\$ 604,233
Receipts:									
Local sources	-	-	-	-	-	-	-	-	13,949
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	-	-	-	13,949
Disbursements:									
Instruction	1,555	-	-	-	-	-	38	-	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	8,421
Total disbursements	1,555	-	-	-	-	-	38	-	8,421
Excess (deficiency) of receipts over disbursements	(1,555)	-	-	-	-	-	(38)	-	5,528
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,555)	-	-	-	-	-	(38)	-	5,528
Cash and investments - ending	<u>\$ (1,555)</u>	<u>\$ 621</u>	<u>\$ 320</u>	<u>\$ -</u>	<u>\$ 119</u>	<u>\$ 344</u>	<u>\$ 510</u>	<u>\$ 1,374</u>	<u>\$ 609,761</u>

COMMUNITY SCHOOLS OF FRANKFORT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015
 (Continued)

	Insurance Refund - Agent Change	HS Walmart Grant	E-Rate Grant	High Ability 2010-11	High Ability 2011-12	High Ability 2012-13	High Ability 2013-2014	High Ability 2014-2015	Adult and Continuiong Ed 2013-14
Cash and investments - beginning	\$ 609	\$ 2	\$ 69,149	\$ 13,584	\$ -	\$ -	\$ 5,186	\$ -	\$ -
Receipts:									
Local sources	-	-	63,807	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	38,003	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	63,807	-	-	-	-	38,003	-
Disbursements:									
Instruction	-	-	-	-	-	-	5,200	34,839	-
Support services	-	-	-	-	-	-	-	2,473	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	14,931	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	14,931	-	-	-	5,200	37,312	-
Excess (deficiency) of receipts over disbursements	-	-	48,876	-	-	-	(5,200)	691	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	(100,000)	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(100,000)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(51,124)	-	-	-	(5,200)	691	-
Cash and investments - ending	\$ 609	\$ 2	\$ 18,025	\$ 13,584	\$ -	\$ -	\$ (14)	\$ 691	\$ -

COMMUNITY SCHOOLS OF FRANKFORT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015
 (Continued)

	Adult Ed State Funding 14-15	Extra- Curricular Activities	Non English 2009-10	Non English 2010-11	Non English 2012-13	Non English 2013-14	Non English 2014-15	School Technology	Non English 2006-07
Cash and investments - beginning	\$ -	\$ 12,039	\$ 12,753	\$ 996	\$ (203)	\$ 23,151	\$ -	\$ -	\$ 2,920
Receipts:									
Local sources	-	8,023	-	-	-	-	-	-	-
State sources	43,480	-	-	-	-	-	89,595	1,059	-
Federal sources	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	43,480	8,023	-	-	-	-	89,595	1,059	-
Disbursements:									
Instruction	58,387	4,035	-	-	(203)	23,200	57,232	-	-
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	2,560	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	58,387	4,035	-	-	(203)	23,200	59,792	-	-
Excess (deficiency) of receipts over disbursements	(14,907)	3,988	-	-	203	(23,200)	29,803	1,059	-
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	(14,907)	3,988	-	-	203	(23,200)	29,803	1,059	-
Cash and investments - ending	\$ (14,907)	\$ 16,027	\$ 12,753	\$ 996	\$ -	\$ (49)	\$ 29,803	\$ 1,059	\$ 2,920

COMMUNITY SCHOOLS OF FRANKFORT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015
 (Continued)

	Performance Based Awards	Excellence in Performance Grant	School Performance Awards HS	Title I 2009-10	Title I 2010-11	Title I 2011-2012	Title I 2012-2013	Title I 2013-2014	Title I 2014-2015
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 14,474	\$ -	\$ -	\$ -	\$ (203,401)	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
State sources	52,181	-	13,921	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	567,028	578,954
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	52,181	-	13,921	-	-	-	-	567,028	578,954
Disbursements:									
Instruction	61,201	72,462	16,303	-	-	-	-	171,656	405,269
Support services	-	-	-	-	-	-	-	185,682	236,073
Noninstructional services	-	-	-	-	-	-	-	6,289	10,169
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	61,201	72,462	16,303	-	-	-	-	363,627	651,511
Excess (deficiency) of receipts over disbursements	(9,020)	(72,462)	(2,382)	-	-	-	-	203,401	(72,557)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(9,020)	(72,462)	(2,382)	-	-	-	-	203,401	(72,557)
Cash and investments - ending	\$ (9,020)	\$ (72,462)	\$ (2,382)	\$ 14,474	\$ -	\$ -	\$ -	\$ -	\$ (72,557)

