

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

SHENANDOAH SCHOOL CORPORATION

HENRY COUNTY, INDIANA

July 1, 2013 to June 30, 2015



FILED
10/07/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Julia D. Miller	07-01-13 to 06-30-17
Superintendent of Schools	Ronald L. Green	07-01-13 to 06-30-22
President of the School Board	Scott Trennepohl	07-01-13 to 12-31-17



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TO: THE OFFICIALS OF THE SHENANDOAH SCHOOL CORPORATION, HENRY COUNTY, INDIANA

This report is supplemental to our audit report of the Shenandoah School Corporation (School Corporation), for the period from July 1, 2013 to June 30, 2015. It has been provided as a separate report so that the reader may easily identify any Federal Findings and Audit Results and Comments that pertain to the School Corporation. It should be read in conjunction with our Financial Statement and Federal Single Audit Report of the School Corporation, which provides our opinions on the School Corporation's financial statement and federal program compliance. This report may be found at www.in.gov/sboa/.

The Federal Findings, identified in the above referenced audit report, are included in this report and should be viewed in conjunction with the Audit Results and Comments as described below.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit Results and Comments contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Corrective Action Plan for the Federal Findings and Official Response to the Audit Results and Comments, incorporated within this report, were not verified for accuracy.

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

August 2, 2016

SHENANDOAH SCHOOL CORPORATION
FEDERAL FINDINGS

FINDING 2015-001 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

There were several deficiencies in the internal control system of the School Corporation related to financial transactions and reporting.

1. **Lack of Segregation of Duties:** The School Corporation had not separated incompatible activities related to cash reconciliation. The School Corporation Treasurer performed all reconciling activities without controls in place to verify the accuracy of the work performed. The failure to establish these controls could enable misstatements or irregularities to remain undetected. Control activities should be in place to reduce the risks of errors in financial reporting.
2. **Monitoring of Controls:** An evaluation of the School Corporation's system of internal control had not been conducted. The failure to monitor the internal control system placed the School Corporation at risk that controls may not be either designed properly or operating effectively to provide reasonable assurance that controls would have prevented, or detected and corrected, misstatements in a timely manner. Additionally, the School Corporation had no process to identify or communicate corrective actions to improve controls. Effective internal controls over financial reporting require the School Corporation to monitor and assess the quality of the system of internal control.

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

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

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

The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The School Corporation Treasurer prepared the SEFA with no oversight.

The School Corporation should have had proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operated effectively, material misstatements of the SEFA could have remained undetected.

During the audit of the SEFA, there were the following errors:

Child Nutrition Cluster 2014	\$357,185 Underreported
Child Nutrition Cluster 2015	\$358,905 Underreported
Title I, Part A Cluster 2014	\$15,716 Overreported
Title I, Part A Cluster 2015	\$31,175 Underreported
Special Education Cluster (IDEA) 2014	\$310,359 Underreported
Special Education Cluster (IDEA) 2015	\$272,396 Underreported
Improving Teacher Quality State Grants 2014	\$2,085 Underreported
Improving Teacher Quality State Grants 2015	\$36,786 Underreported

SHENANDOAH SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

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

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:

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

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

SHENANDOAH SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

***FINDING 2015-003 - ACTIVITIES ALLOWED OR UNALLOWED
AND ALLOWABLE COSTS/COST PRINCIPLES***

Federal Agency: Department of Education

Federal Programs: Special Education_Grants to States, Special Education_Preschool Grants

CFDA Numbers: 84.027, 84.173

Federal Award Numbers and Years (or Other Identifying Numbers): 14213-044-PN01, 14214-044-PN01,
14215-044-PN01, 45713-044-PN01,
45714-044-PN01, 45715-044-PN01

Pass-Through Entity: Indiana Department of Education

Condition

Management of the School Corporation had not established an effective internal control system, which would have included segregation of duties, related to the grant agreement and the following compliance requirements: Activities Allowed or Unallowed and Allowable Costs/Cost Principles. The School Corporation is a member of the New Castle Area Special Services Cooperative (Cooperative), and they provided oversight of the Cooperative through the School Corporation Superintendent who served as a member of the Cooperative Board. However, the Cooperative had not established an effective internal control system in relation to Activities Allowed or Unallowed and Allowable Costs/Cost Principles requirements.

