

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

METROPOLITAN SCHOOL DISTRICT
OF PIKE TOWNSHIP
MARION COUNTY, INDIANA

July 1, 2011 to June 30, 2013



FILED
05/13/2014

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SCHEDULE OF OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|----------------------------------|----------------------------------|--|
| Treasurer | Linda J. Searles | 07-01-11 to 12-31-14 |
| Superintendent of Schools | Nathaniel Jones | 07-01-11 to 06-30-14 |
| President of the School Board | Larry W. Grau Regina Randolph | 07-01-11 to 12-31-12 01-01-13 to 12-31-14 |



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT
OF PIKE TOWNSHIP, MARION COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the Metropolitan School District of Pike Township (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2011 to June 30, 2013, and the related notes to the financial statement.

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, 2011 to June 30, 2013.

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, 2011 to June 30, 2013, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated March 6, 2014, 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.

Accompanying Information

Supplementary Information


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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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.

Other Information

The School Corporation's response to the Audit Results and Comments identified in our audit is described in the accompanying section of the report entitled Official Response. We did not audit the School Corporation's response and, accordingly, we express no opinion on it.


Paul D. Joyce, CPA
State Examiner

March 6, 2014



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 METROPOLITAN SCHOOL DISTRICT
OF PIKE TOWNSHIP, MARION 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 Metropolitan School District of Pike Township (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2011 to June 30, 2013, and the related notes to the financial statement, and have issued our report thereon dated March 6, 2014, 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.

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. A significant deficiency is a deficiency or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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*.

Metropolitan School District of Pike Township's Response to Findings

The School Corporation's response to the findings identified in our audit is described in the accompanying Official Response. 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

March 6, 2014

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FINANCIAL STATEMENT

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.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2012 and 2013

| | Cash and Investments | | | Other Financing | Cash and Investments | | | Other Financing | Cash and Investments |
|---|-------------------------|---------------|---------------|--------------------|-------------------------|---------------|---------------|--------------------|-------------------------|
| | 07-01-11 | Receipts | Disbursements | Sources (Uses) | 06-30-12 | Receipts | Disbursements | Sources (Uses) | 06-30-13 |
| General | \$ 2,661,841 | \$ 67,638,523 | \$ 67,664,958 | \$ 2,021,816 | \$ 4,657,222 | \$ 71,495,991 | \$ 71,710,162 | \$ 1,150,834 | \$ 5,593,885 |
| Referendum Debt | 2,684,868 | 7,021,816 | 107,375 | - | 9,599,309 | 7,619,041 | 10,713,649 | - | 6,504,701 |
| Debt Service | 5,986,430 | 6,949,648 | 11,126,377 | (151,568) | 1,658,133 | 5,682,341 | 5,643,500 | (136,919) | 1,560,055 |
| Retirement/Severance Bond Debt Service | 353,705 | 815,280 | 830,671 | - | 338,314 | 830,180 | 831,095 | - | 337,399 |
| Capital Projects | 17,618,781 | 16,100,211 | 22,578,463 | - | 11,140,529 | 15,547,700 | 13,152,990 | - | 13,535,239 |
| Transportation - Operating | 2,411,615 | 7,121,019 | 8,060,186 | 290,985 | 1,763,433 | 7,609,555 | 7,585,822 | 226,363 | 2,013,529 |
| Transportation - School Bus Replacement | (200,322) | 1,091,112 | - | 1,245 | 892,035 | 1,376,768 | 2,850,119 | - | (581,316) |
| Rainy Day | 10,000,000 | - | - | - | 10,000,000 | - | - | - | 10,000,000 |
| New Guion Creek Elem Construction | 13,827,090 | 84,477 | 11,803,356 | 214,750 | 2,322,961 | 20,311 | 1,434,808 | - | 908,464 |
| CPES Construction Project - Ph 1 | - | - | - | - | - | 11,079 | 4,050,713 | 9,996,364 | 5,956,730 |
| District Wide Projects - Phase 1 | - | - | - | - | - | 12,173 | 6,012,096 | 11,998,220 | 5,998,297 |
| CPES Construction Phase 2 | - | - | - | - | - | - | 1,041,544 | - | (1,041,544) |
| District Wide Proj - Phase 2 | - | - | - | - | - | - | 16,139 | - | (16,139) |
| ECES Construction Project | - | - | - | - | - | - | 141,344 | - | (141,344) |
| School Lunch | 1,349,026 | 5,186,787 | 5,105,943 | 55,760 | 1,485,630 | 5,683,749 | 5,181,600 | 536,005 | 2,523,784 |
| Textbook Rental | 596,264 | 911,869 | 1,323,834 | 168,484 | 352,783 | 873,752 | 602,271 | 136,919 | 761,183 |
| Self-Insurance | 8,539,123 | 12,922,885 | 12,992,785 | - | 8,469,223 | 13,091,618 | 12,904,688 | - | 8,656,153 |
| Levy Excess | 385 | (385) | - | - | - | - | - | - | - |
| Loving Care Program | 1,238 | 1,345,925 | 1,298,563 | - | 48,600 | 1,216,611 | 1,089,346 | - | 175,865 |
| Early Childhood Program/Lvg Care | - | 1,680 | - | - | 1,680 | 100,445 | 96,327 | - | 5,798 |
| Alternative Education | - | 67,915 | 67,915 | - | - | 99,546 | 99,546 | - | - |
| SAFE School Haven | - | 2,750 | 23,487 | - | (20,737) | 20,737 | - | - | - |
| Graduation Coach | (23,512) | 25,000 | 1,488 | - | - | - | - | - | - |
| Kenya Project | 139 | - | 139 | - | - | - | - | - | - |
| L.I.F.T. Foundation Scholarship | 29,500 | 63,750 | 62,250 | - | 31,000 | 67,500 | 77,500 | - | 21,000 |
| Professional Development | 5,818 | 10,696 | 6,131 | - | 10,383 | 4,928 | 6,914 | - | 8,397 |
| PHS/PFC Library Fund Grant | 9,341 | 19,500 | 28,468 | - | 373 | 19,500 | 19,814 | - | 59 |
| PHS College/Career Library-CICF | 19,592 | - | 18,811 | - | 781 | - | 781 | - | - |
| CICF Grants | 2,500 | - | 2,500 | - | - | 866 | - | - | 866 |
| Superintendents Scholarship Fund | 13,640 | 46,793 | 7,476 | - | 52,957 | 7,522 | 18,153 | - | 42,326 |
| Performing Arts Center | (26,810) | - | 158,021 | 144,136 | (40,695) | - | 191,464 | 237,879 | 5,720 |
| Instructional Support Donations | 18,693 | 26,819 | 20,586 | - | 24,926 | 15,950 | 23,463 | - | 17,413 |
| 3M Grant | 2,640 | - | 884 | - | 1,756 | - | 1,756 | - | - |
| Lilly 2 - Project Clear | 54,710 | - | 54,710 | - | - | - | - | - | - |
| Lilly Endowment Grants | 6,000 | 6,000 | 7,102 | - | 4,898 | 7,250 | 5,627 | - | 6,521 |
| Summer Youth Program/Partners | - | 2,500 | 182 | - | 2,318 | - | 2,318 | - | - |
| District Athletic Fund | 20,004 | 20,500 | 17,093 | - | 23,411 | 16,502 | 22,151 | - | 17,762 |
| Swim Club - PHS | 6,087 | 29,946 | 32,613 | - | 3,420 | 31,080 | 16,644 | - | 17,856 |
| Pike Youth Basketball League | 2,712 | 22,570 | 22,801 | - | 2,481 | 23,700 | 23,684 | - | 2,497 |
| Lifeguard Lessons | - | 2,035 | 19 | - | 2,016 | - | 2,016 | - | - |
| Arts in Education Grants (IAC) | 2,250 | 750 | 3,000 | - | - | - | - | - | - |
| Excellence Scholarship Fund | 2,027 | 195 | 500 | - | 1,722 | - | (501) | - | 2,223 |
| Danny Elsharaiha Scholarship Fnd | - | 18,845 | - | - | 18,845 | 30 | 3,000 | - | 15,875 |
| PTF Grants | 4,622 | 3,500 | 6,628 | - | 1,494 | 500 | 1,867 | - | 127 |
| Scrap Metal Facilities | 3,538 | 2,798 | 3,597 | - | 2,739 | 729 | 236 | - | 3,232 |
| Donations for Security | 1,683 | 160 | 1,169 | - | 674 | 240 | 169 | - | 745 |
| Supplies/GCMS Athletics | 35,103 | - | 15,000 | - | 20,103 | - | 20,103 | - | - |
| Lost Library Book | 4,386 | 1,384 | 854 | - | 4,916 | 1,842 | 766 | - | 5,992 |
| Vending | 40,544 | 18,653 | 1,908 | - | 57,289 | 19,309 | 844 | - | 75,754 |
| High Abilities Grant | 15,974 | 69,909 | 54,427 | - | 31,456 | 67,692 | 75,403 | - | 23,745 |

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2012 and 2013
(Continued)

| | Cash and Investments 07-01-11 | Receipts | Disbursements | Other Financing Sources (Uses) | Cash and Investments 06-30-12 | Receipts | Disbursements | Other Financing Sources (Uses) | Cash and Investments 06-30-13 |
|---|-------------------------------------|----------------|----------------|--------------------------------------|-------------------------------------|----------------|----------------|--------------------------------------|-------------------------------------|
| High Abilities Making a Difference | - | 25,000 | 25,000 | - | - | - | - | - | - |
| Medicaid Reimbursement | 55,097 | 16,220 | 48,402 | - | 22,915 | 82,753 | 44,244 | - | 61,424 |
| Technology Fund | - | - | - | - | - | - | - | - | - |
| Non-English Speaking | 42,642 | 171,258 | 194,454 | - | 19,446 | 181,676 | 163,101 | - | 38,021 |
| DCF Education Technology Fund | 537,040 | 359,523 | 549,019 | - | 347,544 | 300,145 | 63,010 | - | 584,679 |
| School Technology Fund | 7,016 | - | 7,016 | - | - | - | - | - | - |
| Disability Determination Bureau | 994 | 282 | 31 | - | 1,245 | 65 | - | - | 1,310 |
| First Robotics/Techpoint Foundtn | - | - | - | - | - | 3,033 | 3,033 | - | - |
| GQE Remediation Grant | 46,977 | - | 46,977 | - | - | 193,589 | 76,741 | - | 116,848 |
| Remediation ISTEP | 87,592 | 47,554 | 87,593 | - | 47,553 | 46,491 | 10,381 | - | 83,663 |
| Lumina/PHS | 1,889 | 6,158 | 5,807 | - | 2,240 | - | 2,240 | - | - |
| Smaller Learning Communities | (2,288) | 295,782 | 299,933 | - | (6,439) | 271,189 | 277,580 | - | (12,830) |
| Counseling Program | - | - | - | - | - | 145,966 | 167,025 | - | (21,059) |
| Title I | (157,380) | 2,406,912 | 2,346,141 | (226,736) | (323,345) | 2,855,171 | 2,616,601 | (223,498) | (308,273) |
| Title I - School Improvement | (22,837) | 47,891 | 25,054 | - | - | - | - | - | - |
| Homeless/McKinney-Vento Grant | (857) | 64,052 | 72,071 | - | (8,876) | 47,263 | 82,578 | - | (44,191) |
| Special Education - Part B | (234,883) | 2,081,413 | 2,075,196 | - | (228,666) | 2,345,676 | 2,383,417 | - | (266,407) |
| Special Education - Preschool | (4,569) | 63,065 | 65,389 | - | (6,893) | 60,915 | 61,045 | - | (7,023) |
| Assistive Technology/Spec Ed | - | 69,173 | 69,173 | - | - | - | - | - | - |
| Safe & Drug Free Schools | (5,380) | 17,349 | 11,969 | - | - | - | - | - | - |
| PEP Grant | - | 171,458 | 178,055 | - | (6,597) | 711,854 | 723,955 | - | (18,698) |
| Peer Friends | 31,345 | 10,225 | 2,131 | - | 39,439 | 5,165 | 6,914 | - | 37,690 |
| BVP - Bulletproof Vest Award | - | 722 | 722 | - | - | - | - | - | - |
| Signage - District | 5,847 | - | 3,000 | - | 2,847 | - | - | - | 2,847 |
| 21st Century Community Learning Center | (15,915) | 821,170 | 815,041 | - | (9,786) | 500,374 | 493,316 | - | (2,728) |
| 21st Century/Cohort 5 | (8,588) | 339,856 | 345,197 | - | (13,929) | 311,485 | 328,071 | - | (30,515) |
| Robotics - 21st Century | - | - | - | - | - | 5,000 | 5,000 | - | - |
| DWD Grant/Robotics | (1) | - | (1) | - | - | - | - | - | - |
| Police Influencing Kids Through Education | 44 | (44) | - | - | - | - | - | - | - |
| Improving Teaching Quality, No Child Left, Title II, Part A | - | - | 3,518 | - | (3,518) | 148,746 | 182,210 | - | (36,982) |
| Title III, Language Instruction | (26,848) | 213,268 | 206,887 | - | (20,467) | 168,568 | 170,942 | - | (22,841) |
| Title II/B Science Initiative | (17,867) | 152,646 | 147,306 | - | (12,527) | 114,646 | 153,166 | - | (51,047) |
| Title II/A | (23,208) | 284,801 | 285,164 | - | (23,571) | 42,837 | 19,266 | - | - |
| Title II/B Math Initiative | (5,007) | 172,526 | 184,388 | - | (16,869) | 134,569 | 161,327 | - | (43,627) |
| School Improvement | 86,434 | - | 78,135 | - | 8,299 | - | 8,299 | - | - |
| Coke Fund | 266,683 | 23,981 | 43,944 | - | 246,720 | 27,254 | 51,478 | - | 222,496 |
| Elementary Skates | 379 | - | - | - | 379 | - | - | - | 379 |
| Stimulus Title I - Grants to LEAs | (61,127) | 216,464 | 155,337 | - | - | - | - | - | - |
| Stimulus Special Education - Part B | (79,624) | 414,751 | 335,127 | - | - | - | - | - | - |
| Stimulus Special Education - Preschool | (1,691) | 8,974 | 7,283 | - | - | - | - | - | - |
| Education Jobs | 421,160 | 1,657,257 | 2,109,175 | - | (30,758) | 73,903 | 43,145 | - | - |
| Warehouse | 155,997 | 526,913 | 578,336 | - | 104,574 | 611,632 | 576,391 | - | 139,815 |
| Refunds & Adjustments | 278,460 | (160,096) | 39,928 | - | 78,436 | 193,395 | 273,743 | - | (1,912) |
| Clearing Account | 1,703,121 | 22,485,562 | 22,242,836 | - | 1,945,847 | 20,037,133 | 21,190,532 | - | 792,448 |
| Totals | \$ 69,141,872 | \$ 160,665,881 | \$ 177,203,004 | \$ 2,518,872 | \$ 55,123,621 | \$ 161,197,230 | \$ 176,010,682 | \$ 23,922,167 | \$ 64,232,336 |

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
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 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. Receipts are recorded when received and disbursements are recorded when paid.

