

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

JOHN GLENN SCHOOL CORPORATION
ST. JOSEPH COUNTY, INDIANA

July 1, 2013 to June 30, 2015



FILED
10/14/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Darlene M. Flora Thomas L. Bendy	01-01-13 to 05-31-14 06-01-14 to 06-30-16
Superintendent of Schools	Richard M. Reese	07-01-13 to 06-30-19
President of the School Board	Dennis D. Holland William Groves Curt Pletcher Robert A. Borlik	01-01-13 to 12-31-13 01-01-14 to 12-31-14 01-01-15 to 12-31-15 01-01-16 to 12-31-16



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE JOHN GLENN SCHOOL
CORPORATION, ST. JOSEPH COUNTY, INDIANA

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

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

Other Matters

Supplementary Information

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


Other Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 16, 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

May 16, 2016



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

TO: THE OFFICIALS OF THE JOHN GLENN SCHOOL
CORPORATION, ST. JOSEPH 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 John Glenn School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2013 to June 30, 2015, and the related notes to the financial statement, and have issued our report thereon dated May 16, 2016, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

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

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

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

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

Compliance and Other Matters

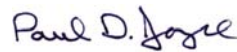
As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

John Glenn School Corporation's Response to Findings

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

Purpose of This Report

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


Paul D. Joyce, CPA
State Examiner

May 16, 2016

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

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

Fund	Cash and Investments 07-01-13	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-14	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-15
General	\$ 247,666	\$ 11,982,822	\$ 11,941,635	\$ 4,702	\$ 293,555	\$ 11,830,892	\$ 11,807,845	\$ (275,059)	\$ 41,543
Debt Service	260,526	214,931	252,199	(23,545)	199,713	285,621	229,691	(29,027)	226,616
Exempt Debt	861,324	1,754,316	1,642,000	-	973,640	1,641,301	1,639,000	-	975,941
Exempt Retirement/Severance Bond Debt Service	56,538	108,469	100,153	-	64,854	103,695	106,743	-	61,806
Capital Projects	587,008	1,577,768	1,631,144	-	533,632	1,003,711	1,322,148	-	215,195
School Transportation	197,330	1,115,838	1,067,440	-	245,728	804,679	911,557	-	138,850
School Bus Replacement	231,777	230,389	195,441	-	266,725	222,993	173,354	-	316,364
Rainy Day	425,000	-	-	-	425,000	-	298,187	298,187	425,000
Retirement/Severance Bond	163,705	-	-	-	163,705	-	4,484	-	159,221
Construction	118,361	-	108,654	-	9,707	-	8,687	-	1,020
Construction-2014 G.O. Bond	-	-	41,505	920,000	878,495	-	793,163	-	85,332
School Lunch	457,296	873,361	933,343	-	397,314	847,268	931,328	298	313,552
Textbook Rental	134,916	206,443	193,917	23,545	170,987	204,163	275,174	28,729	128,705
Self-Insurance	99,024	107,874	99,556	-	107,342	161,732	103,285	-	165,789
Levy Excess	-	-	-	-	-	313	-	-	313
Child Care Program	9,445	113,298	94,311	-	28,432	139,259	137,458	-	30,233
Educational License Plates	637	131	-	-	768	150	-	-	918
Scholarships and Awards	103,956	146	-	-	104,102	148	-	-	104,250
Title I / First Source Bank Award	-	1,227	1,227	-	-	-	-	-	-
Community Soccer Complex and Renovation	-	-	-	-	-	500,000	-	-	500,000
Marketing Programs	194	-	194	-	-	-	-	-	-
High Ability Grant FY14	-	30,901	30,901	-	-	-	-	-	-
High Ability Grant FY15	-	-	-	-	-	31,532	31,532	-	-
High Ability Making A Difference Grant	-	5,086	6,841	-	(1,755)	1,755	-	-	-
Common School Loan 2014-2015	-	-	-	-	-	150,000	150,000	-	-
Medicaid Reimbursement	31	4,671	-	(4,702)	-	23,128	-	(23,128)	-
Secured Schools Safety Grant	-	-	-	-	-	5,962	15,831	-	(9,869)
Non-English Speaking Programs P.L. 273-1999	-	1,126	1,126	-	-	-	-	-	-
School Technology	40,820	105,941	75,000	-	71,761	111,172	162,833	-	20,100
Performance Based Awards	-	-	-	-	-	71,937	69,464	-	2,473
Miscellaneous Programs	-	6,146	4,594	-	1,552	-	1,552	-	-
Senator David Ford Technology	-	-	-	-	-	1,300	1,300	-	-
Title I 2012-2013	(14,318)	35,911	21,593	-	-	-	-	-	-
Title I 2013-2014	-	213,201	235,201	-	(22,000)	73,779	51,779	-	-
Title I 2014-2015	-	-	-	-	-	235,861	253,570	-	(17,709)
(IDEA, Part B) LEA Capacity Building (Sliver) Grants	(12,809)	77,847	65,038	-	-	888	888	-	-
Special Education Part B 611 Grant FY15	-	-	-	-	-	349,822	380,771	-	(30,949)
Special Education Part B 611 Grant FY14	(34,911)	423,418	440,207	-	(51,700)	51,700	-	-	-
Special Education Part B 619 Grant FY15	-	-	-	-	-	11,204	11,204	-	-
Special Education Part B 619 Grant FY14	-	11,403	11,403	-	-	-	-	-	-
Medicaid Reimbursement - Federal	6,032	8,648	4,688	-	9,992	57,977	11,800	-	56,169
Improving Teaching Quality, No Child Left, Title II, Part A	-	23,152	27,277	-	(4,125)	30,652	26,527	-	-
Title II Part A FY12	(6,990)	24,706	17,716	-	-	-	-	-	-
Title II Part A FY14	-	-	-	-	-	27,441	31,359	-	(3,918)
Payroll Clearing Fund Balance	55,330	3,001,499	3,040,075	-	16,754	3,405,284	3,425,473	-	(3,435)
Non Corporation O.T.	18,435	100,931	120,934	-	(1,568)	118,365	138,047	-	(21,250)
Prepaid Food	-	-	-	-	-	13,652	58	-	13,594
Totals	\$ 4,006,323	\$ 22,361,600	\$ 22,405,313	\$ 920,000	\$ 4,882,610	\$ 22,519,336	\$ 23,506,092	\$ -	\$ 3,895,854