COMMUNITY SCHOOLS OF FRANKFORT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015
 (Continued)

	Title I Improvement 2014	14-15 Title I School Improvement	Title V 2007-8	Migrant 2009-10	Migrant 2012-13	Migrant 2013-2014	Migrant 2014-2015	Special Ed Flow Thru 2009-10	Special Ed Flow Thru 2010-11
Cash and investments - beginning	\$ (248)	\$ -	\$ 20	\$ 1,128	\$ 5,950	\$ (11,073)	\$ -	\$ 3,933	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	53,415	3,200	-	-	-	22,042	29,556	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	<u>53,415</u>	<u>3,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,042</u>	<u>29,556</u>	<u>-</u>	<u>-</u>
Disbursements:									
Instruction	-	-	-	-	-	5,072	18,659	-	-
Support services	51,669	8,221	-	-	-	350	1,840	-	-
Noninstructional services	1,498	-	-	-	-	5,555	19,247	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	<u>53,167</u>	<u>8,221</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,977</u>	<u>39,746</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>248</u>	<u>(5,021)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,065</u>	<u>(10,190)</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>248</u>	<u>(5,021)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,065</u>	<u>(10,190)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (5,021)</u>	<u>\$ 20</u>	<u>\$ 1,128</u>	<u>\$ 5,950</u>	<u>\$ (8)</u>	<u>\$ (10,190)</u>	<u>\$ 3,933</u>	<u>\$ -</u>

COMMUNITY SCHOOLS OF FRANKFORT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015
 (Continued)

	Special Ed Flow Thru 2011-12	Special Ed Flow Thru CSF 2009-10	Sp Ed Flow Thru CSF 2010-11	Sp Ed Flow Thru CSF 2011-12	Special Ed CSF 2012-2013	Special Ed CSF 2013-2014	Sp Ed CSF 2014-2015	Technical Assistance Grant	Preschool 2009-10
Cash and investments - beginning	\$ 24	\$ -	\$ -	\$ -	\$ (23,170)	\$ (468,233)	\$ -	\$ (9,950)	\$ 490
Receipts:									
Local sources	-	-	-	-	-	100	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	26,513	650,742	455,921	13,951	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	26,513	650,842	455,921	13,951	-
Disbursements:									
Instruction	-	-	-	-	1,300	47,746	325,852	4,001	-
Support services	-	-	-	-	2,043	136,311	151,340	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	3,343	184,057	477,192	4,001	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	23,170	466,785	(21,271)	9,950	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	1,488	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	1,488	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	23,170	468,273	(21,271)	9,950	-
Cash and investments - ending	\$ 24	\$ -	\$ -	\$ -	\$ -	\$ 40	\$ (21,271)	\$ -	\$ 490

COMMUNITY SCHOOLS OF FRANKFORT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015
 (Continued)

	Preschool 2010-11	Preschool 2011-12	Preschool 2012-13	Preschool 13-14	Adult Ed 2010-11	Adult Ed 2011-12	Adult Ed 2012-13	Adult Ed 2013-14	Adult Ed 2014-2015
Cash and investments - beginning	\$ 313	\$ -	\$ (1,883)	\$ (5,885)	\$ -	\$ 519	\$ -	\$ (19,486)	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	23,176	5,980	-	-	-	19,486	19,338
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	23,176	5,980	-	-	-	19,486	19,338
Disbursements:									
Instruction	-	-	5,436	695	-	-	-	-	36,268
Support services	-	-	15,857	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	21,293	695	-	-	-	-	36,268
Excess (deficiency) of receipts over disbursements	-	-	1,883	5,285	-	-	-	19,486	(16,930)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	1,883	5,285	-	-	-	19,486	(16,930)
Cash and investments - ending	\$ 313	\$ -	\$ -	\$ (600)	\$ -	\$ 519	\$ -	\$ -	\$ (16,930)

COMMUNITY SCHOOLS OF FRANKFORT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015
 (Continued)