Context

Activities Allowed or Unallowed

For Fiscal Years 2014 and 2015, there was no control procedure in place to ensure that all employees paid from Special Education Grant funds were allowed.

Allowable Costs/Cost Principles

For Fiscal Year 2014 and 2015, at the Cooperative, the Special Education Director was solely responsible for preparing, reviewing, and maintaining the Personnel Activity Reports and Semiannual Certifications. There were no control procedures in place to detect errors and omissions.

Criteria

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.

SHENANDOAH SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Effect

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

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 requirements listed above.

Views of Responsible Officials

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

FINDING 2015-004 - EQUIPMENT AND REAL PROPERTY 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): 2012-2013, 2013-2014, 2014-2015

Pass-Through Entity: Indiana Department of Education

Condition

Management of the School Corporation had not established an effective internal control system, which would have included segregation of duties, related to the grant agreement and the Equipment and Real Property Management compliance requirement.

Context

The School Corporation did not maintain property records of equipment purchased from the School Lunch fund. Equipment totaling \$45,905 purchased from the School Lunch fund during the audit period was not recorded in the capital asset records of the School Corporation. A physical inventory of the equipment was not taken.

Criteria

7 CFR 3016.32(d) states:

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

SHENANDOAH SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

- (1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
- (2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
- (3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.
- (4) Adequate maintenance procedures must be developed to keep the property in good condition.
- (5) If the grantee or subgrantee is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return."

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 and assigned key functions.

Effect

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

The failure to maintain detailed and accurate equipment and property records and to reconcile physical inventory could result in assets being lost, stolen, misappropriated, or disposed of improperly and not detected within a reasonable time.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommend that School Corporation design and properly monitor procedures that would ensure accurate detailed fixed asset records are maintained and that inventories of property and equipment are conducted at least once every two years and reconciled to the detailed capital asset ledger. Any significant differences should be investigated and the appropriate adjustments made to the records. Also any assets acquired with federal funds must be designated as such so that they are not disposed of improperly.

SHENANDOAH SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

Views of Responsible Officials

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

FINDING 2015-005 - REPORTING AND SPECIAL TESTS AND PROVISIONS - VERIFICATION

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): 2012-2013, 2013-2014, 2014-2015

Pass-Through Entity: Indiana Department of Education

Condition

Management of the School Corporation had not established an effective internal control system, which would have included segregation of duties, related to the grant agreement and the following compliance requirements: Reporting and Special Tests and Provisions - Verification of Free and Reduced Price Applications (NSLP).

Context

Monthly Sponsor Claims (claims for reimbursement), annual verification reports, and Annual Financial Reports were prepared and submitted by the Food Service Director with no controls in place to verify their accuracy.

The School Corporation had deficiencies within its verification processes that did not allow for the adequate documentation of the verification of the eligibility status of approved free and reduced price applications for the School Breakfast Program and National School Lunch Program. The eligibility verification determination process was not completed using the proper procedures. Three of the verifications tested had income evidence attached that indicated the child should be moved from free to reduced price meals. However, the appropriate changes were not made to the eligibility status for these children. The School Corporation did not retain a list of school lunch applications for FY 2014-2015. FE's were unable to calculate the number for the Special Test and Provision of 3 percent verification.

Criteria

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

7 CFR 210.15(b) states in part:

"Recordkeeping summary. In order to participate in the Program, a school food authority or a school, as applicable, must maintain records to demonstrate compliance with Program requirements. These records include but are not limited to: . . .

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

SHENANDOAH SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

7 CFR 220.7(e) states in part:

"Each school food authority approved to participate in the program shall . . . , with respect to participating schools under its jurisdiction: . . .