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

JOHN GLENN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

JOHN GLENN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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.

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

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

E. Disbursements

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

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

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

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

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

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

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

JOHN GLENN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

F. Other Financing Sources and Uses

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

Proceeds of long-term debt which includes money received in relation to the issuance of bonds or other long-term debt issues.

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

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

JOHN GLENN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. *Deposits and Investments*

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

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

Note 5. *Risk Management*

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

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

Note 6. *Pension Plans*

A. *Public Employees' Retirement Fund*

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. 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

JOHN GLENN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy and Annual Pension Cost

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

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of reimbursable state and federal grants. The Payroll Clearing Fund Balance fund contains a deficit cash balance due to a Social Security and Medicare reimbursement due from the Internal Revenue Service and the Non Corporation O.T. fund contains a deficit cash balance due to payroll expenses incurred for the MASE Insurance Trust Coordinator paid by the School Corporation, then reimbursed quarterly by the MASE Trust.

JOHN GLENN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. *Holding Corporation*

The School Corporation has entered into capital leases with the John Glenn School Building Corporation and John Glenn School Corporation High School Building Corporation (the lessors). The lessors were organized as not-for-profit corporations pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessors have been determined to be related-parties of the School Corporation. Lease payments during the years 2014 and 2015 totaled \$1,642,000 and \$1,639,000, respectively.

Note 9. *Other Postemployment Benefits*

The School Corporation provides medical benefits to eligible noncertified retirees and their spouses. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation.

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OTHER INFORMATION - UNAUDITED

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

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

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

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

	General	Debt Service	Exempt Debt	Exempt Retirement/Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day
Cash and investments - beginning	\$ 247,666	\$ 260,526	\$ 861,324	\$ 56,538	\$ 587,008	\$ 197,330	\$ 231,777	\$ 425,000
Receipts:								
Local sources	205,509	214,931	1,754,316	108,469	1,053,581	731,853	230,389	-
Intermediate sources	8,370	-	-	-	-	-	-	-
State sources	11,187,570	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	357,228	-	-	-	521,549	356,805	-	-
Other receipts	224,145	-	-	-	2,638	27,180	-	-
Total receipts	11,982,822	214,931	1,754,316	108,469	1,577,768	1,115,838	230,389	-
Disbursements:								
Instruction	7,903,793	-	-	-	-	-	-	-
Support services	3,485,445	-	-	-	824,294	718,676	195,441	-
Noninstructional services	19,896	-	-	-	-	-	-	-
Facilities acquisition and construction	3,301	-	-	-	278,110	-	-	-
Debt services	529,200	252,199	1,642,000	100,153	528,740	348,764	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	11,941,635	252,199	1,642,000	100,153	1,631,144	1,067,440	195,441	-
Excess (deficiency) of receipts over disbursements	41,187	(37,268)	112,316	8,316	(53,376)	48,398	34,948	-
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	4,702	-	-	-	-	-	-	-
Transfers out	-	(23,545)	-	-	-	-	-	-
Total other financing sources (uses)	4,702	(23,545)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	45,889	(60,813)	112,316	8,316	(53,376)	48,398	34,948	-
Cash and investments - ending	\$ 293,555	\$ 199,713	\$ 973,640	\$ 64,854	\$ 533,632	\$ 245,728	\$ 266,725	\$ 425,000