	Adult Ed Title	Drug Free Schools 2008-9	Drug Free Schools 2009-10	Nutritional Grant - State, P.L.	Healthier US School Challenge	Perkins 2011-12	Perkins 2012-2013	Perkins 2013-2014	Perkins 2014-2015
Cash and investments - beginning	\$ 3,119	\$ 187	\$ 562	\$ -	\$ -	\$ 13,974	\$ 1,084	\$ (15,828)	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	1,200	4,988	-	-	30,670	35,721
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	1,200	4,988	-	-	30,670	35,721
Disbursements:									
Instruction	-	-	-	1,101	154	-	-	20,094	27,487
Support services	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	1,101	154	-	-	20,094	27,487
Excess (deficiency) of receipts over disbursements	-	-	-	99	4,834	-	-	10,576	8,234
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	-	-	-	99	4,834	-	-	10,576	8,234
Cash and investments - ending	\$ 3,119	\$ 187	\$ 562	\$ 99	\$ 4,834	\$ 13,974	\$ 1,084	\$ (5,252)	\$ 8,234

COMMUNITY SCHOOLS OF FRANKFORT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015
 (Continued)

	Medicaid Reimbursement - Federal	RTI BR/SC	21st Century Year 3	21st Century 2012-13	21st Century 2013-2014	21st Century 2014-2015	Title II 2008-9	Title IIA 2009-10	Title IIA
Cash and investments - beginning	\$ 154,773	\$ 6,608	\$ 9,058	\$ -	\$ (52,859)	\$ -	\$ 5,457	\$ 17,714	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	202,537	-	-	-	50,171	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	202,537	-	-	-	50,171	-	-	-	-
Disbursements:									
Instruction	31,524	-	-	144	-	130,258	-	-	-
Support services	-	-	-	-	(1,956)	70,788	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	34,862	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	4,130	-	-	-
Total disbursements	66,386	-	-	144	(1,956)	205,176	-	-	-
Excess (deficiency) of receipts over disbursements	136,151	-	-	(144)	52,127	(205,176)	-	-	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	732	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	(79,533)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(79,533)	-	-	-	732	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	56,618	-	-	(144)	52,859	(205,176)	-	-	-
Cash and investments - ending	\$ 211,391	\$ 6,608	\$ 9,058	\$ (144)	\$ -	\$ (205,176)	\$ 5,457	\$ 17,714	\$ -

COMMUNITY SCHOOLS OF FRANKFORT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015
 (Continued)

	Title II 2012-13	Title II 13-14	Title IID 2009-10	Rural Schools and Low Income Program - Pass Through State	Rural School and Low Income 2013	Rural and Low Income 2014-15	Rural and Low Income 2015-16	Title III 2009-10	Title III 2011-12
Cash and investments - beginning	\$ (9,089)	\$ (3,085)	\$ 4,302	\$ 6,500	\$ (31,229)	\$ -	\$ -	\$ 3,561	\$ 321
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	21,323	-	-	-	44,909	52,823	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Total receipts	21,323	-	-	-	44,909	52,823	-	-	-
Disbursements:									
Instruction	-	-	-	-	-	-	-	-	-
Support services	12,425	6,379	-	2,087	13,680	52,823	54,594	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	12,425	6,379	-	2,087	13,680	52,823	54,594	-	-
Excess (deficiency) of receipts over disbursements	8,898	(6,379)	-	(2,087)	31,229	-	(54,594)	-	-
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	8,898	(6,379)	-	(2,087)	31,229	-	(54,594)	-	-
Cash and investments - ending	\$ (191)	\$ (9,464)	\$ 4,302	\$ 4,413	\$ -	\$ -	\$ (54,594)	\$ 3,561	\$ 321

COMMUNITY SCHOOLS OF FRANKFORT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2015
 (Continued)