(14) Retain documentation of free or reduced price eligibility as follows:

(i) Maintain files of currently approved and denied free and reduced price applications which must be readily retrievable by school for a period of three years after the end of the fiscal year to which they pertain; or

(ii) Maintain files with the names of children currently approved for free meals through direct certification with the supporting documentation, as specified in §245.6(b)(4) of this chapter, which must be readily retrievable by school . . ."

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 and assigned key functions.

Effect

The failure to establish internal controls enabled material noncompliance to go undetected. Non-compliance with the grant agreement or the compliance requirement 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 requirements listed above.

Views of Responsible Officials

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

SHENANDOAH SCHOOL CORPORATION
FEDERAL FINDINGS
(Continued)

FINDING 2015-006 - ELIGIBILITY

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): 2012-2013, 2013-2014, 2014-2015

Pass-Through Entity: Indiana Department of Education

Condition

Management of the School Corporation had not established an effective internal control system, which would have included segregation of duties, related to the grant agreement and the Eligibility compliance requirement.

Context

There were no control procedures in place to ensure that applicant eligibility determinations were accurate.

Criteria

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.

Effect

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

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.

Views of Responsible Officials

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

SHENANDOAH SCHOOL CORPORATION
CORRECTIVE ACTION PLAN
Audit Period 7/1/13 to 6/30/15
August 2, 2016

FINDING 2015-001 INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

Contact Person Responsible for Corrective Action: Julia Miller

Contact Phone Number: (765) 354-2266 Ext 502

Views of Responsible Official:

We concur with this finding.

Description of Corrective Action Plan:

The Shenandoah School Corporation will add controls over review of financial activities, including but not limited to bank reconciliations, receipting, disbursing, recording and general accounting procedures.

Anticipated Completion Date:

July 1, 2016

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

Contact Person Responsible for Corrective Action: Julia Miller

Contact Phone Number: (765) 354-2266 Ext 502

Views of Responsible Official:

We concur with this finding.

Description of Corrective Action Plan:

The Shenandoah School Corporation will add controls over Federal awards, to more clearly track all SEFA activity.

Anticipated Completion Date:

July 1, 2016

FINDING 2015-003 ACTIVITIES ALLOWED OR UNALLOWED AND ALLOWABLE COSTS/COST PRINCIPLES

Contact Person Responsible for Corrective Action: Julia Miller

Contact Phone Number: (765) 354-2266 Ext 502

Views of Responsible Official:

We concur with this finding.

Description of Corrective Action Plan:

This audit finding is a result of the New Castle Area Special Services not having established an effective internal control system in relation to Activities Allowed or Unallowed and Allowable Costs/Cost Principles.

Please refer to the Corrective Action Plan that has been devised to address this lack of control within the New Castle Area Special Services, our Cooperative and the member board.

Anticipated Completion Date:

July 1, 2016

FINDING 2015-004 EQUIPMENT AND REAL PROPERTY MANAGEMENT

Contact Person Responsible for Corrective Action: Julia Miller

Contact Phone Number: (765) 354-2266 Ext 502

Views of Responsible Official:

We concur with this finding

Description of Corrective Action Plan:

Shenandoah School Corporation utilizes an outside service to provide us with Fixed Asset/Capital Asset Management Reporting. The threshold to add equipment did not pick up this equipment purchase and during the physical inventory this purchase was overlooked.

Anticipated Completion Date:

July 1, 2016

FINDING 2015-005 REPORTING AND SPECIAL TESTS AND PROVISIONS-VERIFICATION

Contact Person Responsible for Corrective Action: Julia Miller, Wendy Riggs

Contact Phone Number: (765) 354-2266 Ext 502

Views of Responsible Official:

We concur with this finding

Description of Corrective Action Plan:

The Shenandoah School Corporation will add controls to verify the accuracy of the applicant status and to adequately document the verification of eligibility, and to better control record management.