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

	Retirement/Severance Bond	Construction	Construction-2014 G.O. Bond	School Lunch	Textbook Rental	Self-Insurance	Levy Excess	Child Care Program
Cash and investments - beginning	\$ 163,705	\$ 118,361	\$ -	\$ 457,296	\$ 134,916	\$ 99,024	\$ -	\$ 9,445
Receipts:								
Local sources	-	-	-	405,459	141,157	107,874	-	113,298
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	11,607	65,286	-	-	-
Federal sources	-	-	-	454,468	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	1,827	-	-	-	-
Total receipts	-	-	-	873,361	206,443	107,874	-	113,298
Disbursements:								
Instruction	-	-	-	-	-	-	-	94,311
Support services	-	-	-	-	193,917	99,556	-	-
Noninstructional services	-	-	-	846,343	-	-	-	-
Facilities acquisition and construction	-	108,654	41,505	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	87,000	-	-	-	-
Total disbursements	-	108,654	41,505	933,343	193,917	99,556	-	94,311
Excess (deficiency) of receipts over disbursements	-	(108,654)	(41,505)	(59,982)	12,526	8,318	-	18,987
Other financing sources (uses):								
Proceeds of long-term debt	-	-	920,000	-	-	-	-	-
Transfers in	-	-	-	-	23,545	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	920,000	-	23,545	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(108,654)	878,495	(59,982)	36,071	8,318	-	18,987
Cash and investments - ending	\$ 163,705	\$ 9,707	\$ 878,495	\$ 397,314	\$ 170,987	\$ 107,342	\$ -	\$ 28,432

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

	Educational License Plates	Scholarships and Awards	Title I / First Source Bank Award	Community Soccer Complex and Renovation	Marketing Programs	High Ability Grant FY14	High Ability Grant FY15	High Ability Making A Difference Grant
Cash and investments - beginning	\$ 637	\$ 103,956	\$ -	\$ -	\$ 194	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	146	1,227	-	-	-	-	-
Intermediate sources	131	-	-	-	-	-	-	-
State sources	-	-	-	-	-	30,901	-	5,086
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	131	146	1,227	-	-	30,901	-	5,086
Disbursements:								
Instruction	-	-	1,227	-	-	30,901	-	6,841
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	194	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	1,227	-	194	30,901	-	6,841
Excess (deficiency) of receipts over disbursements	131	146	-	-	(194)	-	-	(1,755)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	131	146	-	-	(194)	-	-	(1,755)
Cash and investments - ending	\$ 768	\$ 104,102	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,755)

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

	Common School Loan 2014-2015	Medicaid Reimbursement	Secured Schools Safety Grant	Non-English Speaking Programs P.L. 273-1999	School Technology	Performance Based Awards	Miscellaneous Programs	Senator David Ford Technology
Cash and investments - beginning	\$ -	\$ 31	\$ -	\$ -	\$ 40,820	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	4,671	-	1,126	105,941	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	6,146	-
Total receipts	-	4,671	-	1,126	105,941	-	6,146	-
Disbursements:								
Instruction	-	-	-	1,126	-	-	-	-
Support services	-	-	-	-	-	-	4,594	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	75,000	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	1,126	75,000	-	4,594	-
Excess (deficiency) of receipts over disbursements	-	4,671	-	-	30,941	-	1,552	-
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	(4,702)	-	-	-	-	-	-
Total other financing sources (uses)	-	(4,702)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(31)	-	-	30,941	-	1,552	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 71,761	\$ -	\$ 1,552	\$ -