	Title III 2012-13	Title III 2013-2014	Title III 2014-2015	Title III- WIDA	Math Science Grant 2007-10	Science and Tech Addition	Prepaid School Lunch Fund	Payroll Funds	Totals
Cash and investments - beginning	\$ 5,343	\$ (21,085)	\$ -	\$ -	\$ 40,138	\$ 957	\$ -	\$ 315,553	\$ 4,333,048
Receipts:									
Local sources	-	-	-	-	-	-	-	-	7,970,383
State sources	-	-	-	-	-	-	-	-	22,078,897
Federal sources	-	57,595	62,322	-	-	-	-	-	4,569,826
Other receipts	-	-	-	-	-	-	12,488	5,474,297	5,522,077
Total receipts	-	57,595	62,322	-	-	-	12,488	5,474,297	40,141,183
Disbursements:									
Instruction	-	32,405	79,523	3,289	-	-	-	-	16,077,012
Support services	7,000	6,999	24,173	-	-	-	-	-	10,210,082
Noninstructional services	-	-	-	-	-	-	-	-	2,053,971
Facilities acquisition and construction	-	-	-	-	-	-	-	-	1,052,627
Debt services	-	-	-	-	-	-	-	-	4,115,103
Nonprogrammed charges	-	-	-	-	-	-	-	5,426,074	5,543,851
Total disbursements	7,000	39,404	103,696	3,289	-	-	-	5,426,074	39,052,646
Excess (deficiency) of receipts over disbursements	(7,000)	18,191	(41,374)	(3,289)	-	-	12,488	48,223	1,088,537
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	65,222
Transfers in	-	-	-	-	-	-	-	-	343,469
Transfers out	-	-	-	-	-	-	-	-	(343,470)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	65,221
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(7,000)	18,191	(41,374)	(3,289)	-	-	12,488	48,223	1,153,758
Cash and investments - ending	<u>\$ (1,657)</u>	<u>\$ (2,894)</u>	<u>\$ (41,374)</u>	<u>\$ (3,289)</u>	<u>\$ 40,138</u>	<u>\$ 957</u>	<u>\$ 12,488</u>	<u>\$ 363,776</u>	<u>\$ 5,486,806</u>

(This page intentionally left blank.)

COMMUNITY SCHOOLS OF FRANKFORT
SCHEDULE OF LEASES AND DEBT
June 30, 2015

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Frankfort High School/Elementary School Building Corporation	Refunding Bond Lease	\$ 3,189,500	12/31/2014	12/31/2025

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose	
Governmental activities:		
Notes and loans payable:		
COMMON SCHOOL LOAN SC	SC LOAN	\$ 2,520,000
TENNIS COURT INSTALLMENT LOAN	TENNIS COURT CONSTRUCTION	158,164
General obligation bonds:		
RETIREMENT VEBA	VEBA BOND	2,985,000
Totals		\$ 5,663,164
		\$ 1,150,247

(This page intentionally left blank.)

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 COMMUNITY SCHOOLS OF FRANKFORT, CLINTON COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Community Schools of Frankfort's (School Corporation) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the period of July 1, 2013 to June 30, 2015. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for 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, 2013 to June 30, 2015.

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 item 2015-002. Our opinion on each major federal program is not modified with respect to these matters.

The School Corporation's response to the noncompliance finding 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

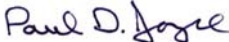
Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over 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 a deficiency in internal control over compliance that we consider to be a material weakness.

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 deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2015-002 to be a material weakness.

The School Corporation's response to the internal control over compliance finding 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

July 27, 2016, except for the Schedule of Expenditures of Federal Awards,
as to which the date is December 15, 2016

(This page intentionally left blank.)

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.

COMMUNITY SCHOOLS OF FRANKFORT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2014 and 2015

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient 06-30-14	Total Federal Awards Expended 06-30-14	Pass-Through To Subrecipient 06-30-15	Total Federal Awards Expended 06-30-15
<u>Department of Agriculture</u>							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553	2013/2014 2014/2015	\$ - -	\$ 236,316 -	- -	- 344,413
Total - School Breakfast Program				-	236,316	-	344,413
National School Lunch Program	Indiana Department of Education	10.555	2013/2014 2014/2015	- -	1,108,533 -	- -	- 1,182,727
National School Lunch Program - Commodities				-	109,653	-	116,317
Total - National School Lunch Program				-	1,218,186	-	1,299,044
Summer Food Service Program for Children	Indiana Department of Education	10.559	2013/2014 2014/2015	- -	10,437 -	- -	- 9,126
Total - Summer Food Service Program for Children				-	10,437	-	9,126
Total - Department of Agriculture				-	1,464,939	-	1,652,583
<u>Department of Transportation</u>							
Highway Planning and Construction Cluster							
Highway Planning and Construction	Indiana Department of Transportation	20.205	DES# 1173687	-	22,207	-	-
Total - Department of Transportation				-	22,207	-	-
<u>Department of Education</u>							
Special Education Cluster							
Special Education_Grants to States	Indiana Department of Education	84.027	14212-006-PN01 14213-006-PN01 14214-006-PN01 14215-006-PN01 99914-006-PN01	- - - - -	272,160 333,106 - - -	- - - - -	- 26,513 650,742 455,921 13,952
Total - Special Education_Grants to States				-	605,266	-	1,147,128
Special Education_Preschool Grants	Indiana Department of Education	84.173	45712-006-PN01 45713-006-PN01 45714-006-PN01	- - -	41,553 15,857 -	- - -	- 23,176 5,980
Total - Special Education_Preschool Grants				-	57,410	-	29,156
Total - Special Education Cluster				-	662,676	-	1,176,284
Adult Education - Basic Grants to States	Lafayette School Corporation	84.002	C1-4-AE-3-109 C1-5-AE-4-109	- -	85,700 -	- -	19,486 19,338
Total - Adult Education - Basic Grants to States				-	85,700	-	38,824

