

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

WHITKO COMMUNITY SCHOOL CORPORATION  
KOSCIUSKO COUNTY, INDIANA

July 1, 2012 to June 30, 2014



**FILED**  
09/04/2015



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report .....	3-5
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance With <i>Government Auditing Standards</i> .....	6-7
Financial Statement and Accompanying Notes:	
Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis .....	10-11
Notes to Financial Statement .....	12-17
Other Information - Unaudited:	
Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances - Regulatory Basis .....	20-37
Schedule of Payables and Receivables .....	38
Schedule of Leases and Debt .....	39
Schedule of Capital Assets .....	41
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance .....	44-45
Schedule of Expenditures of Federal Awards and Accompanying Notes:	
Schedule of Expenditures of Federal Awards .....	48-49
Notes to Schedule of Expenditures of Federal Awards .....	50
Schedule of Findings and Questioned Costs .....	51-53
Auditee Prepared Document:	
Corrective Action Plan .....	56
Other Report .....	57

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Thomas S. McFarland	07-01-12 to 12-31-15
Superintendent of Schools	Steven R. Clason	07-01-12 to 06-30-17
President of the School Board	Deborah Collier Jorell Tucker Deborah Collier Joseph A. Begley	01-01-12 to 12-31-12 01-01-13 to 12-31-13 01-01-14 to 12-31-14 01-01-15 to 12-31-15



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AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE WHITKO COMMUNITY SCHOOL  
CORPORATION, KOSCIUSKO COUNTY, INDIANA

***Report on the Financial Statement***

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

***Management's Responsibility for the Financial Statement***

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

***Auditor's Responsibility***

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

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

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

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

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

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

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the School Corporation for the period of July 1, 2012 to June 30, 2014.

***Opinion on Regulatory Basis of Accounting***

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

***Other Matters***

*Supplementary Information*

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


*Other Information*

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated May 18, 2015, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

  
Paul D. Joyce, CPA  
State Examiner

May 18, 2015



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

TO: THE OFFICIALS OF THE WHITKO COMMUNITY SCHOOL  
CORPORATION, KOSCIUSKO 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 Whitko Community School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2012 to June 30, 2014, and the related notes to the financial statement, and have issued our report thereon dated May 18, 2015, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

***Internal Control Over Financial Reporting***

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

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2014-001 and 2014-002 to be material weaknesses.

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

***Compliance and Other Matters***


As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2014-001 and 2014-002.

***Whitko Community School Corporation's Response to Findings***

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

***Purpose of This Report***

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

  
Paul D. Joyce, CPA  
State Examiner

May 18, 2015

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## FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

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

	Cash and Investments 07-01-12	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-13	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-14
General	\$ 939,459	\$ 11,149,698	\$ 10,860,033	\$ 1,845	\$ 1,230,969	\$ 10,604,960	\$ 11,061,414	\$ 156	\$ 774,671
Debt Service	1,928,009	2,962,728	2,940,162	-	1,950,575	2,930,732	3,074,623	-	1,806,684
School Pension Debt	273,704	411,966	445,824	-	239,846	202,952	422,342	-	20,456
Capital Projects	582,936	1,931,461	1,689,759	105	824,743	2,102,115	1,831,523	156	1,095,491
School Transportation	439,395	1,113,661	1,155,077	26,741	424,720	1,193,874	1,080,851	-	537,743
School Bus Replacement	307,743	385,495	599,645	-	93,593	348,148	389,561	-	52,180
Rainy Day	20,134	-	-	-	20,134	-	-	-	20,134
Retirement/Severance Bond	137,569	810	28,518	-	109,861	276	21,450	-	88,687
Construction	7,480	87,988	34,130	700,000	761,338	2,409	1,552,516	12,500,000	11,711,231
School Lunch	506,575	755,785	744,010	1,500	519,850	803,297	816,969	50	506,228
Textbook Rental	378,486	296,205	269,473	-	405,218	303,281	354,201	-	354,298
Self-Insurance	975,648	2,437,403	2,945,644	-	467,407	3,443,958	3,119,209	-	792,156
Levy Excess	18,447	8,294	-	(26,741)	-	-	-	-	-
Educational License Plates	3,863	169	-	-	4,032	188	-	-	4,220
Early Intervention 2010-11	356	-	356	-	-	-	-	-	-
Early Intervention 2011-12	(10,045)	16,201	6,156	-	-	-	-	-	-
Log Cabin Donations	2,839	-	-	-	2,839	-	-	-	2,839
Summer Arts - WHS	1,001	1,000	1,000	-	1,001	-	1,000	-	1
Tobacco-Free Grant	3,794	-	-	-	3,794	-	-	-	3,794
INSAI Grant - SWES	26	-	-	-	26	500	-	-	526
EMT Donations	12	-	-	-	12	1,038	1,050	-	-
Health Program	1,795	-	695	-	1,100	-	1,033	-	67
Eye Care Donation For Students	187	-	82	-	105	-	-	-	105
Whitley Cares	-	200	158	-	42	-	-	-	42
REMC - Northern Gases Donations	-	-	-	-	-	2,000	917	-	1,083
CBI Donation	-	500	-	-	500	500	-	-	1,000
Library Technology	-	-	-	-	-	-	43	-	(43)
Donald Love Scholarship	2,207	-	-	-	2,207	-	100	-	2,107
Driver Education	11,490	20,500	20,455	-	11,535	19,000	12,868	-	17,667
DEKKO Grant - Technology	1,568	-	-	-	1,568	-	-	-	1,568
Whitley County STEM	391	-	81	-	310	-	-	-	310
Hands Foundation	4,958	969	2,286	-	3,641	8,573	7,952	-	4,262
DEKKO Grant	970	-	19	-	951	-	1,847	-	(896)
Afternoons Rock	1,565	4,455	5,694	-	326	-	326	-	-
Gifted And Talented 2011-12	4,793	832	5,625	-	-	-	-	-	-