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

	Title I 2012-2013	Title I 2013-2014	Title I 2014-2015	(IDEA, Part B) LEA Capacity Building (Sliver) Grants	Special Education Part B 611 Grant FY15	Special Education Part B 611 Grant FY14	Special Education Part B 619 Grant FY15	Special Education Part B 619 Grant FY14
Cash and investments - beginning	\$ (14,318)	\$ -	\$ -	\$ (12,809)	\$ -	\$ (34,911)	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	35,911	213,201	-	77,847	-	423,418	-	11,403
Temporary loans	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	35,911	213,201	-	77,847	-	423,418	-	11,403
Disbursements:								
Instruction	21,593	233,220	-	23,824	-	384,711	-	11,403
Support services	-	1,437	-	-	-	55,496	-	-
Noninstructional services	-	544	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	41,214	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	21,593	235,201	-	65,038	-	440,207	-	11,403
Excess (deficiency) of receipts over disbursements	14,318	(22,000)	-	12,809	-	(16,789)	-	-
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	14,318	(22,000)	-	12,809	-	(16,789)	-	-
Cash and investments - ending	\$ -	\$ (22,000)	\$ -	\$ -	\$ -	\$ (51,700)	\$ -	\$ -

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

	Medicaid Reimbursement - Federal	Improving Teaching Quality, No Child Left, Title II, Part A	Title II Part A FY12	Title II Part A FY14	Payroll Clearing Fund Balance	Non Corporation O.T.	Prepaid Food	Totals
Cash and investments - beginning	\$ 6,032	\$ -	\$ (6,990)	\$ -	\$ 55,330	\$ 18,435	\$ -	\$ 4,006,323
Receipts:								
Local sources	-	-	-	-	-	-	-	5,068,209
Intermediate sources	-	-	-	-	-	-	-	8,501
State sources	-	-	-	-	-	-	-	11,412,188
Federal sources	8,648	23,152	24,706	-	-	-	-	1,272,754
Temporary loans	-	-	-	-	-	-	-	1,235,582
Other receipts	-	-	-	-	3,001,499	100,931	-	3,364,366
Total receipts	8,648	23,152	24,706	-	3,001,499	100,931	-	22,361,600
Disbursements:								
Instruction	4,688	23,706	9,558	-	-	-	-	8,750,902
Support services	-	3,571	8,158	-	-	-	-	5,590,585
Noninstructional services	-	-	-	-	-	-	-	866,783
Facilities acquisition and construction	-	-	-	-	-	-	-	547,978
Debt services	-	-	-	-	-	-	-	3,401,056
Nonprogrammed charges	-	-	-	-	3,040,075	120,934	-	3,248,009
Total disbursements	4,688	27,277	17,716	-	3,040,075	120,934	-	22,405,313
Excess (deficiency) of receipts over disbursements	3,960	(4,125)	6,990	-	(38,576)	(20,003)	-	(43,713)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	920,000
Transfers in	-	-	-	-	-	-	-	28,247
Transfers out	-	-	-	-	-	-	-	(28,247)
Total other financing sources (uses)	-	-	-	-	-	-	-	920,000
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	3,960	(4,125)	6,990	-	(38,576)	(20,003)	-	876,287
Cash and investments - ending	\$ 9,992	\$ (4,125)	\$ -	\$ -	\$ 16,754	\$ (1,568)	\$ -	\$ 4,882,610

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

	General	Debt Service	Exempt Debt	Exempt Retirement/Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day
Cash and investments - beginning	\$ 293,555	\$ 199,713	\$ 973,640	\$ 64,854	\$ 533,632	\$ 245,728	\$ 266,725	\$ 425,000
Receipts:								
Local sources	202,302	285,621	1,641,301	103,695	983,433	751,297	222,993	-
Intermediate sources	8,856	-	-	-	-	-	-	-
State sources	11,488,145	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other receipts	131,589	-	-	-	20,278	53,382	-	-
Total receipts	11,830,892	285,621	1,641,301	103,695	1,003,711	804,679	222,993	-
Disbursements:								
Instruction	7,565,603	-	-	-	-	-	-	298,187
Support services	3,864,345	-	-	-	831,825	672,614	173,354	-
Noninstructional services	18,953	-	-	-	-	-	-	-
Facilities acquisition and construction	1,716	-	-	-	131,025	-	-	-
Debt services	357,228	229,691	1,639,000	106,743	359,298	238,943	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	11,807,845	229,691	1,639,000	106,743	1,322,148	911,557	173,354	298,187
Excess (deficiency) of receipts over disbursements	23,047	55,930	2,301	(3,048)	(318,437)	(106,878)	49,639	(298,187)
Other financing sources (uses):								
Transfers in	(275,059)	-	-	-	-	-	-	298,187
Transfers out	-	(29,027)	-	-	-	-	-	-
Total other financing sources (uses)	(275,059)	(29,027)	-	-	-	-	-	298,187
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(252,012)	26,903	2,301	(3,048)	(318,437)	(106,878)	49,639	-
Cash and investments - ending	\$ 41,543	\$ 226,616	\$ 975,941	\$ 61,806	\$ 215,195	\$ 138,850	\$ 316,364	\$ 425,000