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.

State sources include distributions from the State of Indiana and are to be used by the School Corporation for various purposes. Included in state sources are unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
NOTES TO FINANCIAL STATEMENT
(Continued)

Federal sources include distributions from the federal government and are to be used by the School Corporation for various purposes. Included in federal sources are unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

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.

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.

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

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

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

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

Note 6. Pension Plan

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent 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
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
NOTES TO FINANCIAL STATEMENT
(Continued)

B. Teachers' Retirement Fund

Plan Description

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

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

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 286-3544

Funding Policy and Annual Pension Cost

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

Note 7. Negative Receipts and Disbursements

The financial statement contains some receipts and/or disbursements which appear as negative entries. This is a result of the correction of errors from prior and current periods.

Note 8. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. For some funds, this is a result of expending funds prior to receipt of funding for construction projects. For other funds, it is a result of the funds being set up for reimbursable grants. The reimbursements for expenditures made by the School Corporation were not received by June 30, 2013.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 9. *Holding Corporations*

The School Corporation has entered into various capital leases with Pike Township Multi-School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the 2011-2012 and 2012-2013 school years totaled \$9,985,000 and \$15,250,000, respectively.

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SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, 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.

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012

| | General | Referendum Debt | Debt Service | Retirement/ Severance Bond Debt Service | Capital Projects | Transportation - Operating | Transportation - School Bus Replacement | Rainy Day |
|---|---------------------|---------------------|---------------------|--|----------------------|-------------------------------|---|----------------------|
| Cash and investments - beginning | \$ 2,661,841 | \$ 2,684,868 | \$ 5,986,430 | \$ 353,705 | \$ 17,618,781 | \$ 2,411,615 | \$ (200,322) | \$ 10,000,000 |
| Receipts: | | | | | | | | |
| Local sources | 1,002,589 | 7,021,816 | 6,949,648 | 815,280 | 16,100,211 | 7,121,019 | 1,091,112 | - |
| State sources | 66,544,933 | - | - | - | - | - | - | - |
| Federal sources | 91,001 | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - |
| Total receipts | <u>67,638,523</u> | <u>7,021,816</u> | <u>6,949,648</u> | <u>815,280</u> | <u>16,100,211</u> | <u>7,121,019</u> | <u>1,091,112</u> | <u>-</u> |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | 50,704,543 | - | - | - | - | - | - | - |
| Support services | 16,170,433 | - | - | - | 14,513,049 | 8,060,186 | - | - |
| Noninstructional services | 668,147 | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | 8,065,414 | - | - | - |
| Debt services | - | 107,375 | 11,126,377 | 830,671 | - | - | - | - |
| Nonprogrammed charges | 121,835 | - | - | - | - | - | - | - |
| Total disbursements | <u>67,664,958</u> | <u>107,375</u> | <u>11,126,377</u> | <u>830,671</u> | <u>22,578,463</u> | <u>8,060,186</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts over disbursements | <u>(26,435)</u> | <u>6,914,441</u> | <u>(4,176,729)</u> | <u>(15,391)</u> | <u>(6,478,252)</u> | <u>(939,167)</u> | <u>1,091,112</u> | <u>-</u> |
| Other financing sources (uses): | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - |
| Sale of capital assets | 2,021,816 | - | - | - | - | 64,249 | 1,245 | - |
| Transfers in | - | - | - | - | - | 226,736 | - | - |
| Transfers out | - | - | (151,568) | - | - | - | - | - |
| Total other financing sources (uses) | <u>2,021,816</u> | <u>-</u> | <u>(151,568)</u> | <u>-</u> | <u>-</u> | <u>290,985</u> | <u>1,245</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>1,995,381</u> | <u>6,914,441</u> | <u>(4,328,297)</u> | <u>(15,391)</u> | <u>(6,478,252)</u> | <u>(648,182)</u> | <u>1,092,357</u> | <u>-</u> |
| Cash and investments - ending | <u>\$ 4,657,222</u> | <u>\$ 9,599,309</u> | <u>\$ 1,658,133</u> | <u>\$ 338,314</u> | <u>\$ 11,140,529</u> | <u>\$ 1,763,433</u> | <u>\$ 892,035</u> | <u>\$ 10,000,000</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | New Guion Creek Elem Construction | CPES Construction Project - Ph 1 | District Wide Projects - Phase 1 | CPES Construction Phase 2 | District Wide Proj Phase 2 | ECES Construction Project | School Lunch | Textbook Rental |
|---|---|--|--|---------------------------------|----------------------------------|---------------------------------|---------------------|--------------------|
| Cash and investments - beginning | \$ 13,827,090 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,349,026 | \$ 596,264 |
| Receipts: | | | | | | | | |
| Local sources | 84,477 | - | - | - | - | - | 1,221,955 | 402,574 |
| State sources | - | - | - | - | - | - | 120,965 | 509,295 |
| Federal sources | - | - | - | - | - | - | 3,843,867 | - |
| Other | - | - | - | - | - | - | - | - |
| Total receipts | <u>84,477</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>5,186,787</u> | <u>911,869</u> |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | - | - | - | - | - | - | - | - |
| Support services | 522,508 | - | - | - | - | - | 123,271 | 1,323,834 |
| Noninstructional services | - | - | - | - | - | - | 4,032,672 | - |
| Facilities acquisition and construction | 11,280,848 | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | 950,000 | - |
| Total disbursements | <u>11,803,356</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>5,105,943</u> | <u>1,323,834</u> |
| Excess (deficiency) of receipts over disbursements | <u>(11,718,879)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>80,844</u> | <u>(411,965)</u> |
| Other financing sources (uses): | | | | | | | | |
| Proceeds of long-term debt | 214,750 | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | 55,760 | 16,916 |
| Transfers in | - | - | - | - | - | - | - | 151,568 |
| Transfers out | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>214,750</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>55,760</u> | <u>168,484</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>(11,504,129)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>136,604</u> | <u>(243,481)</u> |
| Cash and investments - ending | <u>\$ 2,322,961</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,485,630</u> | <u>\$ 352,783</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | Self- Insurance | Levy Excess | Loving Care Program | Early Childhood Program/ Lvg Care | Alternative Education | SAFE School Haven | Graduation Coach | Kenya Project |
|---|---------------------|----------------|---------------------------|--|--------------------------|-------------------------|---------------------|------------------|
| Cash and investments - beginning | \$ 8,539,123 | \$ 385 | \$ 1,238 | \$ - | \$ - | \$ - | \$ (23,512) | \$ 139 |
| Receipts: | | | | | | | | |
| Local sources | 12,922,885 | (385) | 1,265,172 | 1,680 | - | - | - | - |
| State sources | - | - | - | - | 67,915 | - | 25,000 | - |
| Federal sources | - | - | 80,753 | - | - | 2,750 | - | - |
| Other | - | - | - | - | - | - | - | - |
| Total receipts | <u>12,922,885</u> | <u>(385)</u> | <u>1,345,925</u> | <u>1,680</u> | <u>67,915</u> | <u>2,750</u> | <u>25,000</u> | <u>-</u> |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | - | - | 1,241,418 | - | 67,915 | 23,487 | - | - |
| Support services | 404,738 | - | 19,214 | - | - | - | 1,488 | - |
| Noninstructional services | - | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | 12,588,047 | - | 37,931 | - | - | - | - | 139 |
| Total disbursements | <u>12,992,785</u> | <u>-</u> | <u>1,298,563</u> | <u>-</u> | <u>67,915</u> | <u>23,487</u> | <u>1,488</u> | <u>139</u> |
| Excess (deficiency) of receipts over disbursements | <u>(69,900)</u> | <u>(385)</u> | <u>47,362</u> | <u>1,680</u> | <u>-</u> | <u>(20,737)</u> | <u>23,512</u> | <u>(139)</u> |
| Other financing sources (uses): | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>(69,900)</u> | <u>(385)</u> | <u>47,362</u> | <u>1,680</u> | <u>-</u> | <u>(20,737)</u> | <u>23,512</u> | <u>(139)</u> |
| Cash and investments - ending | <u>\$ 8,469,223</u> | <u>\$ -</u> | <u>\$ 48,600</u> | <u>\$ 1,680</u> | <u>\$ -</u> | <u>\$ (20,737)</u> | <u>\$ -</u> | <u>\$ -</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | L.I.F.T. Foundation Scholarship | Professional Development | PHS/PFC Library Fund Grant | PHS College /Career Library-CICF | CICF Grants | Superintendents Scholarship Fund | Performing Arts Center | Instructional Support Donations |
|---|---------------------------------------|-----------------------------|----------------------------------|--|----------------|--|---------------------------|---------------------------------------|
| Cash and investments - beginning | \$ 29,500 | \$ 5,818 | \$ 9,341 | \$ 19,592 | \$ 2,500 | \$ 13,640 | \$ (26,810) | \$ 18,693 |
| Receipts: | | | | | | | | |
| Local sources | - | 4,551 | 19,500 | - | - | 1,550 | - | 4,200 |
| State sources | 63,750 | 6,145 | - | - | - | 45,243 | - | 22,619 |
| Federal sources | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - |
| Total receipts | <u>63,750</u> | <u>10,696</u> | <u>19,500</u> | <u>-</u> | <u>-</u> | <u>46,793</u> | <u>-</u> | <u>26,819</u> |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | - | - | - | - | 2,500 | - | - | 4,040 |
| Support services | - | 6,131 | 28,468 | 18,811 | - | - | 158,021 | 15,896 |
| Noninstructional services | - | - | - | - | - | - | - | 650 |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | <u>62,250</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>7,476</u> | <u>-</u> | <u>-</u> |
| Total disbursements | <u>62,250</u> | <u>6,131</u> | <u>28,468</u> | <u>18,811</u> | <u>2,500</u> | <u>7,476</u> | <u>158,021</u> | <u>20,586</u> |
| Excess (deficiency) of receipts over disbursements | <u>1,500</u> | <u>4,565</u> | <u>(8,968)</u> | <u>(18,811)</u> | <u>(2,500)</u> | <u>39,317</u> | <u>(158,021)</u> | <u>6,233</u> |
| Other financing sources (uses): | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | 144,136 | - |
| Transfers in | - | - | - | - | - | - | - | - |
| Transfers out | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>144,136</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>1,500</u> | <u>4,565</u> | <u>(8,968)</u> | <u>(18,811)</u> | <u>(2,500)</u> | <u>39,317</u> | <u>(13,885)</u> | <u>6,233</u> |
| Cash and investments - ending | <u>\$ 31,000</u> | <u>\$ 10,383</u> | <u>\$ 373</u> | <u>\$ 781</u> | <u>\$ -</u> | <u>\$ 52,957</u> | <u>\$ (40,695)</u> | <u>\$ 24,926</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | 3M Grant | Lilly 2 - Project Clear | Lilly Endowment Grants | Summer Youth Program/ Partners | District Athletic Fund | Swim Club - PHS | Pike Youth Basketball League |
|---|-----------------|-------------------------------|------------------------------|---|------------------------------|--------------------|------------------------------------|
| Cash and investments - beginning | \$ 2,640 | \$ 54,710 | \$ 6,000 | \$ - | \$ 20,004 | \$ 6,087 | \$ 2,712 |
| Receipts: | | | | | | | |
| Local sources | - | - | 6,000 | 2,500 | 20,500 | 18,188 | - |
| State sources | - | - | - | - | - | 11,758 | 22,570 |
| Federal sources | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - |
| Total receipts | <u>-</u> | <u>-</u> | <u>6,000</u> | <u>2,500</u> | <u>20,500</u> | <u>29,946</u> | <u>22,570</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | - | - | 7,102 | 182 | - | - | - |
| Support services | 884 | 49,953 | - | - | - | - | - |
| Noninstructional services | - | 4,757 | - | - | 12,093 | 32,613 | 22,801 |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | 5,000 | - | - |
| Total disbursements | <u>884</u> | <u>54,710</u> | <u>7,102</u> | <u>182</u> | <u>17,093</u> | <u>32,613</u> | <u>22,801</u> |
| Excess (deficiency) of receipts over disbursements | <u>(884)</u> | <u>(54,710)</u> | <u>(1,102)</u> | <u>2,318</u> | <u>3,407</u> | <u>(2,667)</u> | <u>(231)</u> |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>(884)</u> | <u>(54,710)</u> | <u>(1,102)</u> | <u>2,318</u> | <u>3,407</u> | <u>(2,667)</u> | <u>(231)</u> |
| Cash and investments - ending | <u>\$ 1,756</u> | <u>\$ -</u> | <u>\$ 4,898</u> | <u>\$ 2,318</u> | <u>\$ 23,411</u> | <u>\$ 3,420</u> | <u>\$ 2,481</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | Lifeguard Lessons | Arts in Education Grants (IAC) | Excellence Scholarship Fund | Danny Elsharaiha Scholarship Fnd | PTEF Grants | Scrap Metal Facilities | Donations for Security |
|---|----------------------|--------------------------------------|-----------------------------------|---|-----------------|------------------------------|---------------------------|
| Cash and investments - beginning | \$ - | \$ 2,250 | \$ 2,027 | \$ - | \$ 4,622 | \$ 3,538 | \$ 1,683 |
| Receipts: | | | | | | | |
| Local sources | 2,035 | - | - | - | - | - | - |
| State sources | - | 750 | 195 | 18,845 | 3,500 | - | 160 |
| Federal sources | - | - | - | - | - | 2,798 | - |
| Other | - | - | - | - | - | - | - |
| Total receipts | <u>2,035</u> | <u>750</u> | <u>195</u> | <u>18,845</u> | <u>3,500</u> | <u>2,798</u> | <u>160</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | - | - | - | - | 2,063 | - | - |
| Support services | - | 3,000 | - | - | 4,065 | 97 | 169 |
| Noninstructional services | 19 | - | - | - | 500 | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | 500 | - | - | 3,500 | 1,000 |
| Total disbursements | <u>19</u> | <u>3,000</u> | <u>500</u> | <u>-</u> | <u>6,628</u> | <u>3,597</u> | <u>1,169</u> |
| Excess (deficiency) of receipts over disbursements | <u>2,016</u> | <u>(2,250)</u> | <u>(305)</u> | <u>18,845</u> | <u>(3,128)</u> | <u>(799)</u> | <u>(1,009)</u> |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>2,016</u> | <u>(2,250)</u> | <u>(305)</u> | <u>18,845</u> | <u>(3,128)</u> | <u>(799)</u> | <u>(1,009)</u> |
| Cash and investments - ending | <u>\$ 2,016</u> | <u>\$ -</u> | <u>\$ 1,722</u> | <u>\$ 18,845</u> | <u>\$ 1,494</u> | <u>\$ 2,739</u> | <u>\$ 674</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | Supplies /GCMS Athletics | Lost Library Book | Vending | High Abilities Grant | High Abilities Making a Difference | Medicaid Reimbursement | Technology Fund |
|---|--------------------------------|-------------------------|-----------|----------------------------|---|---------------------------|--------------------|
| Cash and investments - beginning | \$ 35,103 | \$ 4,386 | \$ 40,544 | \$ 15,974 | \$ - | \$ 55,097 | \$ - |
| Receipts: | | | | | | | |
| Local sources | - | 1,384 | 18,653 | - | - | - | - |
| State sources | - | - | - | 69,909 | 25,000 | 16,220 | - |
| Federal sources | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - |
| Total receipts | - | 1,384 | 18,653 | 69,909 | 25,000 | 16,220 | - |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | - | - | - | 53,830 | 25,000 | - | - |
| Support services | - | 854 | 1,908 | - | - | 48,402 | - |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | 15,000 | - | - | 597 | - | - | - |
| Total disbursements | 15,000 | 854 | 1,908 | 54,427 | 25,000 | 48,402 | - |
| Excess (deficiency) of receipts over disbursements | (15,000) | 530 | 16,745 | 15,482 | - | (32,182) | - |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (15,000) | 530 | 16,745 | 15,482 | - | (32,182) | - |
| Cash and investments - ending | \$ 20,103 | \$ 4,916 | \$ 57,289 | \$ 31,456 | \$ - | \$ 22,915 | \$ - |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | Non-English Speaking | DCF Education Technology Fund | School Technology Fund | Disabilities Determination Bureau | First Robotics /Techpoint Foundtn | GQE Remediation Grant | Remediation ISTEP |
|---|-------------------------|-------------------------------------|------------------------------|---|---|-----------------------------|----------------------|
| Cash and investments - beginning | \$ 42,642 | \$ 537,040 | \$ 7,016 | \$ 994 | \$ - | \$ 46,977 | \$ 87,592 |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | - |
| State sources | 171,258 | 359,523 | - | 282 | - | - | 47,554 |
| Federal sources | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - |
| Total receipts | <u>171,258</u> | <u>359,523</u> | <u>-</u> | <u>282</u> | <u>-</u> | <u>-</u> | <u>47,554</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | 165,749 | - | - | - | - | 46,977 | 87,593 |
| Support services | 26,691 | 549,019 | 7,016 | 31 | - | - | - |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | 2,014 | - | - | - | - | - | - |
| Total disbursements | <u>194,454</u> | <u>549,019</u> | <u>7,016</u> | <u>31</u> | <u>-</u> | <u>46,977</u> | <u>87,593</u> |
| Excess (deficiency) of receipts over disbursements | <u>(23,196)</u> | <u>(189,496)</u> | <u>(7,016)</u> | <u>251</u> | <u>-</u> | <u>(46,977)</u> | <u>(40,039)</u> |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>(23,196)</u> | <u>(189,496)</u> | <u>(7,016)</u> | <u>251</u> | <u>-</u> | <u>(46,977)</u> | <u>(40,039)</u> |
| Cash and investments - ending | <u>\$ 19,446</u> | <u>\$ 347,544</u> | <u>\$ -</u> | <u>\$ 1,245</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 47,553</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | Lumina/PHS | Smaller Learning Communities | Counseling Program | Title I | Title I School Improvement | Homeless/ McKinney- Vento Grant | Special Education - Part B |
|---|-----------------|------------------------------------|-----------------------|---------------------|----------------------------------|--|----------------------------------|
| Cash and investments - beginning | \$ 1,889 | \$ (2,288) | \$ - | \$ (157,380) | \$ (22,837) | \$ (857) | \$ (234,883) |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | 19,662 | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | 6,158 | 295,782 | - | 2,406,912 | 47,891 | 44,390 | 2,081,413 |
| Other | - | - | - | - | - | - | - |
| Total receipts | <u>6,158</u> | <u>295,782</u> | <u>-</u> | <u>2,406,912</u> | <u>47,891</u> | <u>64,052</u> | <u>2,081,413</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | 5,807 | 222,880 | - | 1,064,304 | - | 39,889 | 1,888,043 |
| Support services | - | 74,578 | - | 1,227,782 | 23,866 | 31,380 | 185,405 |
| Noninstructional services | - | - | - | 19,031 | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | 2,475 | - | 35,024 | 1,188 | 802 | 1,748 |
| Total disbursements | <u>5,807</u> | <u>299,933</u> | <u>-</u> | <u>2,346,141</u> | <u>25,054</u> | <u>72,071</u> | <u>2,075,196</u> |
| Excess (deficiency) of receipts over disbursements | <u>351</u> | <u>(4,151)</u> | <u>-</u> | <u>60,771</u> | <u>22,837</u> | <u>(8,019)</u> | <u>6,217</u> |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | (226,736) | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>(226,736)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>351</u> | <u>(4,151)</u> | <u>-</u> | <u>(165,965)</u> | <u>22,837</u> | <u>(8,019)</u> | <u>6,217</u> |
| Cash and investments - ending | <u>\$ 2,240</u> | <u>\$ (6,439)</u> | <u>\$ -</u> | <u>\$ (323,345)</u> | <u>\$ -</u> | <u>\$ (8,876)</u> | <u>\$ (228,666)</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | Special Education - Preschool | Assistive Technology /Spec Ed | Safe & Drug Free Schools | PEP Grant | Peer Friends | BVP - Bulletproof Vest Award | Signage - District |
|---|-------------------------------------|-------------------------------------|--------------------------------|-------------------|------------------|------------------------------------|-----------------------|
| Cash and investments - beginning | \$ (4,569) | \$ - | \$ (5,380) | \$ - | \$ 31,345 | \$ - | \$ 5,847 |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | - |
| State sources | 63,065 | - | - | 171,458 | 10,225 | 722 | - |
| Federal sources | - | 69,173 | 17,349 | - | - | - | - |
| Other | - | - | - | - | - | - | - |
| Total receipts | <u>63,065</u> | <u>69,173</u> | <u>17,349</u> | <u>171,458</u> | <u>10,225</u> | <u>722</u> | <u>-</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | 64,812 | 69,173 | - | - | 2,131 | - | - |
| Support services | - | - | 10,654 | 178,055 | - | 722 | - |
| Noninstructional services | - | - | 570 | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | 577 | - | 745 | - | - | - | 3,000 |
| Total disbursements | <u>65,389</u> | <u>69,173</u> | <u>11,969</u> | <u>178,055</u> | <u>2,131</u> | <u>722</u> | <u>3,000</u> |
| Excess (deficiency) of receipts over disbursements | <u>(2,324)</u> | <u>-</u> | <u>5,380</u> | <u>(6,597)</u> | <u>8,094</u> | <u>-</u> | <u>(3,000)</u> |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>(2,324)</u> | <u>-</u> | <u>5,380</u> | <u>(6,597)</u> | <u>8,094</u> | <u>-</u> | <u>(3,000)</u> |
| Cash and investments - ending | <u>\$ (6,893)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (6,597)</u> | <u>\$ 39,439</u> | <u>\$ -</u> | <u>\$ 2,847</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | 21st Century Community Learning Center | 21st Century/ Cohort 5 | Robotics - 21st Century | DWD Grant/ Robotics | Police Influencing Kids Through Education | Improving Teaching Quality No Child Left, Title II, Part A | Title III Language Instruction |
|---|---|---------------------------|----------------------------|------------------------|--|--|--------------------------------------|
| Cash and investments - beginning | \$ (15,915) | \$ (8,588) | \$ - | \$ (1) | \$ 44 | \$ - | \$ (26,848) |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | 821,170 | 339,856 | - | - | (44) | - | 213,268 |
| Other | - | - | - | - | - | - | - |
| Total receipts | <u>821,170</u> | <u>339,856</u> | <u>-</u> | <u>-</u> | <u>(44)</u> | <u>-</u> | <u>213,268</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | 813,213 | 344,247 | - | (1) | - | - | 206,887 |
| Support services | - | - | - | - | - | 3,518 | - |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | 1,828 | 950 | - | - | - | - | - |
| Total disbursements | <u>815,041</u> | <u>345,197</u> | <u>-</u> | <u>(1)</u> | <u>-</u> | <u>3,518</u> | <u>206,887</u> |
| Excess (deficiency) of receipts over disbursements | <u>6,129</u> | <u>(5,341)</u> | <u>-</u> | <u>1</u> | <u>(44)</u> | <u>(3,518)</u> | <u>6,381</u> |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>6,129</u> | <u>(5,341)</u> | <u>-</u> | <u>1</u> | <u>(44)</u> | <u>(3,518)</u> | <u>6,381</u> |
| Cash and investments - ending | <u>\$ (9,786)</u> | <u>\$ (13,929)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (3,518)</u> | <u>\$ (20,467)</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | Title II/B Science Initiative | Title II/A | Title II/B Math Initiative | School Improvement | Coke Fund | Elementary Skates | Stimulus Title I - Grants to LEAs |
|---|-------------------------------------|--------------------|----------------------------------|-----------------------|-------------------|----------------------|--|
| Cash and investments - beginning | \$ (17,867) | \$ (23,208) | \$ (5,007) | \$ 86,434 | \$ 266,683 | \$ 379 | \$ (61,127) |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | 23,981 | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | 152,646 | 284,801 | 172,526 | - | - | - | 216,464 |
| Other | - | - | - | - | - | - | - |
| Total receipts | <u>152,646</u> | <u>284,801</u> | <u>172,526</u> | <u>-</u> | <u>23,981</u> | <u>-</u> | <u>216,464</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | - | 166,230 | - | - | 7,927 | - | 72,902 |
| Support services | 144,554 | 104,529 | 180,682 | 78,135 | 36,017 | - | 80,689 |
| Noninstructional services | - | - | - | - | - | - | (4,453) |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | <u>2,752</u> | <u>14,405</u> | <u>3,706</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>6,199</u> |
| Total disbursements | <u>147,306</u> | <u>285,164</u> | <u>184,388</u> | <u>78,135</u> | <u>43,944</u> | <u>-</u> | <u>155,337</u> |
| Excess (deficiency) of receipts over disbursements | <u>5,340</u> | <u>(363)</u> | <u>(11,862)</u> | <u>(78,135)</u> | <u>(19,963)</u> | <u>-</u> | <u>61,127</u> |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>5,340</u> | <u>(363)</u> | <u>(11,862)</u> | <u>(78,135)</u> | <u>(19,963)</u> | <u>-</u> | <u>61,127</u> |
| Cash and investments - ending | <u>\$ (12,527)</u> | <u>\$ (23,571)</u> | <u>\$ (16,869)</u> | <u>\$ 8,299</u> | <u>\$ 246,720</u> | <u>\$ 379</u> | <u>\$ -</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2012
 (Continued)