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

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

	Cash and Investments 07-01-12	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-13	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-14
Gifted And Talented 2012-13	-	33,675	20,985	-	12,690	-	11,516	-	1,174
Gifted And Talented 2013-14	-	-	-	-	-	31,638	19,764	-	11,874
School Technology	13,290	30,391	37,593	-	6,088	8,290	25,185	-	(10,807)
Performance Based Awards	-	-	-	-	-	-	10,159	-	(10,159)
SRO	-	-	-	-	-	-	11,352	-	(11,352)
Technology Skills Assessment	-	1,350	1,350	-	-	-	-	-	-
Title I 2011-12	(32,192)	24,886	(7,306)	-	-	-	-	-	-
Title I 2012-13	-	247,015	314,117	-	(67,102)	143,173	76,902	-	(831)
Title I 2013-14	-	-	-	-	-	234,010	265,088	-	(31,078)
Title I Delinquent 2012-13	-	21,334	29,228	-	(7,894)	16,511	8,617	-	-
Title I Delinquent 2011-12	(5,298)	15,340	10,042	-	-	-	-	-	-
Title I Delinquent 2013-14	-	-	-	-	-	42,094	63,101	-	(21,007)
Special Services Part B 2011-12	(381,123)	406,986	25,863	-	-	-	-	-	-
Special Services Part B	(16,963)	16,963	-	-	-	-	-	-	-
T.A. Grant FY 2014	-	-	-	-	-	4,345	5,556	-	(1,211)
Special Services Part B 2012-13	-	288,443	373,670	-	(85,227)	118,967	34,417	-	(677)
Special Services 2009-10 Carryover	95	-	-	-	95	-	-	-	95
Special Services Part B 2013-14	-	-	-	-	-	218,279	332,891	-	(114,612)
2011-12 Special Services Preschool	(9,027)	6,235	(2,009)	-	(783)	1,588	805	-	-
Special Education Preschool 2010-11	1,440	9,407	10,847	-	-	-	-	-	-
Special Services Preschool 2012-13	-	5,504	7,735	-	(2,231)	2,918	734	-	(47)
Special Services Preschool 2013-14	-	-	-	-	-	4,613	7,550	-	(2,937)
Medicaid Reimbursement - Federal	157	18,180	4,031	-	14,306	44,438	10,152	-	48,592
Non-English Speaking Program	880	668	925	-	623	636	623	-	636
Title II 2011-12	(24,389)	37,450	13,061	-	-	-	-	-	-
Title II Part A FY12	-	18,242	28,833	-	(10,591)	53,415	43,235	-	(411)
Title II 2013-14	-	-	-	-	-	16,110	43,563	-	(27,453)
ESL English Proficiency	(1,315)	764	254	-	(805)	-	(58)	-	(747)
Title I Stimulus Money	4,675	692	5,367	-	-	-	-	-	-
Education Jobs	-	7,211	7,211	-	-	-	-	-	-
Prepaid Food	6,322	395,588	392,854	-	9,056	383,271	386,884	-	5,443
Payroll Deductions	78,089	2,205,663	2,204,730	-	79,022	2,237,904	2,230,999	-	85,927
Totals	<u>\$ 6,181,996</u>	<u>\$ 25,378,307</u>	<u>\$ 25,234,263</u>	<u>\$ 703,450</u>	<u>\$ 7,029,490</u>	<u>\$ 25,530,001</u>	<u>\$ 27,340,830</u>	<u>\$ 12,500,362</u>	<u>\$ 17,719,023</u>