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

COMMUNITY SCHOOLS OF FRANKFORT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2014 and 2015
(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	Pass-Through To Subrecipient 06-30-14	Total Federal Awards Expended 06-30-14	Pass-Through To Subrecipient 06-30-15	Total Federal Awards Expended 06-30-15
<u>Department of Education (continued)</u>							
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010	FY 12/13	-	300,289	-	-
			FY 13/14	-	516,099	-	620,443
			FY 14/15	-	-	-	582,154
Total - Title I Grants to Local Educational Agencies				-	816,388	-	1,202,597
Migrant Education_State Grant Program	Indiana Department of Education	84.011	38212-003-PN01	-	19,518	-	-
			38213-005-PN01	-	24,718	-	22,042
			38214-003-PN01	-	-	-	29,556
Total - Migrant Education_State Grant Program				-	44,236	-	51,598
Career and Technical Education -- Basic Grants to States	Tippecanoe School Corporation	84.048	14-4700-7865	-	4,439	-	-
			15-4700-7865	-	-	-	2,631
Total - Career and Technical Education -- Basic Grants to States				-	4,439	-	2,631
Twenty-First Century Community Learning Centers	Indiana Department of Education	84.287	A58-0-10DL-096	-	252,454	-	50,171
Rural Education	Indiana Department of Education	84.358	FY11	-	6,500	-	-
			FY12	-	15,750	-	44,909
			FY13	-	-	-	52,823
Total - Rural Education				-	22,250	-	97,732
English Language Acquisition State Grants	Indiana Department of Education	84.365	01113-011-PN01	-	50,567	-	-
			01114-012-PN01	-	71,459	-	57,595
			01115-012-PN01	-	-	-	62,322
Total - English Language Acquisition State Grants				-	122,026	-	119,917
Improving Teacher Quality State Grants	Indiana Department of Education	84.367	FFY 2012	-	76,826	-	21,323
			FFY 2013	-	6,519	-	-
Total - Improving Teacher Quality State Grants				-	83,345	-	21,323
Total - Department of Education				-	2,093,514	-	2,761,077
<u>Department of Health and Human Services</u>							
Assistance Programs for Chronic Disease Prevention and Control	Indiana State Department of Health	93.945	400-16-071	-	-	-	1,200
Total - Department of Health and Human Services				-	-	-	1,200
Total federal awards expended				\$ -	\$ 3,580,660	\$ -	\$ 4,414,860

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

COMMUNITY SCHOOLS OF FRANKFORT
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 under programs of the federal government for the years ended June 30, 2014 and 2015. The information in the SEFA is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position of the School Corporation.

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. Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-133, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received.

COMMUNITY SCHOOLS OF FRANKFORT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
	Child Nutrition Cluster
	Special Education Cluster
84.010	Title I Grants to Local Educational Agencies
84.287	Twenty-First Century Community Learning Centers

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 2015-001 - PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Condition

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).

COMMUNITY SCHOOLS OF FRANKFORT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

The federal expenditures reported in the SEFA presented for audit were understated by a material amount for the years ended June 30, 2014 and 2015.

Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA.

Criteria

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

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

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

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

"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. . . ."

Cause

Management had not established a system of internal control that would have ensured proper reporting of the SEFA.

COMMUNITY SCHOOLS OF FRANKFORT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Effect

Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA could have remained undetected.