| | Stimulus Special Education - Part B | Stimulus Special Education - Preschool | Education Jobs | Warehouse | Refunds & Adjustments | Clearing Account | Totals |
|---|--|---|--------------------|-------------------|--------------------------|---------------------|----------------------|
| Cash and investments - beginning | \$ (79,624) | \$ (1,691) | \$ 421,160 | \$ 155,997 | \$ 278,460 | \$ 1,703,121 | \$ 69,141,872 |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | 56,142,737 |
| State sources | - | - | - | - | - | - | 68,398,859 |
| Federal sources | 414,751 | 8,974 | 1,657,257 | - | - | - | 13,271,906 |
| Other | - | - | - | 526,913 | (160,096) | 22,485,562 | 22,852,379 |
| Total receipts | <u>414,751</u> | <u>8,974</u> | <u>1,657,257</u> | <u>526,913</u> | <u>(160,096)</u> | <u>22,485,562</u> | <u>160,665,881</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | 370,381 | 7,283 | 2,109,175 | - | - | - | 59,887,682 |
| Support services | - | - | - | - | - | - | 44,418,703 |
| Noninstructional services | - | - | - | - | - | - | 4,789,400 |
| Facilities acquisition and construction | - | - | - | - | - | - | 19,346,262 |
| Debt services | - | - | - | - | - | - | 12,064,423 |
| Nonprogrammed charges | (35,254) | - | - | 578,336 | 39,928 | 22,242,836 | 36,696,534 |
| Total disbursements | <u>335,127</u> | <u>7,283</u> | <u>2,109,175</u> | <u>578,336</u> | <u>39,928</u> | <u>22,242,836</u> | <u>177,203,004</u> |
| Excess (deficiency) of receipts over disbursements | <u>79,624</u> | <u>1,691</u> | <u>(451,918)</u> | <u>(51,423)</u> | <u>(200,024)</u> | <u>242,726</u> | <u>(16,537,123)</u> |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | 214,750 |
| Sale of capital assets | - | - | - | - | - | - | 2,304,122 |
| Transfers in | - | - | - | - | - | - | 378,304 |
| Transfers out | - | - | - | - | - | - | (378,304) |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,518,872</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>79,624</u> | <u>1,691</u> | <u>(451,918)</u> | <u>(51,423)</u> | <u>(200,024)</u> | <u>242,726</u> | <u>(14,018,251)</u> |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (30,758)</u> | <u>\$ 104,574</u> | <u>\$ 78,436</u> | <u>\$ 1,945,847</u> | <u>\$ 55,123,621</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013