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

	Retirement/Severance Bond	Construction	Construction-2014 G.O. Bond	School Lunch	Textbook Rental	Self-Insurance	Levy Excess	Child Care Program
Cash and investments - beginning	\$ 163,705	\$ 9,707	\$ 878,495	\$ 397,314	\$ 170,987	\$ 107,342	\$ -	\$ 28,432
Receipts:								
Local sources	-	-	-	378,786	142,978	161,732	313	139,259
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	11,652	61,185	-	-	-
Federal sources	-	-	-	455,630	-	-	-	-
Other receipts	-	-	-	1,200	-	-	-	-
Total receipts	-	-	-	847,268	204,163	161,732	313	139,259
Disbursements:								
Instruction	-	-	-	-	-	-	-	137,458
Support services	4,484	-	-	-	275,174	103,285	-	-
Noninstructional services	-	-	-	851,328	-	-	-	-
Facilities acquisition and construction	-	8,687	793,163	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	80,000	-	-	-	-
Total disbursements	4,484	8,687	793,163	931,328	275,174	103,285	-	137,458
Excess (deficiency) of receipts over disbursements	(4,484)	(8,687)	(793,163)	(84,060)	(71,011)	58,447	313	1,801
Other financing sources (uses):								
Transfers in	-	-	-	298	28,729	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	298	28,729	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(4,484)	(8,687)	(793,163)	(83,762)	(42,282)	58,447	313	1,801
Cash and investments - ending	\$ 159,221	\$ 1,020	\$ 85,332	\$ 313,552	\$ 128,705	\$ 165,789	\$ 313	\$ 30,233

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

	Educational License Plates	Scholarships and Awards	Title I / First Source Bank Award	Community Soccer Complex and Renovation	Marketing Programs	High Ability Grant FY14	High Ability Grant FY15	High Ability Making A Difference Grant
Cash and investments - beginning	\$ 768	\$ 104,102	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,755)
Receipts:								
Local sources	-	148	-	500,000	-	-	-	-
Intermediate sources	150	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	31,532	1,755
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	150	148	-	500,000	-	-	31,532	1,755
Disbursements:								
Instruction	-	-	-	-	-	-	31,532	-
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-	31,532	-
Excess (deficiency) of receipts over disbursements	150	148	-	500,000	-	-	-	1,755
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	150	148	-	500,000	-	-	-	1,755
Cash and investments - ending	\$ 918	\$ 104,250	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -

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

	Common School Loan 2014-2015	Medicaid Reimbursement	Secured Schools Safety Grant	Non-English Speaking Programs P.L. 273-1999	School Technology	Performance Based Awards	Miscellaneous Programs	Senator David Ford Technology
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 71,761	\$ -	\$ 1,552	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	150,000	25,994	5,962	-	111,172	71,937	-	1,300
Federal sources	-	-	-	-	-	-	-	-
Other receipts	-	(2,866)	-	-	-	-	-	-
Total receipts	150,000	23,128	5,962	-	111,172	71,937	-	1,300
Disbursements:								
Instruction	-	-	-	-	-	69,464	-	-
Support services	-	-	5,248	-	-	-	1,552	1,300
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	150,000	-	10,583	-	162,833	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	150,000	-	15,831	-	162,833	69,464	1,552	1,300
Excess (deficiency) of receipts over disbursements	-	23,128	(9,869)	-	(51,661)	2,473	(1,552)	-
Other financing sources (uses):								
Transfers in	-	(23,128)	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	(23,128)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(9,869)	-	(51,661)	2,473	(1,552)	-
Cash and investments - ending	\$ -	\$ -	\$ (9,869)	\$ -	\$ 20,100	\$ 2,473	\$ -	\$ -