Anticipated Completion Date:

July 1, 2016

FINDING 2015-006 ELIGIBILITY

Contact Person Responsible for Corrective Action: Julia Miller, Wendy Riggs

Contact Phone Number: (765) 354-2266 Ext 502

Views of Responsible Official:

We concur with this finding

Description of Corrective Action Plan:

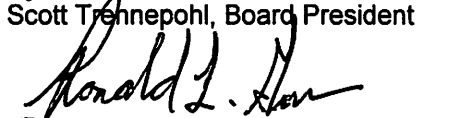
The Shenandoah School Corporation will add controls to include segregation of duties as related to grant agreement and compliance requirements.

Anticipated Completion Date:

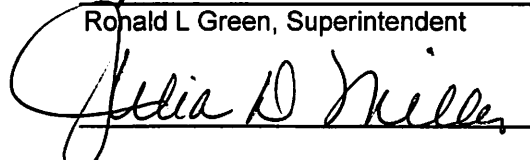
July 1, 2016



Scott Trennepohl, Board President



Ronald L Green, Superintendent



Julia D Miller, Business Manager

SHENANDOAH SCHOOL CORPORATION
AUDIT RESULTS AND COMMENTS

PENALTIES, INTEREST, AND OTHER CHARGES

The School Corporation paid interest to Card Member Services in the amount of \$300 because the School Corporation did not remit payments on a timely basis.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

PREPAID SCHOOL LUNCH

Prepaid lunch receipts were not placed in Fund 8400 Prepaid Food, a clearing account, but were instead accounted for in the School Lunch fund, fund 800. The entire amount of prepaid lunch receipts were recognized in the School Lunch fund, fund 800 at the time of receipt as revenue and not as applied from the clearing account as students consumed their individual account balances. As a result, the subsidiary records of prepaid lunch fund balances by student could not be reconciled to an overall balance on a routine basis as required.

Clearing Account Number 8400 - Prepaid Food has not been established to account for prepaid food. The collections are to be receipted to 8410 with 8420 representing the transfers out of the clearing account and recognition in the appropriate revenue classifications (1611 to 1614 series) in the School Lunch Fund. The transfer should be made periodically and at the end of each month to appropriately classify meals (breakfast, lunch, etc.) when known (charged by student).

Subsidiary records by student should be routinely reconciled to the cash balance and at month end. The School Food Prescribed Forms and any approved computerized Forms will be required to be maintained in the following manner to accurately account for prepaid items. (The School Bulletin and Uniform Compliance Guidelines, September 2008)

COLLECTIVE BARGAINING AGREEMENT

The collective bargaining agreement was not posted on the School Corporation's website in a timely manner. The School Corporation entered into the contract on September 30, 2014, and posted the collective bargaining agreement on May 25, 2016.

SHENANDOAH SCHOOL CORPORATION
 AUDIT RESULTS AND COMMENTS
 (Continued)

Indiana Code 20-29-6-19 states: "Not later than fourteen (14) business days after the parties have reached an agreement under this chapter, the school employer shall post the contract upon which the parties have agreed on the school employer's Internet web site."

ERRORS ON TRAVEL CLAIMS

A test of travel disbursements identified that 50 percent of the claims tested did not use the correct federal mileage reimbursement rate. The School Corporation travel policy stated in part: "Reimbursement will be at the current rates approved by the Board." Furthermore, the School Board passed a resolution that the approved rate was the federal rate in existence at the time the travel occurred.

Each government unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

ERRORS ON CLAIMS

A test of claims identified 100 percent did not have proper School Board approval. The School Board approved claims after the claims had been paid.

Indiana Code 5-11-10-1.6 states in part:

"(b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

. . . (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

APPROPRIATIONS

The records presented for audit indicated the following expenditures in excess of budgeted appropriations:

Fund	Year	Excess Amount Expended
Debt Service	2013	\$ <u>75,922</u>

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

SHENANDOAH SCHOOL CORPORATION
EXIT CONFERENCE

The contents of this report were discussed on August 2, 2016, with Ronald L. Green, Superintendent of Schools; Scott Trennepohl, President of the School Board; and Julia D. Miller, Treasurer.