| | General | Referendum Debt | Debt Service | Retirement/ Severance Bond Debt Service | Capital Projects | Transportation - Operating | Transportation - School Bus Replacement | Rainy Day |
|---|---------------------|---------------------|---------------------|--|----------------------|-------------------------------|---|----------------------|
| Cash and investments - beginning | \$ 4,657,222 | \$ 9,599,309 | \$ 1,658,133 | \$ 338,314 | \$ 11,140,529 | \$ 1,763,433 | \$ 892,035 | \$ 10,000,000 |
| Receipts: | | | | | | | | |
| Local sources | 1,123,509 | 7,619,041 | 5,682,341 | 830,180 | 15,547,700 | 7,609,555 | 1,376,768 | - |
| Intermediate sources | 6,882 | - | - | - | - | - | - | - |
| State sources | 70,248,938 | - | - | - | - | - | - | - |
| Federal sources | 116,662 | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - |
| Total receipts | <u>71,495,991</u> | <u>7,619,041</u> | <u>5,682,341</u> | <u>830,180</u> | <u>15,547,700</u> | <u>7,609,555</u> | <u>1,376,768</u> | <u>-</u> |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | 50,960,086 | - | - | - | - | - | - | - |
| Support services | 19,317,597 | - | - | - | 8,706,216 | 7,585,822 | 2,850,119 | - |
| Noninstructional services | 699,150 | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | 4,446,774 | - | - | - |
| Debt services | - | 10,713,649 | 5,643,500 | 831,095 | - | - | - | - |
| Nonprogrammed charges | <u>733,329</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total disbursements | <u>71,710,162</u> | <u>10,713,649</u> | <u>5,643,500</u> | <u>831,095</u> | <u>13,152,990</u> | <u>7,585,822</u> | <u>2,850,119</u> | <u>-</u> |
| Excess (deficiency) of receipts over disbursements | <u>(214,171)</u> | <u>(3,094,608)</u> | <u>38,841</u> | <u>(915)</u> | <u>2,394,710</u> | <u>23,733</u> | <u>(1,473,351)</u> | <u>-</u> |
| Other financing sources (uses): | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - |
| Sale of capital assets | 1,150,834 | - | - | - | - | 2,865 | - | - |
| Transfers in | - | - | - | - | - | 223,498 | - | - |
| Transfers out | <u>-</u> | <u>-</u> | <u>(136,919)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>1,150,834</u> | <u>-</u> | <u>(136,919)</u> | <u>-</u> | <u>-</u> | <u>226,363</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>936,663</u> | <u>(3,094,608)</u> | <u>(98,078)</u> | <u>(915)</u> | <u>2,394,710</u> | <u>250,096</u> | <u>(1,473,351)</u> | <u>-</u> |
| Cash and investments - ending | <u>\$ 5,593,885</u> | <u>\$ 6,504,701</u> | <u>\$ 1,560,055</u> | <u>\$ 337,399</u> | <u>\$ 13,535,239</u> | <u>\$ 2,013,529</u> | <u>\$ (581,316)</u> | <u>\$ 10,000,000</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

| | New Guion Creek Elem Construction | CPES Construction Project - Ph 1 | District Wide Projects - Phase 1 | CPES Construction Phase 2 | District Wide Proj Phase 2 | ECES Construction Project | School Lunch | Textbook Rental |
|---|---|--|--|---------------------------------|----------------------------------|---------------------------------|---------------------|--------------------|
| Cash and investments - beginning | \$ 2,322,961 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,485,630 | \$ 352,783 |
| Receipts: | | | | | | | | |
| Local sources | 20,311 | 11,079 | 12,173 | - | - | - | 1,097,410 | 370,181 |
| Intermediate sources | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | 30,012 | 503,571 |
| Federal sources | - | - | - | - | - | - | 4,556,327 | - |
| Other | - | - | - | - | - | - | - | - |
| Total receipts | <u>20,311</u> | <u>11,079</u> | <u>12,173</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>5,683,749</u> | <u>873,752</u> |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | - | - | - | - | - | - | - | - |
| Support services | 42,586 | 58,838 | - | - | - | - | 119,044 | 602,271 |
| Noninstructional services | - | - | - | - | - | - | 5,019,263 | - |
| Facilities acquisition and construction | 1,392,222 | 3,991,875 | 6,012,096 | 1,041,544 | 16,139 | 141,344 | - | - |
| Debt services | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | 43,293 | - |
| Total disbursements | <u>1,434,808</u> | <u>4,050,713</u> | <u>6,012,096</u> | <u>1,041,544</u> | <u>16,139</u> | <u>141,344</u> | <u>5,181,600</u> | <u>602,271</u> |
| Excess (deficiency) of receipts over disbursements | <u>(1,414,497)</u> | <u>(4,039,634)</u> | <u>(5,999,923)</u> | <u>(1,041,544)</u> | <u>(16,139)</u> | <u>(141,344)</u> | <u>502,149</u> | <u>271,481</u> |
| Other financing sources (uses): | | | | | | | | |
| Proceeds of long-term debt | - | 9,996,364 | 11,998,220 | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | 536,005 | - |
| Transfers in | - | - | - | - | - | - | - | 136,919 |
| Transfers out | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>9,996,364</u> | <u>11,998,220</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>536,005</u> | <u>136,919</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>(1,414,497)</u> | <u>5,956,730</u> | <u>5,998,297</u> | <u>(1,041,544)</u> | <u>(16,139)</u> | <u>(141,344)</u> | <u>1,038,154</u> | <u>408,400</u> |
| Cash and investments - ending | <u>\$ 908,464</u> | <u>\$ 5,956,730</u> | <u>\$ 5,998,297</u> | <u>\$ (1,041,544)</u> | <u>\$ (16,139)</u> | <u>\$ (141,344)</u> | <u>\$ 2,523,784</u> | <u>\$ 761,183</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

| | Self- Insurance | Levy Excess | Loving Care Program | Early Childhood Program/ Lvg Care | Alternative Education | SAFE School Haven | Graduation Coach | Kenya Project |
|---|---------------------|----------------|---------------------------|--|--------------------------|-------------------------|---------------------|------------------|
| Cash and investments - beginning | \$ 8,469,223 | \$ - | \$ 48,600 | \$ 1,680 | \$ - | \$ (20,737) | \$ - | \$ - |
| Receipts: | | | | | | | | |
| Local sources | 13,056,998 | - | 1,216,301 | 100,445 | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - | - |
| State sources | - | - | - | - | 99,546 | - | - | - |
| Federal sources | - | - | 310 | - | - | 20,737 | - | - |
| Other | 34,620 | - | - | - | - | - | - | - |
| Total receipts | <u>13,091,618</u> | <u>-</u> | <u>1,216,611</u> | <u>100,445</u> | <u>99,546</u> | <u>20,737</u> | <u>-</u> | <u>-</u> |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | - | - | 1,007,003 | - | 99,546 | - | - | - |
| Support services | 837,604 | - | 15,699 | 781 | - | - | - | - |
| Noninstructional services | - | - | - | 95,546 | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | 12,067,084 | - | 66,644 | - | - | - | - | - |
| Total disbursements | <u>12,904,688</u> | <u>-</u> | <u>1,089,346</u> | <u>96,327</u> | <u>99,546</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts over disbursements | <u>186,930</u> | <u>-</u> | <u>127,265</u> | <u>4,118</u> | <u>-</u> | <u>20,737</u> | <u>-</u> | <u>-</u> |
| Other financing sources (uses): | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>186,930</u> | <u>-</u> | <u>127,265</u> | <u>4,118</u> | <u>-</u> | <u>20,737</u> | <u>-</u> | <u>-</u> |
| Cash and investments - ending | <u>\$ 8,656,153</u> | <u>\$ -</u> | <u>\$ 175,865</u> | <u>\$ 5,798</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

| | L.I.F.T. Foundation Scholarship | Professional Development | PHS/PFC Library Fund Grant | PHS College /Career Library-CICF | CICF Grants | Superintendents Scholarship Fund | Performing Arts Center | Instructional Support Donations |
|---|---------------------------------------|-----------------------------|----------------------------------|--|----------------|--|---------------------------|---------------------------------------|
| Cash and investments - beginning | \$ 31,000 | \$ 10,383 | \$ 373 | \$ 781 | \$ - | \$ 52,957 | \$ (40,695) | \$ 24,926 |
| Receipts: | | | | | | | | |
| Local sources | - | 1,260 | 19,500 | - | 866 | 50 | - | 15,950 |
| Intermediate sources | - | - | - | - | - | - | - | - |
| State sources | 67,500 | 3,668 | - | - | - | 7,472 | - | - |
| Federal sources | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - |
| Total receipts | <u>67,500</u> | <u>4,928</u> | <u>19,500</u> | <u>-</u> | <u>866</u> | <u>7,522</u> | <u>-</u> | <u>15,950</u> |
| Disbursements: | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | - | - | - | - | - | - | - | 9,476 |
| Support services | - | 6,914 | 19,814 | 781 | - | - | 191,464 | 7,752 |
| Noninstructional services | - | - | - | - | - | 8,295 | - | 6,235 |
| Facilities acquisition and construction | - | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - | - |
| Nonprogrammed charges | <u>77,500</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>9,858</u> | <u>-</u> | <u>-</u> |
| Total disbursements | <u>77,500</u> | <u>6,914</u> | <u>19,814</u> | <u>781</u> | <u>-</u> | <u>18,153</u> | <u>191,464</u> | <u>23,463</u> |
| Excess (deficiency) of receipts over disbursements | <u>(10,000)</u> | <u>(1,986)</u> | <u>(314)</u> | <u>(781)</u> | <u>866</u> | <u>(10,631)</u> | <u>(191,464)</u> | <u>(7,513)</u> |
| Other financing sources (uses): | | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | 237,879 | - |
| Transfers in | - | - | - | - | - | - | - | - |
| Transfers out | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>237,879</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>(10,000)</u> | <u>(1,986)</u> | <u>(314)</u> | <u>(781)</u> | <u>866</u> | <u>(10,631)</u> | <u>46,415</u> | <u>(7,513)</u> |
| Cash and investments - ending | <u>\$ 21,000</u> | <u>\$ 8,397</u> | <u>\$ 59</u> | <u>\$ -</u> | <u>\$ 866</u> | <u>\$ 42,326</u> | <u>\$ 5,720</u> | <u>\$ 17,413</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

| | 3M Grant | Lilly 2 - Project Clear | Lilly Endowment Grants | Summer Youth Program/ Partners | District Athletic Fund | Swim Club - PHS | Pike Youth Basketball League |
|---|----------------|-------------------------------|------------------------------|---|------------------------------|--------------------|------------------------------------|
| Cash and investments - beginning | \$ 1,756 | \$ - | \$ 4,898 | \$ 2,318 | \$ 23,411 | \$ 3,420 | \$ 2,481 |
| Receipts: | | | | | | | |
| Local sources | - | - | 7,250 | - | 16,502 | 31,080 | 23,700 |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - |
| Total receipts | <u>-</u> | <u>-</u> | <u>7,250</u> | <u>-</u> | <u>16,502</u> | <u>31,080</u> | <u>23,700</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | - | - | 5,627 | 2,318 | - | - | - |
| Support services | 1,756 | - | - | - | - | 90 | - |
| Noninstructional services | - | - | - | - | 22,151 | 16,554 | 23,684 |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Total disbursements | <u>1,756</u> | <u>-</u> | <u>5,627</u> | <u>2,318</u> | <u>22,151</u> | <u>16,644</u> | <u>23,684</u> |
| Excess (deficiency) of receipts over disbursements | <u>(1,756)</u> | <u>-</u> | <u>1,623</u> | <u>(2,318)</u> | <u>(5,649)</u> | <u>14,436</u> | <u>16</u> |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>(1,756)</u> | <u>-</u> | <u>1,623</u> | <u>(2,318)</u> | <u>(5,649)</u> | <u>14,436</u> | <u>16</u> |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 6,521</u> | <u>\$ -</u> | <u>\$ 17,762</u> | <u>\$ 17,856</u> | <u>\$ 2,497</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

| | Lifeguard Lessons | Arts in Education Grants (IAC) | Excellence Scholarship Fund | Danny Elsharaiha Scholarship Fnd | PTEF Grants | Scrap Metal Facilities | Donations for Security |
|---|----------------------|--------------------------------------|-----------------------------------|---|----------------|------------------------------|---------------------------|
| Cash and investments - beginning | \$ 2,016 | \$ - | \$ 1,722 | \$ 18,845 | \$ 1,494 | \$ 2,739 | \$ 674 |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | 30 | 500 | - | 240 |
| Federal sources | - | - | - | - | - | 729 | - |
| Other | - | - | - | - | - | - | - |
| Total receipts | - | - | - | 30 | 500 | 729 | 240 |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | - | - | - | - | - | - | - |
| Support services | - | - | - | - | 1,367 | 236 | 169 |
| Noninstructional services | 2,016 | - | - | - | 500 | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | (501) | 3,000 | - | - | - |
| Total disbursements | 2,016 | - | (501) | 3,000 | 1,867 | 236 | 169 |
| Excess (deficiency) of receipts over disbursements | (2,016) | - | 501 | (2,970) | (1,367) | 493 | 71 |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - | - |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | (2,016) | - | 501 | (2,970) | (1,367) | 493 | 71 |
| Cash and investments - ending | \$ - | \$ - | \$ 2,223 | \$ 15,875 | \$ 127 | \$ 3,232 | \$ 745 |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

| | Supplies /GCMS Athletics | Lost Library Book | Vending | High Abilities Grant | High Abilities Making a Difference | Medicaid Reimbursement | Technology Fund |
|---|--------------------------------|-------------------------|------------------|----------------------------|---|---------------------------|--------------------|
| Cash and investments - beginning | \$ 20,103 | \$ 4,916 | \$ 57,289 | \$ 31,456 | \$ - | \$ 22,915 | \$ - |
| Receipts: | | | | | | | |
| Local sources | - | 1,842 | 19,309 | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | 67,692 | - | 82,753 | - |
| Federal sources | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - |
| Total receipts | <u>-</u> | <u>1,842</u> | <u>19,309</u> | <u>67,692</u> | <u>-</u> | <u>82,753</u> | <u>-</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | - | - | - | 75,403 | - | - | - |
| Support services | - | 766 | 844 | - | - | 44,244 | - |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | 20,103 | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Total disbursements | <u>20,103</u> | <u>766</u> | <u>844</u> | <u>75,403</u> | <u>-</u> | <u>44,244</u> | <u>-</u> |
| Excess (deficiency) of receipts over disbursements | <u>(20,103)</u> | <u>1,076</u> | <u>18,465</u> | <u>(7,711)</u> | <u>-</u> | <u>38,509</u> | <u>-</u> |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>(20,103)</u> | <u>1,076</u> | <u>18,465</u> | <u>(7,711)</u> | <u>-</u> | <u>38,509</u> | <u>-</u> |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ 5,992</u> | <u>\$ 75,754</u> | <u>\$ 23,745</u> | <u>\$ -</u> | <u>\$ 61,424</u> | <u>\$ -</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

| | Non-English Speaking | DCF Education Technology Fund | School Technology Fund | Disabilities Determination Bureau | First Robotics /Techpoint Foundtn | GQE Remediation Grant | Remediation ISTEP |
|---|-------------------------|-------------------------------------|------------------------------|---|---|-----------------------------|----------------------|
| Cash and investments - beginning | \$ 19,446 | \$ 347,544 | \$ - | \$ 1,245 | \$ - | \$ - | \$ 47,553 |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | 181,676 | 300,145 | - | 65 | 3,033 | 193,589 | 46,491 |
| Federal sources | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - |
| Total receipts | <u>181,676</u> | <u>300,145</u> | <u>-</u> | <u>65</u> | <u>3,033</u> | <u>193,589</u> | <u>46,491</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | 149,739 | - | - | - | - | 76,741 | 10,381 |
| Support services | 13,362 | 63,010 | - | - | - | - | - |
| Noninstructional services | - | - | - | - | 3,033 | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | - | - | - | - | - | - |
| Total disbursements | <u>163,101</u> | <u>63,010</u> | <u>-</u> | <u>-</u> | <u>3,033</u> | <u>76,741</u> | <u>10,381</u> |
| Excess (deficiency) of receipts over disbursements | <u>18,575</u> | <u>237,135</u> | <u>-</u> | <u>65</u> | <u>-</u> | <u>116,848</u> | <u>36,110</u> |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>18,575</u> | <u>237,135</u> | <u>-</u> | <u>65</u> | <u>-</u> | <u>116,848</u> | <u>36,110</u> |
| Cash and investments - ending | <u>\$ 38,021</u> | <u>\$ 584,679</u> | <u>\$ -</u> | <u>\$ 1,310</u> | <u>\$ -</u> | <u>\$ 116,848</u> | <u>\$ 83,663</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