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

	Title I 2012-2013	Title I 2013-2014	Title I 2014-2015	(IDEA, Part B) LEA Capacity Building (Sliver) Grants	Special Education Part B 611 Grant FY15	Special Education Part B 611 Grant FY14	Special Education Part B 619 Grant FY15	Special Education Part B 619 Grant FY14
Cash and investments - beginning	\$ -	\$ (22,000)	\$ -	\$ -	\$ -	\$ (51,700)	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	73,779	235,861	888	349,822	51,700	11,204	-
Other receipts	-	-	-	-	-	-	-	-
Total receipts	-	73,779	235,861	888	349,822	51,700	11,204	-
Disbursements:								
Instruction	-	46,831	249,461	888	331,227	-	11,204	-
Support services	-	3,713	3,297	-	49,544	-	-	-
Noninstructional services	-	1,235	812	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	51,779	253,570	888	380,771	-	11,204	-
Excess (deficiency) of receipts over disbursements	-	22,000	(17,709)	-	(30,949)	51,700	-	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	22,000	(17,709)	-	(30,949)	51,700	-	-
Cash and investments - ending	\$ -	\$ -	\$ (17,709)	\$ -	\$ (30,949)	\$ -	\$ -	\$ -

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

	Medicaid Reimbursement - Federal	Improving Teaching Quality, No Child Left, Title II, Part A	Title II Part A FY12	Title II Part A FY14	Payroll Clearing Fund Balance	Non Corporation O.T.	Prepaid Food	Totals
Cash and investments - beginning	\$ 9,992	\$ (4,125)	\$ -	\$ -	\$ 16,754	\$ (1,568)	\$ -	\$ 4,882,610
Receipts:								
Local sources	-	-	-	-	-	-	-	5,513,858
Intermediate sources	-	-	-	-	-	-	-	9,006
State sources	-	-	-	-	-	-	-	11,960,634
Federal sources	57,977	30,652	-	27,441	-	-	-	1,294,954
Other receipts	-	-	-	-	3,405,284	118,365	13,652	3,740,884
Total receipts	57,977	30,652	-	27,441	3,405,284	118,365	13,652	22,519,336
Disbursements:								
Instruction	11,800	19,794	-	29,942	-	-	-	8,803,391
Support services	-	6,733	-	1,417	-	-	-	5,997,885
Noninstructional services	-	-	-	-	-	-	-	872,328
Facilities acquisition and construction	-	-	-	-	-	-	-	1,258,007
Debt services	-	-	-	-	-	-	-	2,930,903
Nonprogrammed charges	-	-	-	-	3,425,473	138,047	58	3,643,578
Total disbursements	11,800	26,527	-	31,359	3,425,473	138,047	58	23,506,092
Excess (deficiency) of receipts over disbursements	46,177	4,125	-	(3,918)	(20,189)	(19,682)	13,594	(986,756)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	29,027
Transfers out	-	-	-	-	-	-	-	(29,027)
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	46,177	4,125	-	(3,918)	(20,189)	(19,682)	13,594	(986,756)
Cash and investments - ending	\$ 56,169	\$ -	\$ -	\$ (3,918)	\$ (3,435)	\$ (21,250)	\$ 13,594	\$ 3,895,854

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JOHN GLENN SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2015

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 47,221</u>	<u>\$ 108,486</u>

JOHN GLENN SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2015

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Kansas State Bank	Computers for 1:1 Initiative	\$ 24,270	7/3/2014	7/1/2017
Kansas State Bank	Computers for 1:1 Initiative	79,680	5/1/2013	5/1/2017
Kansas State Bank	Computers for 1:1 Initiative	1,880	5/1/2013	4/1/2016
Kansas State Bank	Computers for 1:1 Initiative	28,140	7/10/2013	7/10/2016
Kansas State Bank	Computers for 1:1 Initiative	14,706	7/10/2013	7/10/2015
Kansas State Bank	Computers for 1:1 Initiative	3,840	10/10/2012	9/10/2016
Kansas State Bank	Computers for 1:1 Initiative	25,572	5/1/2014	5/1/2018
Kansas State Bank	Computers for 1:1 Initiative	18,839	6/1/2015	7/1/2019
Kansas State Bank	Computers for 1:1 Initiative	29,558	8/28/2014	7/1/2017
Ricoh	Copiers	16,179	7/10/2015	7/1/2020
John Glenn School Building Corporation	Urey Middle School Construction	820,000	6/3/2008	7/1/2016
John Glenn School Corporation High School Building Corporation	John Glenn High School construction	244,000	4/1/2004	1/15/2024
John Glenn School Corporation High School Building Corporation	John Glenn High School construction/Refunding	539,000	2/4/2015	1/15/2025
Total of annual lease payments		<u>\$ 1,845,664</u>		