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

Section III - Federal Award Findings and Questioned Costs

FINDING 2014-002 - CASH MANAGEMENT

Federal Agency: Department of Agriculture

Federal Programs: School Breakfast Program, National School Lunch Program

CFDA Numbers: 10.553, 10.555

Federal Award Numbers and Years (or Other Identifying Numbers): 2013/2014, 2014/2015

Pass-Through Entity: Indiana Department of Education

Condition

An effective internal control system, which would have included segregation of duties, was not in place at the School Corporation in order to ensure compliance with the Cash Management requirements. There were no controls in place to ensure that the School Lunch monthly balances were limited to the average expenditures for three months.

The School Lunch fund balance for the School Corporation exceeded its average expenditures for 3 months in all 24 months of the audit period. The School Lunch fund average expenditures for 3 months during 2013/2014 and 2014/2015 were \$366,235 and \$413,146, respectively. The School Lunch fund average cash balances during 2013/2014 and 2014/2015 were \$1,996,256 and \$2,290,196, respectively.

Context

This is not an isolated incident. The balances were over the three month average for numerous fiscal years. The School Corporation had a plan to spend a portion of their excess balance on updates to some of their kitchens and pay rate increases for program employees; however, no action was taken during the audit period.

Criteria

7 CFR 220.7(e)(1)(iv) states: "Limit its net cash resources to an amount that does not exceed three months average expenditure for its nonprofit school food service or such other amount as may be approved by the State agency; and"

7 CFR section 210.14(b) states: "*Net cash resources.* The school food authority shall limit its net cash resources to an amount that does not exceed 3 months average expenditures for its nonprofit school food service or such other amount as may be approved by the State agency in accordance with section 210.19(a)."

COMMUNITY SCHOOLS OF FRANKFORT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

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

Cause

Management had not developed a system of internal controls that segregated key functions.

The School Corporation had not properly developed or implemented a plan to reduce the cash balance of the School Lunch fund to an amount that had not exceeded the average expenditures for three months.

Effect

The failure to establish internal controls enabled material noncompliance to go undetected. Noncompliance with grant agreements or compliance requirements could have resulted in the loss of federal funds to the School Corporation.

Questioned Costs

There were no questioned costs identified.

Recommendation

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

We also recommended that the School Corporation's management comply with the Cash Management requirements of the programs.

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

AUDITEE-PREPARED DOCUMENTS

The subsequent documents were provided by management of the School Corporation. The documents are presented as intended by the School Corporation.



Don DeWeese, Ed. S., *Superintendent of Schools*
Joel McKinney, *Assistant Superintendent*

2400 E. Wabash St. ▪ Frankfort, Indiana 46041 ▪ www.frankfortschools.org
765.654.5585 ▪ 765.659.6222

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2013-002 School Breakfast Program, National School Lunch Program, Summer Food Service Program for Children

Fiscal year in which the finding initially occurred: 2011/2012, 2012/2013

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Education

Contact Person Responsible for Corrective Action: Diane Stiening

Contact Phone Number: 765-654-8545

Status of Audit Finding:

The Foodservice Director keeps on file proof of procurement, suspension and debarment documentation for vendors with whom we accept bids and do service with. Compliance regulations are stated in our foodservice bids.

FINDING 2013-003 Twenty-First Century Community Learning Centers

Fiscal year in which the finding initially occurred: 2010-2011, 2011-2012, 2012-2013

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Education

Contact Person Responsible for Corrective Action: Melinda Grissmer, Don DeWeese, Leslie Michael

Contact Phone Number: 765-654-5585

Status of Audit Finding:

The Treasurer and Director review and sign all claims paid from the grant. Treasurer and Assistant Superintendent sign off on the requests for reimbursement confirming expenses being claimed.

FINDING 2013-004 Educational Jobs Funds

Fiscal year in which the finding initially occurred: 2011-2012

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Education

Contact Person Responsible for Corrective Action: Leslie Michael

Contact Phone Number: 765-654-5585

Status of Audit Finding:

More than one level of oversight has been put into place on all Federal Grants. All expenditures require the Grant Director and Treasurer's signature. All requests for reimbursements require the Treasurer's signature along with the Grant Director's for confirmation of expenses incurred.