| | Lumina/PHS | Smaller Learning Communities | Counseling Program | Title I | Title I School Improvement | Homeless/ McKinney- Vento Grant | Special Education - Part B |
|---|----------------|------------------------------------|-----------------------|---------------------|----------------------------------|--|----------------------------------|
| Cash and investments - beginning | \$ 2,240 | \$ (6,439) | \$ - | \$ (323,345) | \$ - | \$ (8,876) | \$ (228,666) |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | 145,966 | - | - | - | - |
| Federal sources | - | 271,189 | - | 2,855,171 | - | 47,263 | 2,345,676 |
| Other | - | - | - | - | - | - | - |
| Total receipts | <u>-</u> | <u>271,189</u> | <u>145,966</u> | <u>2,855,171</u> | <u>-</u> | <u>47,263</u> | <u>2,345,676</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | 1,367 | 194,930 | - | 1,250,450 | - | 39,332 | 2,221,170 |
| Support services | 873 | 78,984 | 164,833 | 1,275,636 | - | 42,395 | 133,038 |
| Noninstructional services | - | - | - | 35,595 | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | - | 3,666 | 2,192 | 54,920 | - | 851 | 29,209 |
| Total disbursements | <u>2,240</u> | <u>277,580</u> | <u>167,025</u> | <u>2,616,601</u> | <u>-</u> | <u>82,578</u> | <u>2,383,417</u> |
| Excess (deficiency) of receipts over disbursements | <u>(2,240)</u> | <u>(6,391)</u> | <u>(21,059)</u> | <u>238,570</u> | <u>-</u> | <u>(35,315)</u> | <u>(37,741)</u> |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | (223,498) | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>(223,498)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>(2,240)</u> | <u>(6,391)</u> | <u>(21,059)</u> | <u>15,072</u> | <u>-</u> | <u>(35,315)</u> | <u>(37,741)</u> |
| Cash and investments - ending | <u>\$ -</u> | <u>\$ (12,830)</u> | <u>\$ (21,059)</u> | <u>\$ (308,273)</u> | <u>\$ -</u> | <u>\$ (44,191)</u> | <u>\$ (266,407)</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

| | Special Education - Preschool | Assistive Technology /Spec Ed | Safe & Drug Free Schools | PEP Grant | Peer Friends | BVP - Bulletproof Vest Award | Signage - District |
|---|-------------------------------------|-------------------------------------|--------------------------------|--------------------|------------------|------------------------------------|-----------------------|
| Cash and investments - beginning | \$ (6,893) | \$ - | \$ - | \$ (6,597) | \$ 39,439 | \$ - | \$ 2,847 |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | 60,915 | - | - | 711,854 | 5,165 | - | - |
| Federal sources | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - |
| Total receipts | <u>60,915</u> | <u>-</u> | <u>-</u> | <u>711,854</u> | <u>5,165</u> | <u>-</u> | <u>-</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | 60,623 | - | - | - | 6,914 | - | - |
| Support services | - | - | - | 720,974 | - | - | - |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | 422 | - | - | 2,981 | - | - | - |
| Total disbursements | <u>61,045</u> | <u>-</u> | <u>-</u> | <u>723,955</u> | <u>6,914</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts over disbursements | <u>(130)</u> | <u>-</u> | <u>-</u> | <u>(12,101)</u> | <u>(1,749)</u> | <u>-</u> | <u>-</u> |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>(130)</u> | <u>-</u> | <u>-</u> | <u>(12,101)</u> | <u>(1,749)</u> | <u>-</u> | <u>-</u> |
| Cash and investments - ending | <u>\$ (7,023)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (18,698)</u> | <u>\$ 37,690</u> | <u>\$ -</u> | <u>\$ 2,847</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

| | 21st Century Community Learning Center | 21st Century/ Cohort 5 | Robotics - 21st Century | DWD Grant/ Robotics | Police Influencing Kids Through Education | Improving Teaching Quality No Child Left, Title II, Part A | Title III Language Instruction |
|---|---|---------------------------|----------------------------|------------------------|--|--|--------------------------------------|
| Cash and investments - beginning | \$ (9,786) | \$ (13,929) | \$ - | \$ - | \$ - | \$ (3,518) | \$ (20,467) |
| Receipts: | | | | | | | |
| Local sources | - | - | 5,000 | - | - | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | - | - | - | - |
| Federal sources | 500,374 | 311,485 | - | - | - | 148,746 | 168,568 |
| Other | - | - | - | - | - | - | - |
| Total receipts | <u>500,374</u> | <u>311,485</u> | <u>5,000</u> | <u>-</u> | <u>-</u> | <u>148,746</u> | <u>168,568</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | 486,397 | 323,521 | - | - | - | - | 169,056 |
| Support services | - | - | - | - | - | 181,633 | 121 |
| Noninstructional services | - | - | 5,000 | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | <u>6,919</u> | <u>4,550</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>577</u> | <u>1,765</u> |
| Total disbursements | <u>493,316</u> | <u>328,071</u> | <u>5,000</u> | <u>-</u> | <u>-</u> | <u>182,210</u> | <u>170,942</u> |
| Excess (deficiency) of receipts over disbursements | <u>7,058</u> | <u>(16,586)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(33,464)</u> | <u>(2,374)</u> |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>7,058</u> | <u>(16,586)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(33,464)</u> | <u>(2,374)</u> |
| Cash and investments - ending | <u>\$ (2,728)</u> | <u>\$ (30,515)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (36,982)</u> | <u>\$ (22,841)</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

| | Title II/B Science Initiative | Title II/A | Title II/B Math Initiative | School Improvement | Coke Fund | Elementary Skates | Stimulus Title I - Grants to LEAs |
|---|-------------------------------------|---------------|----------------------------------|-----------------------|-------------------|----------------------|--|
| Cash and investments - beginning | \$ (12,527) | \$ (23,571) | \$ (16,869) | \$ 8,299 | \$ 246,720 | \$ 379 | \$ - |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | 24,004 | - | - |
| Intermediate sources | - | - | - | - | - | - | - |
| State sources | - | - | - | - | 3,250 | - | - |
| Federal sources | 114,646 | 42,837 | 134,569 | - | - | - | - |
| Other | - | - | - | - | - | - | - |
| Total receipts | <u>114,646</u> | <u>42,837</u> | <u>134,569</u> | <u>-</u> | <u>27,254</u> | <u>-</u> | <u>-</u> |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | - | 1,682 | - | - | - | - | - |
| Support services | 151,539 | 16,679 | 159,533 | 8,299 | 51,478 | - | - |
| Noninstructional services | - | - | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | - | - | - | - |
| Debt services | - | - | - | - | - | - | - |
| Nonprogrammed charges | 1,627 | 905 | 1,794 | - | - | - | - |
| Total disbursements | <u>153,166</u> | <u>19,266</u> | <u>161,327</u> | <u>8,299</u> | <u>51,478</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts over disbursements | <u>(38,520)</u> | <u>23,571</u> | <u>(26,758)</u> | <u>(8,299)</u> | <u>(24,224)</u> | <u>-</u> | <u>-</u> |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | - |
| Sale of capital assets | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | <u>(38,520)</u> | <u>23,571</u> | <u>(26,758)</u> | <u>(8,299)</u> | <u>(24,224)</u> | <u>-</u> | <u>-</u> |
| Cash and investments - ending | <u>\$ (51,047)</u> | <u>\$ -</u> | <u>\$ (43,627)</u> | <u>\$ -</u> | <u>\$ 222,496</u> | <u>\$ 379</u> | <u>\$ -</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2013
 (Continued)

| | Stimulus Special Education - Part B | Stimulus Special Education - Preschool | Education Jobs | Warehouse | Refunds & Adjustments | Clearing Account | Totals |
|---|--|---|-------------------|------------|--------------------------|---------------------|---------------|
| Cash and investments - beginning | \$ - | \$ - | \$ (30,758) | \$ 104,574 | \$ 78,436 | \$ 1,945,847 | \$ 55,123,621 |
| Receipts: | | | | | | | |
| Local sources | - | - | - | - | - | - | 55,840,305 |
| Intermediate sources | - | - | - | - | - | - | 6,882 |
| State sources | - | - | - | - | - | - | 72,764,071 |
| Federal sources | - | - | 73,903 | - | - | - | 11,709,192 |
| Other | - | - | - | 611,632 | 193,395 | 20,037,133 | 20,876,780 |
| Total receipts | - | - | 73,903 | 611,632 | 193,395 | 20,037,133 | 161,197,230 |
| Disbursements: | | | | | | | |
| Current: | | | | | | | |
| Instruction | - | - | 43,145 | - | - | - | 57,194,907 |
| Support services | - | - | - | - | - | - | 43,475,161 |
| Noninstructional services | - | - | - | - | - | - | 5,937,022 |
| Facilities acquisition and construction | - | - | - | - | - | - | 17,062,097 |
| Debt services | - | - | - | - | - | - | 17,188,244 |
| Nonprogrammed charges | - | - | - | 576,391 | 273,743 | 21,190,532 | 35,153,251 |
| Total disbursements | - | - | 43,145 | 576,391 | 273,743 | 21,190,532 | 176,010,682 |
| Excess (deficiency) of receipts over disbursements | - | - | 30,758 | 35,241 | (80,348) | (1,153,399) | (14,813,452) |
| Other financing sources (uses): | | | | | | | |
| Proceeds of long-term debt | - | - | - | - | - | - | 21,994,584 |
| Sale of capital assets | - | - | - | - | - | - | 1,927,583 |
| Transfers in | - | - | - | - | - | - | 360,417 |
| Transfers out | - | - | - | - | - | - | (360,417) |
| Total other financing sources (uses) | - | - | - | - | - | - | 23,922,167 |
| Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses | - | - | 30,758 | 35,241 | (80,348) | (1,153,399) | 9,108,715 |
| Cash and investments - ending | \$ - | \$ - | \$ - | \$ 139,815 | \$ (1,912) | \$ 792,448 | \$ 64,232,336 |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2013

| <u>School Corporation</u> | <u>Accounts Payable</u> | <u>Accounts Receivable</u> |
|---------------------------|-----------------------------|--------------------------------|
| Governmental activities | <u>\$ 25,696,782</u> | <u>\$ 814,244</u> |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 SCHEDULE OF LEASES AND DEBT
 June 30, 2013

| Lessor | Purpose | Annual Lease Payment | Lease Beginning Date | Lease Ending Date |
|---|---|----------------------------|----------------------------|-------------------------|
| Governmental activities: | | | | |
| Pike Township Multi-School Building Corporation | Eastbrook Elementary 2008 Renovations | \$ 5,390,094 | 06-30-09 | 12-31-16 |
| Pike Township Multi-School Building Corporation | Guion Creek Elementary 2010 Renovations | 10,713,650 | 07-15-11 | 07-15-14 |
| Pike Township Multi-School Building Corporation | 2012 District Wide Facilities | <u>248,000</u> | 06-30-13 | 12-31-18 |
| Total of annual lease payments | | <u>\$ 16,351,745</u> | | |

| Type | Description of Debt Purpose | Ending Principal Balance | Principal and Interest Due Within One Year |
|--------------------------|---|--------------------------------|---|
| Governmental activities: | | | |
| Pension bonds | 2004 Pension Bonds | \$ 2,970,000 | \$ 834,225 |
| General obligation bonds | 2012 Series - College Park Elementary Renovations | <u>9,580,000</u> | <u>205,331</u> |
| Totals | | <u>\$ 12,550,000</u> | <u>\$ 1,039,557</u> |

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METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2013

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 | \$ 8,134,410 |
| Buildings | 349,185,801 |
| Improvements other than buildings | 21,669,684 |
| Machinery, equipment, and vehicles | 24,856,282 |
| Total capital assets | \$ 403,846,177 |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
AUDIT RESULTS AND COMMENTS

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were conducted; however, the reconciliations did not balance. Errors were found in properly recording the Hoosier Fund investment accounts and properly recording the interest earned on the Huntington Bank and Hoosier Fund investment accounts.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

FUND SOURCES AND USES

For the two year audit period, the School Corporation disbursed Capital Projects funds for contracted cleaning services, which were not an allowed use of Capital Projects funds. A correction was made on June 30, 2013. Transfers totaling \$1,718,738.24 were recorded to move the expenditures from the Capital Project fund to the General fund. A review of the payments made to the service provider indicated that there was an additional \$1,583,054.65 which was not included in the correction.

We also noted that the expenditures were not posted to the proper account number or object number. Disbursements were posted to account number 43000 Professional Services and object numbers 319 Other Professional and Technical Services and 730 Equipment. The payments for cleaning services should have been posted to account number 26200 Maintenance of Buildings and object 420 Cleaning Services.

Sources and uses of funds should be limited to those authorized by the enabling statute, ordinance, resolution, or grant agreement. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

OVERDRAWN CASH BALANCES

The financial statement presented in this report included the following funds with overdrawn cash balances at June 30, 2012 and June 30, 2013:

| Fund | June 30, 2012 | June 30, 2013 |
|---|------------------|------------------|
| Transportation - School Bus Replacement | \$ - | \$ 581,316 |
| CPES Construction Phase 2 | - | 1,041,544 |
| District Wide Proj - Phase 2 | - | 16,139 |
| ECES Construction Project | - | 141,344 |
| Performing Arts Center | 40,695 | - |

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
AUDIT RESULTS AND COMMENTS
(Continued)

APPROPRIATIONS

The records presented for audit indicated the Transportation - School Bus Replacement fund exceeded the 2012 budgeted appropriations by \$57,252.

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."

CONTRACTS

Payments totaling \$86,500 were paid to a vendor during 2011-2013 for professional services which exceeded the three year contract total. The contract allowed payments of \$22,000 per year for these services for a three year total of \$66,000. The Program Administrator indicated that substantially more time was required to complete the services than had been originally anticipated when the payment terms were contracted. However, the contract was never amended to reflect any additional compensation. The Program Administrator approved the accounts payable vouchers with the attached billings which listed the dates and services provided.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

BANK ACCOUNT RECONCILIATIONS - EXTRA-CURRICULAR ACCOUNTS

Depository reconciliations of the fund balances to the bank account balances were conducted; however, the following Schools' reconciliations were not reliable and indicated differences.