Type	Description of Debt	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:				
General obligation bonds	Retirement/Severance Bonds-Pension 2002		\$ 695,000	\$ 102,855
General obligation bonds	General Obligation Bond 2011		785,000	94,219
General obligation bonds	General Obligation Bond 2014		835,000	191,771
Notes and loans payable	Common School Loan A1591 for Technology		86,800	35,501
Notes and loans payable	Common School Loan A1478 for Technology		34,340	34,598
Notes and loans payable	Common School Loan A1822		150,000	16,007
Totals			<u>\$ 2,586,140</u>	<u>\$ 474,951</u>

JOHN GLENN SCHOOL CORPORATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2015

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

	Ending Balance
Governmental activities:	
Land	\$ 1,094,118
Buildings	42,061,402
Improvements other than buildings	261,722
Machinery, equipment, and vehicles	5,349,354
Construction in progress	<u>740,246</u>
Total capital assets	<u>\$ 49,506,842</u>

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE JOHN GLENN SCHOOL
CORPORATION, ST. JOSEPH COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

Report on Internal Control over Compliance


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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be 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 deficiencies 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 findings identified in our audit is described in the accompanying Corrective Action Plan. The School Corporation's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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


Paul D. Joyce, CPA
State Examiner

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-14	Total Federal Awards Expended 06-30-15
<u>Department of Agriculture</u>					
Child Nutrition Cluster					
School Breakfast Program	Indiana Department of Education	10.553			
School Food Service Program			FY 13-14	\$ 52,990	\$ -
School Food Service Program			FY 14-15	-	59,022
Total - School Breakfast Program				52,990	59,022
National School Lunch Program	Indiana Department of Education	10.555			
School Food Service Program			FY 13-14	443,378	-
School Food Service Program			FY 14-15	-	439,765
Total - National School Lunch Program				443,378	439,765
Summer Food Service Program for Children	Indiana Department of Education	10.559			
School Food Service Program			FY 13-14	24,616	-
School Food Service Program			FY 14-15	-	23,421
Total - Summer Food Service Program for Children				24,616	23,421
Total - Child Nutrition Cluster				520,984	522,208
Total - Department of Agriculture				520,984	522,208
<u>Department of Education</u>					
Special Education Cluster					
Special Education-Grants to States	Indiana Department of Education	84.027			
Special Education Part B 611			14213-135-PN01	92,037	51,699
Special Education Part B 611			14214-135-PN01	331,381	349,822
Special Education School Improvement			70000H027A110084	70,000	-
Special Education Technical Assistance Grant			99914-135-PN01	7,847	888
Total - Special Education-Grants to States				501,265	402,409
Special Education-Preschool Grants	Indiana Department of Education	84.173			
Special Education Part B 619 Grant			45714-135-PN01	11,403	11,204
Total - Special Education-Preschool Grants				11,403	11,204
Total - Special Education Cluster				512,668	413,613

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

JOHN GLENN SCHOOL CORPORATION
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	Total Federal Awards Expended 06-30-14	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			
Title I			12-7150	35,910	-
Title I			13-7150	213,200	73,780
Title I			14-7150	-	235,862
Total - Title I Grants to Local Educational Agencies				249,110	309,642
Improving Teacher Quality State Grants	Indiana Department of Education	84.367			
Title II Part A			FY2012-2013	24,706	30,652
Title II Part A			FY2013-2014	23,152	27,441
Total - Improving Teacher Quality State Grants				47,858	58,093
Total - Department of Education				809,636	781,348
<u>Social Security Administration</u>					
Disability Insurance/SSI Cluster					
Social Security - Disability Insurance	Direct	96.001			
Medicaid			FY13-14	8,648	-
Medicaid			FY14-15	-	57,977
Total - Social Security - Disability Insurance				8,648	57,977
Total - Disability Insurance/SSI Cluster				8,648	57,977
Total - Social Security Administration				8,648	57,977
Total federal awards expended				\$ 1,339,268	\$ 1,361,533

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

JOHN GLENN SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

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

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

Note 2. Noncash Assistance

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

Program Title	Federal CFDA Number	2014	2015
Child Nutrition Cluster:			
Food Commodities:			
National School Lunch Program	10.555	\$ 66,516	\$ 66,578

JOHN GLENN SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

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
84.010	Special Education Cluster Title I Grants to Local Educational Agencies

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 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

Condition

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

1. Lack of Segregation of Duties: The School Corporation had not separated incompatible activities related to receipts. One person was solely responsible for all aspects of the receipt process, including collecting, issuing, depositing, and recording receipts in the financial accounting system.

JOHN GLENN SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2. Monitoring of Controls: An evaluation of the School Corporation's system of internal control had not been conducted. Additionally, the School Corporation had no process to identify or communicate corrective actions to improve controls.
3. 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). One person was solely responsible for preparing the SEFA without documented oversight or review.