Sandy Miller James McQuade Stephanie Barnacle Karen Sutton Kristen Beardsley Jeff Tatum Mark Sheets
President Vice President Secretary Board Member Board Member Board Member Board Member

FINDING 2013-005

Fiscal year in which the finding initially occurred: 2011-2012

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Education

Contact Person Responsible for Corrective Action: Leslie Michael

Contact Phone Number: 765-654-5585

Status of Audit Finding:

More than one level of oversight has been put into place on all Federal Grants. All expenditures require the Grant Director and Treasurer's signature. All requests for reimbursements require the Treasurer's signature along with the Grant Director's for confirmation of expenses incurred.

FINDING 2013-006 TITLE I

Fiscal year in which the finding initially occurred: 2010/2011, 2011/2012 and 2012/2013

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: Indiana Department of Education

Contact Person Responsible for Corrective Action: Lola Van Dyke and Leslie Michael

Contact Phone Number: 765-654-5585

Status of Audit Finding:

The Community Schools of Frankfort has established an effective internal control system which includes segregation of duties related to the grant agreement and certain compliance requirements.

Each requisition and accounts payable originating from the schools is reviewed by three individuals, the building principal, the Grant Administrator and the Finance Director. Orders originating from the administrative office are signed by the grant administrator and the Finance Director.

In addition an internal control system which includes segregation of duties within Title I includes collaboration between the Title I Director and Assistant concerning orders and material compliance with the grant agreement.

The Treasurer provides financial reports to the Title I Director and both sign the reimbursement requests confirming the expended amounts match the reimbursement request for the time period of such request. A copy is kept with the finance records and the Directors records.

Both administrative and support staff are required to submit monthly time logs to insure maximum level of effort and time on task to meet the requirements of administering the requirements of the Title I grant.

Leslie Michael
(Signature)

Treasurer
(Title)

05/12/2016
(Date)

(Note to Officials: To determine what audit findings are required to be reported in the Summary Schedule of Prior Audit Findings, please see U.S. Office of Management and Budget (OMB), Circular A-133, Subpart C, section .315(b) for audit periods beginning before December 26, 2014. For audit periods beginning after December 26, 2014, please see 2 CFR §200.511(b).)

Sandy Miller <i>President</i>	James McQuade <i>Vice President</i>	Stephanie Barnacle <i>Secretary</i>	Karen Sutton <i>Board Member</i>	Kristen Beardsley <i>Board Member</i>	Jeff Tatum <i>Board Member</i>	Mark Sheets <i>Board Member</i>
----------------------------------	--	--	-------------------------------------	--	-----------------------------------	------------------------------------



Don DeWeese, Ed. S., Superintendent of Schools
Joel McKinney, Assistant Superintendent

2400 E. Wabash St. ▪ Frankfort, Indiana 46041 ▪
www.frankfortschools.org 765.654.5585 ▪
765.659.6220

CORRECTIVE ACTION PLAN

FINDING 2015-001

Contact Person Responsible for Corrective Action: Leslie Michael, Treasurer
Contact Phone Number: 765-654-5585

Description of Corrective Action Plan:

The Treasurer shall make sure that the SEFA is uploaded into the Gateway and all Federal funds shall be included on such.

Further segregation of duties are being put into place to make sure that all reports are completed in a timely manner and within the timelines given by the various governmental agencies to remain in compliance.

Anticipated Completion Date: Immediately

FINDING 2014-002

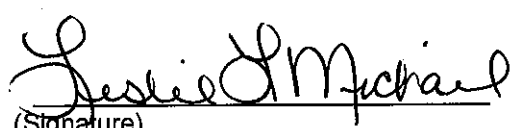
Contact Person Responsible for Corrective Action: Diane Stiening
Contact Phone Number: 765-654-8545

Description of Corrective Action Plan:

The school corporation is going to update foodservice equipment and cafeterias in individual schools. The School Board will review a proposal for an increase to School Lunch personnel pay.

Further internal controls for segregation of duties are being put into place for compliance of cash management. All monthly reports are to be reviewed by the Director of School Lunch and the Corporation Treasurer.

Anticipated Completion Date: Ongoing project, plans in the works.


(Signature)

July 27, 2016
(Title)

Treasurer
(Date)

- | | | | | | | |
|---------------------------|---------------------------------|-------------------------|------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Sandy Miller
President | James McQuade
Vice President | Jeff Tatum
Secretary | Karen Sutton
Board Member | Kristen Beardsley
Board Member | Mark Sheets
Board Member | Annie Bacon
Board Member |
|---------------------------|---------------------------------|-------------------------|------------------------------|-----------------------------------|-----------------------------|-----------------------------|

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/>.