New Augusta Public Academy - South

As similarly stated in prior Report B40120, the School Corporation's depository reconciliations of the fund balances to the bank account balances were conducted, but did not agree and reflected larger record balances than the reconciled bank balances, which resulted in cash-short balances. At the end of the prior audit, the New Augusta Public Academy - South School bank reconciliation indicated the bank balance was larger than the record balance in the amount of \$1,652.34. An adjustment was posted to the records in the form of a receipt on August 31, 2011, in the amount of \$1,806.29. The adjustment description was listed as "No Description" and the nature of the receipt was listed as "unposted items or carry overs." No detail was maintained to support the adjustments or the amounts. The reconciliations at June 30, 2012, and June 30, 2013, indicated cash short in the amounts of \$320.10 and \$228.10, respectively.

Deer Run Elementary School

The depository reconciliations of the fund balances to the bank account balances contained adjustments which were inaccurate. The June 2012 records did not reconcile; the bank was long by \$3,354.46. A receipt for \$3,354.46 in interest was posted in July 2012. We found no supporting documentation for this entry. The June 2013 records apparently did reconcile, but previous postings raise questions to validity of records. There was a \$525 bank fee recorded in October 2012 and over \$1,000 of "deposits in transit" that persisted from November 2012 to January 2013 and were then reversed on the records.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 AUDIT RESULTS AND COMMENTS
 (Continued)

Lincoln Middle School

The depository reconciliation of the fund balances to the bank account balance on June 30, 2013, did not balance to the amount reported on the Annual Report (SA-5). As received for audit, the bank reconciliation and the ledger balances totaled \$35,043.89. The Annual Report (SA-5) balance was \$33,918.80. The difference was \$1,095.09.

Guion Creek Middle School

Depository reconciliations of the fund balances to the bank account balances were conducted; however, the reconciliation for June 2013 did not balance. The difference was \$87.61. The reconciliation listed some items as not posted and included an old deposit in transit for \$59 from November 2012.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

CONDITION OF RECORDS - EXTRA-CURRICULAR ACCOUNTS

Financial records presented for audit were incomplete and not reflective of the activity of the all Extra-Curricular funds. The records presented did not provide sufficient information to audit or establish beginning balances, receipts, disbursements, ending balances, or the accuracy or correctness of the transactions.

The following table denotes some of the deficiencies:

| | <u>School 1</u> | <u>School 2</u> | <u>School 3</u> | <u>School 4</u> |
|--|-----------------|-----------------|-----------------|-----------------|
| Numerous voided checks | X | | | |
| Incorrect posting of check number in ledger | X | | | |
| Receipts for negative amounts | X | X | | X |
| Numerous posting errors | X | X | | |
| Undocumented adjustments reflected as bank interest or transfers | X | X | | X |
| Errors in amount of bank deposits | X | X | | |
| Beginning balance on SA-5 Report was different than prior year ending report balance | | X | X | |
| Receipts written after deposit dates | | | X | |
| Transfers between funds | | | X | X |
| Receipt voided twice in different months | | | X | X |

- School 1 - Deer Run Elementary School
- School 2 - New Augusta Public Academy - South
- School 3 - Lincoln Middle School
- School 4 - Guion Creek Middle School

As an additional note, the Deer Run Elementary School was not using the computer to write the checks which contributed to a number of errors and corrections. Several times, the amounts entered into the computer did not match the actual check written. Therefore, a series of corrections were needed, which included re-entry and voiding checks.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 AUDIT RESULTS AND COMMENTS
 (Continued)

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 Extra-Curricular Accounts, Chapter 7)

RECEIPT ISSUANCE - EXTRA-CURRICULAR ACCOUNTS

We conducted a test designed to verify that receipts were issued at the time the transactions occurred. Our test of this procedure found that receipts were not being issued at the time of the transactions. The following exceptions were noted:

| School | Percentage of Receipts Not Issued With Transaction |
|------------------------------------|--|
| Fishback Creek Elementary | 20% |
| New Augusta Public Academy - North | 40% |
| Deer Run Elementary | 37.5% |
| Guion Creek Middle | 29% |

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

INTERNAL CONTROLS - EXTRA-CURRICULAR ACCOUNTS

At Snacks Crossing Elementary School, internal controls over the disbursing activities were insufficient. In all but one of the disbursements selected for testing, the Extra-Curricular Treasurer signed all the signature lines on the Forms SA-7 or SA-1 and no additional authorization was observed. In two instances, we did not find a Form SA-7 or invoice to support the payments. These checks were written and not cashed by the payees and remained on the outstanding check list at June 30, 2013. One check was later found to be on hand and voided in the current year.

At Pike Preparatory Academy, internal controls over the receipting, disbursing, recording, and accounting for the financial activities were insufficient. Disbursement controls were not in place to ensure the completion of the Extra-Curricular Purchase Order/Accounts Payable Vouchers were done in a timely and accurate manner.

The following was noted in our testing at Pike Preparatory Academy:

- The Form SA-7s had no authorization signature in 80 percent of checks tested.
- In 60 percent of the forms observed, by comparing the check dates and the Form SA-7 dates, the checks were issued prior to the Form SA-7 being printed.
- Two checks were issued three months prior to dates on the Form SA-7s.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
AUDIT RESULTS AND COMMENTS
(Continued)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

ACCOUNTABLE ITEMS - EXTRA-CURRICULAR ACCOUNT

The Guion Creek Middle School did not maintained adequate documentation for accountable items. Tickets, goods for sale, billings, and other collections, are considered accountable items for which a corresponding deposit must be made in the bank accounts of the governmental unit. None of the receipts tested for athletic events, totaling \$653, had supporting documentation, such as, ticket sale reports, pre-numbered tickets, or a similar mechanism to account for sales.

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 Extra-Curricular Accounts, Chapter 7)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF THE METROPOLITAN SCHOOL DISTRICT
OF PIKE TOWNSHIP, MARION COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Metropolitan School District of Pike Township'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, 2011 to June 30, 2013. 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. Except as discussed in the following paragraph, 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.

Basis for Qualified Opinion on School Breakfast Program, National School Lunch Program, and Summer Food Service Program for Children (Child Nutrition Cluster)

As described in item 2013-006 in the accompanying Schedule of Findings and Questioned Costs, we were unable to obtain sufficient documentation supporting the compliance of the School Corporation with Child Nutrition Cluster regarding Program Income, nor were we able to satisfy ourselves as to the School Corporation's compliance with those requirements by other auditing procedures.

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

***Qualified Opinion on School Breakfast Program, National School Lunch Program,
and Summer Food Service Program for Children (Child Nutrition Cluster)***

In our opinion, except for the effects of such noncompliance, if any, as might have been determined had we been able to examine sufficient evidence regarding the School Corporation's compliance with the requirements of Child Nutrition Cluster regarding Program Income, described in the *Basis for Qualified Opinion* paragraph, the School Corporation complied, in all material respects, with the requirements referred to above that could have a direct and material effect on Child Nutrition Cluster for the period of July 1, 2011 to June 30, 2013.

Unmodified Opinion on Each of the Other Major Federal Programs

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 other major federal programs identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs for the period of July 1, 2011 to June 30, 2013.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2013-002, 2013-003, and 2013-005. 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 Official Response and Corrective Action Plan. The School Corporation's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

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

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2013-001, 2013-004, and 2013-006 to be material weaknesses.

The School Corporation's response to the internal control over compliance findings identified in our audit is described in the accompanying Official Response and 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

March 6, 2014

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2012 and 2013

| 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 06-30-12 | Total Federal Awards Expended 06-30-13 |
|---|-------------------------------------|---------------------------|--|---|---|
| <u>Department of Agriculture</u> | | | | | |
| Child Nutrition Cluster | | | | | |
| School Breakfast Program | Indiana Department of Education | 10.553 | FY 2012 | \$ 1,191,149 | \$ - |
| | | | FY 2013 | - | 1,390,613 |
| Total - School Breakfast Program | | | | <u>1,191,149</u> | <u>1,390,613</u> |
| National School Lunch Program | Indiana Department of Education | 10.555 | FY 2012 | 2,905,205 | - |
| | | | FY 2013 | - | 3,244,521 |
| Total - National School Lunch Program | | | | <u>2,905,205</u> | <u>3,244,521</u> |
| Summer Food Service Program for Children | Indiana Department of Education | 10.559 | 2011/2012 | 35,594 | - |
| | | | 2012/2013 | - | 118,060 |
| Total - Summer Food Service Program for Children | | | | <u>35,594</u> | <u>118,060</u> |
| Total - Child Nutrition Cluster | | | | <u>4,131,948</u> | <u>4,753,194</u> |
| Child and Adult Care Food Program (CACFP) | Indiana Department of Education | 10.558 | 2011/2012 | 98,445 | - |
| | | | 2012/2013 | - | 161,866 |
| Total - Child and Adult Care Food Program (CACFP) | | | | <u>98,445</u> | <u>161,866</u> |
| Total - Department of Agriculture | | | | <u>4,230,393</u> | <u>4,915,060</u> |
| <u>Department of Education</u> | | | | | |
| Title I, Part A Cluster | | | | | |
| Title I Grants to Local Educational Agencies | Indiana Department of Education | 84.010 | 2010/2011 | 849,104 | - |
| | | | 2011/2012 | 1,557,808 | 1,042,111 |
| | | | 2012/2013 | - | 1,813,060 |
| Title I School Improvement | | | 2010/2011 | 47,891 | - |
| Total - Title I Grants to Local Educational Agencies | | | | <u>2,454,803</u> | <u>2,855,171</u> |
| ARRA - Title I Grants to Local Educational Agencies, Recovery Act | Indiana Department of Education | 84.389 | 2011/2012 | 216,464 | - |
| Total - Title I, Part A Cluster | | | | <u>2,671,267</u> | <u>2,855,171</u> |
| Special Education Cluster | | | | | |
| Special Education - Grants to States | Indiana Department of Education | 84.027 | 14210-073-PN01 | 69,173 | - |
| | | | 14210-073-PN01 | 38,651 | - |
| | | | 14211-073-PN01 | 691,284 | 203,997 |
| | | | 14212-073-PN01 | 1,351,478 | 627,150 |

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2012 and 2013
 (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 06-30-12 | Total Federal Awards Expended 06-30-13 |
|--|-------------------------------------|---------------------------|--|---|---|
| Department of Education (continued) | | | | | |
| Special Education Cluster (continued) | | | | | |
| Special Education - Grants to States (continued) | Indiana Department of Education | 84.027 | 14213-073-PN01 | - | 1,514,529 |
| Total - Special Education - Grants to States | | | | <u>2,150,586</u> | <u>2,345,676</u> |
| Special Education - Preschool Grants | Indiana Department of Education | 84.173 | 45711-073-PN01 | 16,729 | - |
| | | | 45712-073-PN01 | 46,336 | 16,963 |
| | | | 45713-073-PN01 | - | 43,952 |
| Total - Special Education - Preschool Grants | | | | <u>63,065</u> | <u>60,915</u> |
| ARRA - Special Education - Grants to States, Recovery Act | Indiana Department of Education | 84.391 | 33310-073-SN01 | 414,751 | - |
| ARRA - Special Education - Preschool Grants, Recovery Act | Indiana Department of Education | 84.392 | 44410-073-SN01 | 8,974 | - |
| Total - Special Education Cluster | | | | <u>2,637,376</u> | <u>2,406,591</u> |
| Improving Teacher Quality State Grants | Indiana Department of Education | 84.367 | 09-5350 | 46,472 | - |
| | | | 10-5350 | 238,329 | 42,837 |
| | | | 11-5350 | - | 127,463 |
| | | | 12-5350 | - | 21,283 |
| Total - Improving Teacher Quality State Grants | | | | <u>284,801</u> | <u>191,583</u> |
| Education Jobs Fund | Indiana Department of Education | 84.410 | 5350 | 1,657,257 | 73,903 |
| Total - Education Jobs Fund | | | | <u>1,657,257</u> | <u>73,903</u> |
| Education of Homeless Children and Youth Cluster | | | | | |
| Education of Homeless Children and Youth | Indiana Department of Education | 84.196 | A58-1-11DL-060 | 17,927 | - |
| | | | A58-2-12SS-0296 | 46,125 | 28,875 |
| | | | A58-3-13SS-1025 | - | 18,388 |
| Total - Education of Homeless Children and Youth Program and Cluster | | | | <u>64,052</u> | <u>47,263</u> |
| Twenty-First Century Community Learning Centers | Indiana Department of Education | 84.287 | A58-0-10DL-063 | 53,923 | - |
| 21st Century Learning Community Cohort 4 | | | A58-0-10DL-063 | 767,247 | 8,883 |
| 21st Century Learning Community Cohort 4 | | | A58-0-10DL-083 | - | 491,491 |
| 21st Century Learning Community Cohort 5 | | | A58-0-10DL-115 | 28,784 | - |
| 21st Century Learning Community Cohort 5 | | | A58-0-10DL-115 | 311,072 | 13,928 |
| 21st Century Learning Community Cohort 5 | | | A58-0-10DL-115 | - | 297,557 |
| Total - Twenty-First Century Community Learning Centers | | | | <u>1,161,026</u> | <u>811,859</u> |

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2012 and 2013
(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 06-30-12 | Total Federal Awards Expended 06-30-13 |
|--|-------------------------------------|---------------------------|--|---|---|
| Department of Education (continued) | | | | | |
| Math and Science Partnerships | Indiana Department of Education | 84.366 | | | |
| Title II Part B MSP Partnership - Algebra Readiness | | | NA | 42,106 | - |
| Title II Part B MSP Partnership - Algebra Readiness | | | NA | 130,420 | 49,992 |
| Title II Part B MSP Partnership - Algebra Readiness | | | NA | - | 84,578 |
| Title II Part B MSP Partnership - Making Science Matter | | | NA | 38,169 | - |
| Title II Part B MSP Partnership - Making Science Matter | | | NA | 114,477 | 48,100 |
| Title II Part B MSP Partnership - Making Science Matter | | | NA | - | 66,547 |
| Total - Math and Science Partnerships | | | | 325,172 | 249,217 |
| English Language Acquisition Grants | Indiana Department of Education | 84.365 | | | |
| Title III - English Language Acquisition | | | 01111-060-PN01 | 58,398 | - |
| Title III - English Language Acquisition | | | 01112-060-PN01 | 154,870 | 58,590 |
| Title III - English Language Acquisition | | | 01113-063-PN01 | - | 109,977 |
| Total - English Language Acquisition Grants | | | | 213,268 | 168,567 |
| Safe and Drug-Free Schools and Communities - State Grants | Indiana Department of Education | 84.186 | | | |
| Title IV - Safe & Drug Free | | | 09-5350 | 17,349 | - |
| Total - Safe and Drug-Free Schools and Communities - State Grants | | | | 17,349 | - |
| Advanced Placement Program | Indiana Department of Education | 84.330 | | | |
| Advanced Placement Program - IB fee reimbursement (expense in Jan 2011/reimburse 8/15/2011) | | | A58-2-12CI-0044 | 3,438 | - |
| Advanced Placement Program - IB fee reimbursement (expense in Feb 2011/reimburse 11/29/12) | | | A58-3-13CI-0897 | - | 2,525 |
| Total - Advanced Placement Program | | | | 3,438 | 2,525 |
| Fund for Improvement of Education | Direct | 84.215 | | | |
| Elementary and Secondary School Counseling Program | | | | | |
| Pike's Reach: Reaching Each Child through Counseling and Mental Health Services | | | S215E120159 | - | 145,966 |
| Smaller Learning Communities | | | | | |
| Smaller Learning Communities | | | S215L080741 | 54,180 | - |
| Smaller Learning Communities | | | S215L080741 | 241,602 | 9,507 |
| Smaller Learning Communities | | | S215L080741 | - | 261,682 |
| Carol M White Physical Education Program | | | | | |
| Carol M White Physical Educ Program - Pike on the Move | | | Q215F110312 | 171,458 | 298,464 |
| Carol M White Physical Educ Program - Pike on the Move | | | Q215F110312 | - | 413,390 |
| Total - Fund for Improvement of Education | | | | 467,240 | 1,129,009 |
| Career and Technical Education - Basic Grants to States | TechPoint Youth Organization | 84.048 | | | |
| Carl D. Perkins Career & Technical Education Act | | | 2012/2013 | - | 3,033 |
| Total - Career and Technology Education - Basic Grants to States | | | | - | 3,033 |
| Total - Department of Education | | | | 9,502,246 | 7,938,721 |