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)

Cause

Management of the School Corporation had not established a proper system of internal control. An evaluation of the School Corporation's system of internal control had not been conducted.

Effect

The failure to establish controls could have enabled misstatements or irregularities to remain undetected. The failure to monitor the internal control system placed the School Corporation at risk that controls may not have been either designed properly or operating effectively to provide reasonable assurance that controls would prevent, or detect, and correct, misstatements in a timely manner.

Views of Responsible Officials

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

Section III - Federal Award Findings and Questioned Costs

FINDING 2015-002 - SUSPENSION AND DEBARMENT

Federal Agency: Department of Education
Federal Program: Title I Grants to Local Educational Agencies
CFDA Number: 84.010
Federal Award Number and Year: 13-7150
Pass-Through Entity: Indiana Department of Education

JOHN GLENN SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Condition

An effective internal control system, which would include segregation of duties, was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Suspension and Debarment compliance requirement.

The School Corporation failed to provide evidence that a search of the Excluded Parties List Systems through the System of Award Manager Center at www.sam.gov was conducted that certification from the entity was collected, or that a clause or condition was added to the contract.

Context

During the audit period, there was only one purchase from Title I funds that exceeded \$25,000.

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. . . ."

2 CFR 180.300 states:

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

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

Cause

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

JOHN GLENN SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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.

We also recommended that the School Corporation comply with the Suspension and Debarment requirement of the program.

Views of Responsible Officials

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

AUDITEE PREPARED DOCUMENT

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

John Glenn School Corporation

101 John Glenn Drive, Walkerton, IN 46574
Phone: (574) 586-3129 Fax: (574) 586-2660
www.jgsc.k12.in.us

CORRECTIVE ACTION PLAN

FINDING 2015 – 001

Contact Person Responsible for Corrective Action: Thomas Bendy
Contact Phone Number: 574-586-3129

Description of Corrective Action Plan:

The John Glenn School Corporation acknowledges a deficiency within its internal control structure for segregation of duties, specifically as the procedures pertain to collecting and recording receipts. We will change our internal control process for receipts to the following:

1. Administrative Secretary will open the mail. Any checks will be taken to the Administrative Assistant to prepare the deposit.
2. Administrative Assistant will prepare the deposit and give to the Deputy Treasurer for review and to make the deposit with the financial institution.
3. The Treasurer will receipt the deposit and reconcile the deposit to the bank statement.
4. The Superintendent will review the bank reconciliation prepared by the Treasurer.

The John Glenn School Corporation will also review all internal control processes, including monitoring controls, documentation, preparation, and reviews. The John Glenn Board of School Trustees will approve a resolution to adopt Uniform Internal Control Standards for Indiana Political Subdivisions developed by the Indiana State Board of Accounts. In addition, the Board will approve the documented internal control procedures currently in place by the Corporation. These processes will then be reviewed and revised as needed to strengthen the internal controls procedures.

Anticipated Completion Date: Effective immediately following the May 16, 2016 Audit Exit Conference.



Thomas L. Bendy



Title



Date

John Glenn School Corporation

101 John Glenn Drive, Walkerton, IN 46574

Phone: (574) 586-3129 Fax: (574) 586-2660
www.jgsc.k12.in.us

CORRECTIVE ACTION PLAN

FINDING 2015 – 002

Contact Person Responsible for Corrective Action: Thomas Bendy

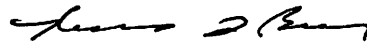
Contact Phone Number: 574-586-3129

Description of Corrective Action Plan:

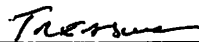
The John Glenn School Corporation Board of School Trustees passed its first reading on new federal purchasing policies at its May 3, 2016 Board Meeting. This will create a new policy for procurement that deals specifically with federal purchasing and will fall under Policy 6325 in the John Glenn School Corporation Bylaws and Policies. Within Policy 6325 can be found the procedure for purchasing items with federal funding, including the process of reviewing any purchase exceeding \$25,000 to ensure the vendor was not excluded under the Procurement, Suspension, and Debarment compliance requirements.

The Treasurer will review the vendor for all federal purchases over \$25,000 on the System of Award Manager Center (SAM) website to certify that the vendor has not been suspended or debarred from entering into the purchase with the John Glenn School Corporation or any government agency.

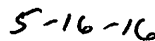
Anticipated Completion Date: Effective immediately following the May 16, 2016 Audit Exit Conference.



Thomas L. Bendy



Title



Date

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/>.