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2012 and 2013
 (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 06-30-12 | Total Federal Awards Expended 06-30-13 |
|---|-------------------------------------|---------------------------|--|---|---|
| <u>Department of Justice</u> | | | | | |
| Bulletproof Vests Partnership Program | Direct | 16.607 | | | |
| Bulletproof Vests | | | OMB# 1121-0235 | <u>722</u> | <u>-</u> |
| Total - Bulletproof Vests Partnership Program | | | | <u>722</u> | <u>-</u> |
| Total - Department of Justice | | | | <u>722</u> | <u>-</u> |
| <u>Social Security Administration</u> | | | | | |
| Disability Insurance/SSI Cluster | | | | | |
| Social Security - Disability Insurance | Direct | 96.001 | | | |
| Social Security Disability - Disability Determination Bureau | | | NA | <u>282</u> | <u>65</u> |
| Total - Disability Insurance/SSI Cluster | | | | <u>282</u> | <u>65</u> |
| Total federal awards expended | | | | <u>\$ 13,733,643</u> | <u>\$ 12,853,846</u> |

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

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Metropolitan School District of Pike Township (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 et seq.), audits of school corporations shall be conducted biennially. Such audits shall include both years within the biennial period.

Note 2. Subrecipients

Of the federal expenditures presented in the schedule, the School Corporation provided federal awards to subrecipients as follows for the years ended June 30, 2012 and 2013:

| Program Title | Federal CFDA Number | 2012 |
|--|---------------------------|--------------|
| Title I Grants to Local Educational Agencies | 84.010 | \$ 10,572.48 |
| Improving Teacher Quality State Grants | 84.367 | 15,130.25 |
| Special Education - Grants to States | 84.027 | 435.00 |

Note 3. Noncash Assistance

The School Corporation expended the following amount of noncash assistance for the years ending June 30, 2012 and 2013. This noncash assistance is also included in the federal expenditures presented in the schedule.

| Program Title | Federal CFDA Number | 2012 | 2013 |
|-------------------------------|---------------------------|-----------|------------|
| School Breakfast Program | 10.553 | \$ 88,810 | \$ 107,527 |
| National School Lunch Program | 10.555 | 216,963 | 250,896 |

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
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? | no |
| 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? | no |
| Type of auditor's report issued on compliance for major programs: | Unmodified except for the Child Nutrition Cluster which was Qualified |
| Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? | yes |

Identification of Major Programs:

| CFDA Number | Name of Federal Program or Cluster |
|----------------|---|
| | Child Nutrition Cluster |
| 84.410 | Education Jobs Fund |
| 84.287 | Twenty-First Century Community Learning Centers |
| 84.215 | Fund for Improvement of Education |

Dollar threshold used to distinguish between Type A and Type B programs: \$797,625

| | |
|--|----|
| Auditee qualified as low-risk auditee? | no |
|--|----|

Section II – Financial Statement Findings

No matters are reportable.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs

FINDING 2013-001 - INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO THE FUND FOR THE IMPROVEMENT OF EDUCATION

Federal Agency: Department of Education

Federal Program: Fund for the Improvement of Education

CFDA Number: 84.215

Federal Award Numbers and Years: S215L080741, S215E120159, Q215F110312, 2011-13

Management of the School Corporation have not established an effective internal control system, which would include segregation of duties, related to the grant agreement and all of the compliance requirements that have a direct and material effect to the program. This includes the following compliance requirements: *Cash Management; Equipment and Real Property Management; Matching, Level of Effort and Earmarking; Procurement, Suspension, and Debarment; and Reporting*. The failure to establish an effective internal control system places the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the grant.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement, or a type of compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

Cash Management (All Awards)

The School Corporation requests federal funds for the Fund for the Improvement of Education grant directly from the Department of Education through the G5-Payments module. The payment requests were submitted by the Business Office Grant Accountant. Calculations of amounts requested were based on the actual costs of the School Corporation for the program. No oversight and verification or approval by the Program Director was conducted for the funds requested. There was no separation of duties or documented evidence of supervision or monitoring of the fund balances for excessive cash balances.

Equipment and Real Property Management and Procurement, Suspension, and Debarment (Award Q215F110312)

The Carol M. White Physical Education Program grant purchased equipment but was unaware of the federal requirements in 34 CFR 80.35 for Subawards to Debarred and Suspended Parities and 34 CFR 80.32 Equipment. No controls were in place to ensure these grant requirements were properly followed.

Matching and Reporting (Award S215E120159)

The calculated amounts for the Elementary and Secondary School Counseling Program grant for non-federal funds (Match/Cost Share) contributions did not qualify under the federal requirements in 34 CFR 80.24, Matching or Cost Sharing. Reporting this information on the Annual Performance Report (APR) as Match/Cost Share did not meet the 34 CFR 80.40 federal requirements for accurate reporting. No controls were in place to ensure these grant requirements were properly followed.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

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

The failure to establish internal controls could enable material noncompliance to go undetected. Non-compliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds to the School Corporation.

We recommended that the School Corporation's management establish controls, including segregation of duties, related to the grant agreement and all compliance requirements that have a direct and material effect to the program.

FINDING 2013-002 - MATCHING AND REPORTING

Federal Agency: Department of Education
Federal Program: Fund for the Improvement of Education
CFDA Number: 84.215
Federal Award Number and Year: S215E120159, 2012-13

The 2012-2013 budget for the Elementary and Secondary School Counseling Program grant (S215E120159) included non-federal funds (Match/Cost Share) in the amount of \$129,748. The Annual Performance Report (APR) filed on June 3, 2013, reported non-federal funds (Match/Cost Share) of \$143,178. A review of the supporting calculations indicated that this amount was 100 percent of two employees' salaries. Documentation concerning their positions and source of payments would make them ineligible to be considered an allowable matching share.

One employee's position was paid 100 percent from another federal grant. The employee would not have been eligible as a local match, since the salary was being paid by another federal program and because the employee worked full time on a different program. The second employee was the Program Director's salary who was originally budgeted as 25 percent dedicated to grant duties. However, 100 percent of the Program Director's salary was included as matching. The Program Director also serves as a School Corporation Administrator and has several other duties, so only a portion of time would be eligible for consideration as a matching share. No documentation was provided to determine an accurate percentage of time the Program Director spent on this program.

34 CFR 80.24(a) states:

"Basic rule: Costs and contributions acceptable. With the qualifications and exceptions listed in paragraph (b) of this section, a matching or cost sharing requirement may be satisfied by either or both of the following:

- (1) Allowable costs incurred by the grantee, subgrantee or a cost-type contractor under the assistance agreement. This includes allowable costs borne by non-Federal grants or by others cash donations from non-Federal third parties.
- (2) The value of third party in-kind contributions applicable to the period to which the cost sharing or matching requirements applies."

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

34 CFR 80.20(b) states in part:

"The financial management systems of other grantees and subgrantees must meet the following standards:

- (1) *Financial reporting.* Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant.
- (2) *Accounting records.* Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income."

Because, much of the \$143,178 reported on the APR was not eligible for non-federal funds (Match/Cost Share) the federal requirements for Matching and Reporting were not met; therefore, the School Corporation was not in compliance with these federal requirements. As noted in Finding 2013-001, adequate controls were not operating effectively to prevent noncompliance with these requirements.

We recommended that the School Corporation's management contact the Department of Education for re-evaluation of the School Corporation's Matching contribution for the Elementary and Secondary School Counseling Program. Additionally, we recommended that the School Corporation establish procedures for complying with the federal requirements for Matching and Reporting.

FINDING 2013-003 - EQUIPMENT

Federal Agency: Department of Education
Federal Program: Fund for the Improvement of Education
CFDA Number: 84.215
Federal Award Number and Year: Q215F110312, Yr 2011-13

The School Corporation did not maintain equipment records to identify equipment acquired with the federal grant funds from the Carol M. White Physical Education Program grant. No physical inventory of federally purchased equipment was presented for audit. Equipment observed, as part of the audit, was not labeled with a property tag indicating it was acquired with federal program funding. The equipment was secured and primarily located in separate areas to be used for grant purposes. This grant started in 2011 and no disposals were noted during the audit period. Equipment purchased, during the audit period, represented 28 percent of program expenses of the grant expenditures. However, most equipment purchases were for items costing less than \$5,000 individually and not required to be inventoried.

34 CFR 80.32(d) states in part:

"*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:

- (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 disposition and sale price of the property.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (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."

The lack of an effective internal control system, as noted in Finding 2013-001, resulted in noncompliance with the federal requirements for Equipment. Noncompliance with the grant agreement or compliance requirements that have a direct and material effect to the program could result in the loss of federal funds to the School Corporation. Lack of proper equipment recordkeeping, labeling, and monitoring/reconciling with periodic inventories can result in assets being lost, stolen, misappropriated, or disposed of improperly.

We recommended that management of the School Corporation establish procedures for complying with federal Equipment requirements.

FINDING 2013-004 - INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO THE CHILD NUTRITION CLUSTER

Federal Agency: Department of Agriculture
Federal Program: School Breakfast Program, National School Lunch Program,
Summer Food Service Program for Children
CFDA Number: 10.553, 10.555, 10.559
Federal Award Years: FY 2012, FY 2013
Pass-Through Entity: Indiana Department of Education

Management of the School Corporation has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and all of the compliance requirements that have a direct and material effect to the programs. This includes the following compliance requirements: *Activities Allowed or Unallowed, Cash Management, Eligibility, Period of Availability, Reporting, and Special Tests and Provisions*. The failure to establish an effective internal control system places the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

The School Corporation has not designed or implemented adequate policies or procedures to ensure that the contracted Food Service Management Company (FSMC) has complied with the federal requirements of the programs. The controls that are in place are set by the FSMC and performed by them. The School Corporation did not monitor the FSMC's compliance with federal requirements, but relied on the FSMC's knowledge and experience related to the Child Nutrition Cluster programs. The School Corporation was not monitoring student's account balances, daily collections, number of meals served or claimed meal requirements, or the processing of free and reduced price meal applications.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement, or a type of compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

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

The failure to establish internal controls could enable material noncompliance to go undetected. Non-compliance with the grant agreement or compliance requirements that have a direct and material effect to the program could result in the loss of federal funds to the School Corporation.

We recommended that the School Corporation's management establish controls, including segregation of duties, related to the grant agreement and all compliance requirements that have a direct and material effect to the programs.

FINDING 2013-005 - CASH MANAGEMENT AND REPORTING

Federal Agency: Department of Agriculture
Federal Program: School Breakfast Program, National School Lunch Program
CFDA Number: 10.553, 10.555
Federal Award: FY2012
Pass-Through Entity: Indiana Department of Education

The School Corporation received reimbursement payments for meals served as reported to the Indiana Department of Education (IDOE) each month on the Site Claim Summary (Claim). The meal counts are generated from the internal system that tracks all aspects of students served including which type of meal was served for each day and by each school. The monthly internal report IDOE requires is the Edit Check of Daily Meals Served (Edit Check). The Edit Check information should support the monthly Claims.

In testing five months, there were differences in two months when the Claim reports were compared to the Edit Check reports. The errors occurred in September and December of 2011 and in each instance, more meals were claimed than supported by the Edit Check reports. Regenerated Edit Check reports were presented for audit for 2011-2012 because the original reports were unavailable. All of the 2012-2013 school year Claims tested agreed with the Edit Checks. The 2012-2013 original Edit Checks included additional paperwork which identified and explained any differences.

The current Food Service Director stated possible reasons for the differences could be a result of student's status being changed which would retroactively change the meals on the Edit Check or if their computer server had crashed and they had to hand write meals which were not entered until later. However, since the current Food Service Director was not with the Food Service Management Company (FSMC) when these Claims were submitted, she was not able to provide explanations for the differences.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 (Continued)

The table below provides information regarding the differences for September and December 2011:

| | Lunch | | | Breakfast | | |
|---------------------------|---------|----------|----------|-----------|-----------|------------------|
| | Paid | Free | Reduced | Paid | Free | Reduced |
| No. of Meals Over Claimed | 3 | 60 | 7 | 162 | 334 | 55 |
| Per Meal Reimbursement | \$ 0.28 | \$ 2.79 | \$ 2.39 | \$ 0.27 | \$ 1.80 | \$ 1.50 |
| Over Reimbursement | \$ 0.84 | \$167.40 | \$ 16.73 | \$ 43.74 | \$ 601.20 | \$ 82.50 |
| Total | | | | | | <u>\$ 914.41</u> |

Because the number of meals reported on the Claims exceeded those meal counts supported by the Edit Checks, the School Corporation's reimbursement was overstated \$914.41 for the two months. No additional testing was done of the 2011-2012 monthly Claims.

7 CFR 210.8 (2) "Claims for reimbursement" states:

"School food authority claims review process. Prior to the submission of a monthly Claim for Reimbursement, each school food authority shall review the lunch count data for each school under its jurisdiction to ensure the accuracy of the monthly Claim for Reimbursement. The objective of this review is to ensure that monthly claims include only the number of free, reduced price and paid lunches served on any day of operation to children currently eligible for such lunches."

The IDOE website for "SNP – Retention for School Food Service Records" states in part:

"(1) Your Annual Agreement for the Child Nutrition Programs and Federal Regulations, CFR 210.9 (17) states:

Upon request, make all accounts and records pertaining to its school food service available to the State agency and to FNS, for audit or review, at a reasonable time and place. Such records shall be retained for a period of 3 years after the date of the final Claim for Reimbursement for the fiscal year to which they pertain, except that if audit findings have not been resolved, the records shall be retained beyond the 3 year period as long as required for resolution of the issues raised by the audit; . . . "

The School Corporation did not comply with the requirements for Cash Management and Reporting requirements because they could not support the number of meals reimbursed on the Claims for September and December 2011 which resulted in an over reimbursement of \$914.41. We consider this a questioned cost. As noted in Finding 2013-004, adequate controls were not operating effectively to prevent noncompliance with this requirement. Noncompliance with the grant agreement or compliance requirements that have a direct and material effect to the program could result in the loss of federal funds to the School Corporation.

We recommended the School Corporation contact the IDOE to make a correction for the identified noncompliance and amend September and December 2011 Claims. As stated in federal and state requirements, supporting documents should be maintained to document meal counts reimbursed and to be in compliance with this grant requirement.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

FINDING 2013-006 - PROGRAM INCOME

Federal Agency: Department of Agriculture
Federal Program: School Breakfast Program, National School Lunch Program,
and Summer Food Service Program for Children
CFDA Number: 10.553, 10.555, 10.559
Federal Award Number and Year: FY 2011-12, FY 2012-13
Pass-Through Entity: Indiana Department of Education

Program Income for the Child Nutrition programs are derived primarily from the meal payments made on behalf of students, as well as other revenues from other nonfederal sources. As required, the School Corporation established a single fund for all the activity of the food service programs. The School Lunch Fund 800 (Fund 800) has been set up to receive all Program Income, federal reimbursements, and other related funds. We were not able to sufficiently test the Program Income requirement to determine that all funds received from meal payments were properly recorded in Fund 800. The program will be qualified since we could not determine the School Corporation was in compliance with the Program Income requirements.

Collection Points and Tracking System

1. The Food Service Management Company (FSMC) manages the day to day operations and maintains the individual student records for meal counts and payments. They track all payments for student meals served, prepayments, point of sale payments, and online payments.
2. The School Corporation maintains Fund 800 and accounts for all deposits into that fund. Fund 800 is not maintained in a separate bank account.
3. The School Corporation uses a third party vendor to process the online payments made by parents. When parents make online payments, the payments are deposited by the online payment vendor to the School Corporation's bank account. The business office will receipt the online payments. The online payment vendor transfers the student payment information to the FSMC for recording into the student's account within the meal count system.
4. Employees of the FSMC receive meal payments at the point of sale or prepayment. All money received is prepared for deposit by a FSMC employee and then deposited by a designate School Corporation employee. The deposit tickets are sent to the business office to confirm the deposit. The FSMC tracking system updates and records the meals served and the money paid for the meals served. The Food Service Director compares the deposits to the recorded revenues on the daily Meals and Sales Count Report to determine funds received by the FSMC were deposited.

While FSMC and School Corporation employees are involved in the collecting and recording of funds for student meals, there is insufficient monitoring or cross-checking procedures to ensure that all student meal payments have all been received and accurately posted to the Fund 800. The FSMC Food Service Director monitors the FSMC employees operating the individual school cafeterias verifying the honesty and attesting to the deposit of all the funds collected, but no School Corporation employee verifies that this was accurate. The business office receives the deposit tickets without evidence that it is complete and accurate. Similarly for online payments, the third party vendor deposits funds into the School Corporation bank account and provides the FSMC student payment information, but there is no sort of review or comparison that the payments deposited were the same as those posted to the student and meal count tracking system. If a theft or other error would occur, the School Corporation might not be aware of it because they do not monitor the FSMC tracking system.

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Program Income from meal payments were consistently recorded in Fund 800 over the audit period. The month of May 2013 was tested to verify that all Program Income was deposited and recorded in Fund 800. There was a small variance, which may have been related to timing issues of online payments, but the exact cause for the variance was not identified. As tested, the meal revenues deposited into the Fund 800 exceeded the amount recorded in the FSMC tracking system by 1.89 percent. The process of tracking the meal payments to deposits was labor intensive; therefore the School Corporation did not provide this documentation for the other months selected for audit testing.

7 CFR 3016.20 states in part:

"(2) *Accounting records.* Grantee and subgrantees must retain records which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant and subgrant awards and authorizations, obligations, unobligated balances, assets liabilities, outlays or expenditures, and income."

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

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

The lack of an effective internal control system and established procedures to monitor the meal revenues on an ongoing basis resulted in a lack of documentation with the federal requirements for Program Income. Program Income recorded in the financial system did not agree with FMCS which may result in meal revenues to be lost, stolen, misappropriated, or improperly recorded meal revenues.

We recommended that the School Corporation's management establish controls, including monitoring or cross-checking procedures, to provide an audit trail which shows compliance related to the Program Income compliance requirements.



METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP

Administrative Service Center

6901 Zionsville Road, Indianapolis, Indiana 46268-2467

Phone: 317-387-2205 Fax: 317-387-2261

www.pike.k12.in.us

CORRECTIVE ACTION PLAN

FINDING 2013-001 – INTERNAL CONTROLS AND COMPLIANCE REQUIREMENTS

Cash Management

The MSD of Pike Township Business Office Grant Accountant will continue to submit requests for federal funds via the U.S. Department of Education's G5-Payments module, as has been done in the past (to ensure segregation of duties in relation to the Program Manager who signs and submits vouchers to the Business Office for payment). Calculations of amounts requested will continue to be based on reimbursement of actual expenditures, so there continues to be no excessive cash on hand. The Assistant CFO will continue to receive email notification of the amount of federal funds requested and applicable federal program. The Assistant CFO will continue to forward the email to the Accounts Receivable Accountant to ensure proper receipting of the revenue (to ensure separation of duties). The Grant Manager will continue to have the ability to run "read only" quarterly, monthly, or daily reports from the computerized general ledger system to manage, monitor, and oversee their grant. The Grant Accountant will also continue to monitor the grant funds financially and run reports from the computerized general ledger system. The Grant Accountant will continue to formally meet quarterly with the Program Manager to review the financial reports and the requests for federal funds.

But in addition to the above current procedures, the Grant Account will now also secure the Program Manager's signature on the presented/reviewed reports and requested funds in the quarterly meetings in order to secure documented evidence of the Program Manager's approval and oversight. In addition, the Assistant CFO will copy the Program Manager on the email (mentioned above) that is already being forwarded to the Accounts Receivable Accountant when federal funds are requested.

Equipment and Real Property Management and Procurement, Suspension, and Debarment

Although, no MSD of Pike Township vendors were identified as debarred or suspended, procedures have now been put in place to consult the appropriate website for potential debarred and suspended parties of potential equipment vendors, now that the school district is aware of this requirement.

Matching, Level of Effort, Earmarking and Reporting

The MSD of Pike Township inadvertently reported the incorrect individual's name for an in-kind portion of the Elementary and Secondary School Counseling Program supporting documentation. The MSD of Pike Township has since corrected the supporting documentation to include the name of the correct individual. In the future, the Business Office Grant Accountant will check twice the in-kind supporting documentation of the Program Manager.

FINDING 2013-002 – MATCHING AND REPORTING

The MSD of Pike Township inadvertently reported the incorrect individual's name for in-kind portion of the Elementary and Secondary School Counseling Program supporting documentation and has since corrected the supporting documentation to include the name of the correct individual. In the future, procedures are in place to check twice the in-kind supporting documentation of the Program Manager. In addition the Program Manager will contact the US Department of Education to see if any additional information is needed regarding the supporting documentation for the in-kind match on the Elementary and Secondary School Counseling grant.

FINDING 2013-003 – EQUIPMENT

While the Program Manager had a complete list of equipment purchased on the Carol M. White Physical Education Program grant and all equipment was accounted for, additional procedures have been put in place to more fully comply federal equipment requirements; including federal asset tags, federal equipment worksheet, and a two year inventory process.

FINDING 2013-004 – INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS

The MSD of Pike Township has a contract with Chartwells School Dining for the past 9 years that allows Chartwells to manage the food service department of MSD of Pike Township. This contract is approved by the Indianan Department of Education under the law of 7 CFR 210.21(c), 215.14a(c) and 220.16(c). The program regulations for NSLP and SBP require that each SA annually review and approve each contract between a SFA and FSM before execution of the contract by either party. Additionally, the program regulations for NSLP require that each SA annually review all supporting documentation to a contract between any SFA and FSMC.

Under the approved contract Chartwells has the legal right to claim all meals, approve free and reduce applications, supply its own employees to run cash registers, produce food, do deposits, be the main point of contact with the IDOE for items such as annual audits of the NSLP, NSBP, Summer Feeding and CACFP and anything else that may pertain to the food service department of MSD of Pike Township. Chartwells conducts these activities on behalf of MSD of Pike Township.

Oversight of the FSMC is conducted by regularly scheduled meetings between MSD of Pike Township client, Assistant Superintendent of Operations and Chartwells Resident District Manager. There is also oversight by using emails, text messages and phone calls. Monthly, Chartwells provides a bill to MSD of Pike Township that they approve which shows all monthly claims, sales and purchases. All audits by the IDOE have been approved successfully since Chartwells has partnered with MSD of Pike Township and are in good standings with the IDOE.

The MSD of Pike Township will continue the oversight process mentioned above in order to continue and enhance internal controls.

FINDING 2013-005 – CASH MANAGEMENT AND REPORTING

The MSD of Pike Township/Chartwells will contact the IDOE to seek guidance on the necessity of correction to the September and December 2011 claim for a total of \$914.41. Current processes are in place to enhance the archiving supporting documentation.

FINDING 2013-006 – PROGRAM INCOME

The MSD of Pike Township will continue to make several payment options available to parents in order to facilitate the collection of monies that are due to the school district. Non-cash payments will continue to be deposited directly into the MSD of Pike Township bank account through the automated deposit process. The automated Tele-Check system will continue to be utilized for processing of checks. The MSD of Pike Township Accounts Payable Accountant will continue to review the automated deposits daily and post to the appropriate fund. The FSMC will continue collection of cash at point of sale or prepayment. Two FSMC employees will continue to count the deposit and sign off on the deposit slip as verification of the amount. The cash and deposit slip will continue to be deposited in a tamper-proof bank provided deposit bag. The MSD of Pike Township school police officer will continue to take the tamper-proof deposit bag to the bank daily. The Food Service Director will continue to follow the FSMC written policy regarding any potential overages or shortages in drawer counts and take the appropriate disciplinary action in the policy. The Food Service Director will continue to compare the deposits to the recorded revenues on the daily Meals and Sales Count Report to verify funds received by the FSMC were deposited.

But in addition to the above current procedures, the MSD of Pike Township will now also perform and document random reviews of the FSMC deposits throughout the year and at the time of the random review, perform a third separate count of the deposit. In addition the MSD of Pike Township will select a random sample of student accounts throughout the year and document and verify that each payment on the account is indeed receipted into the MSD of Pike Township bank account.



Linda J. Searles
Chief Financial Officer
MSD of Pike Township

Cc: Nathaniel Jones, Superintendent

METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP
EXIT CONFERENCE

The contents of this report were discussed on March 6, 2014, with Linda J. Searles, Treasurer; Nathaniel Jones, Superintendent of Schools; and Regina Randolph, President of the School Board. The Official Response has been made a part of this report and may be found on pages 78 and 79.



METROPOLITAN SCHOOL DISTRICT OF PIKE TOWNSHIP

Administrative Service Center

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Linda J. Searles, RSBO
Chief Financial Officer

March 17, 2014

Indiana State Board of Accounts
Indiana Government Center South
302 West Washington Street, Room E418
Indianapolis, IN 46204-2738

Re: Official Response - Audit of the MSD of Pike Township for the period of 7/1/11-6/30/13

To whom it may concern:

We are submitting this official response to the audit conducted by the Indiana State Board of Accounts for the time period July 1, 2011 through June 30, 2013. Below is the response of the MSD of Pike Township (the "School Corporation") to the final draft of the "Audit Results and Comments" provided to the School Corporation on March 6, 2014.

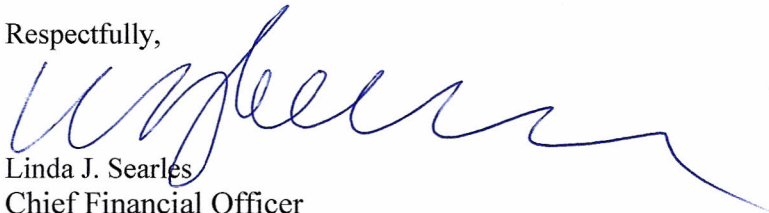
1. **Bank Account Reconciliations:** The School Corporation began a new investment option to maximize interest of construction funds. This investment option involved investments in the Hoosier Fund through Huntington Bank. Because of the timing of the interest posting on the respective bank statements, the School Corporation was carrying the interest figure on the bank reconciliation worksheet for both banks. The school corporation completed a correcting entry prior to the close of the calendar year 2013, for the interest referenced above.
2. **Fund Sources and Uses:** This account number issue was identified internally through the School Corporations internal review process and corrected prior to the close of the 2013 calendar year.
3. **Overdrawn Cash Balance:** The Bus Replacement Fund was overdrawn by \$581,316 at 6/30/2013 due to buses being purchased in June 2013 and approved revenue for the budget year not being fully distributed to the School Corporation until December 2013. The School Corporation never exceeded the approved budget appropriation and did not feel it was prudent to incur additional borrowing and interest expense in the form of Tax Anticipation Warrants when total cash in bank across all funds exceeded \$64 million and was more than sufficient to temporarily cover the shortfall until approved revenues were distributed to the School Corporation. To temporarily transfer money from another fund to make this fund appear to have a positive balance, would give an unfair picture of the status of the revenue in this fund.

The next three (3) funds listed for overdrawn balances are all construction, bond financed funds in which expenditures are submitted monthly to the trustee for reimbursement as expenditures

are incurred. These funds did not exceed the appropriated/financed revenue and again total cash in the bank across all funds exceeded \$64 million.

4. Appropriations: The School Corporation agrees that the School Bus Replacement Fund exceeded the 2012 budgeted appropriation by \$57,252. It should be noted that sufficient cash and revenue existed to support the additional appropriation.
5. Contracts: The contract has been amended and the amendment approved by the Board of Education to increase the contract to agree with the modification of services required on this grant.
6. Remaining "Audit Results and Comments" Various School Extra-Curricular Accounts: Such items have been brought to the attention of the building administrator and the Extra-Curricular Treasurer. Oversight will be maintained and training continued, to assure reduction of such items in the future.

Respectfully,



Linda J. Searles
Chief Financial Officer
MSD of Pike Township

Cc: Nathaniel Jones, Superintendent