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

WHITKO COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

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

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

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

*B. Basis of Accounting*

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

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

*C. Cash and Investments*

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

*D. Receipts*

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

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

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

WHITKO COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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

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

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:

WHITKO COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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.

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.

WHITKO COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 4. Deposits and Investments**

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

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

**Note 5. Risk Management**

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

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

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

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

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

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

WHITKO COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Funding Policy and Annual Pension Cost*

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

**B. Teachers' Retirement Fund**

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

**Note 7. Negative Receipts and Disbursements**

The financial statement contains some receipts and/or disbursements which appear as negative entries. This is a result of recoding expenditures into a different fund.

**Note 8. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of grant fund expenditures that have not been reimbursed by the end of the fiscal year.

WHITKO COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 9. Holding Corporation**

The School Corporation has entered into capital leases with Whitko High School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the years ending June 30, 2013 and 2014, totaled \$2,750,156 and \$2,470,650, respectively.

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#### OTHER INFORMATION - UNAUDITED

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

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

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

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

	General	Debt Service	School Pension Debt	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond
Cash and investments - beginning	\$ 939,459	\$ 1,928,009	\$ 273,704	\$ 582,936	\$ 439,395	\$ 307,743	\$ 20,134	\$ 137,569
Receipts:								
Local sources	157,122	2,962,728	411,966	1,456,086	894,656	239,535	-	810
Intermediate sources	83	-	-	-	-	-	-	-
State sources	10,992,493	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	475,375	218,987	116,102	-	-
Other	-	-	-	-	18	29,858	-	-
Total receipts	<u>11,149,698</u>	<u>2,962,728</u>	<u>411,966</u>	<u>1,931,461</u>	<u>1,113,661</u>	<u>385,495</u>	<u>-</u>	<u>810</u>
Disbursements:								
Current:								
Instruction	7,382,538	-	-	-	-	-	-	21,368
Support services	3,288,855	-	-	898,612	905,740	468,438	-	7,150
Noninstructional services	188,640	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	485,696	-	-	-	-
Debt services	-	2,940,162	445,824	305,451	249,337	131,207	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>10,860,033</u>	<u>2,940,162</u>	<u>445,824</u>	<u>1,689,759</u>	<u>1,155,077</u>	<u>599,645</u>	<u>-</u>	<u>28,518</u>
Excess (deficiency) of receipts over disbursements	<u>289,665</u>	<u>22,566</u>	<u>(33,858)</u>	<u>241,702</u>	<u>(41,416)</u>	<u>(214,150)</u>	<u>-</u>	<u>(27,708)</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	-
Sale of capital assets	1,845	-	-	105	-	-	-	-
Transfers in	-	-	-	-	26,741	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>1,845</u>	<u>-</u>	<u>-</u>	<u>105</u>	<u>26,741</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>291,510</u>	<u>22,566</u>	<u>(33,858)</u>	<u>241,807</u>	<u>(14,675)</u>	<u>(214,150)</u>	<u>-</u>	<u>(27,708)</u>
Cash and investments - ending	<u>\$ 1,230,969</u>	<u>\$ 1,950,575</u>	<u>\$ 239,846</u>	<u>\$ 824,743</u>	<u>\$ 424,720</u>	<u>\$ 93,593</u>	<u>\$ 20,134</u>	<u>\$ 109,861</u>

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

	Construction	School Lunch	Textbook Rental	Self-Insurance	Levy Excess	Educational License Plates	Early Intervention 2010-11	Early Intervention 2011-12
Cash and investments - beginning	\$ 7,480	\$ 506,575	\$ 378,486	\$ 975,648	\$ 18,447	\$ 3,863	\$ 356	\$ (10,045)
Receipts:								
Local sources	87,988	403,422	238,780	2,437,403	8,294	-	-	-
Intermediate sources	-	-	-	-	-	169	-	-
State sources	-	8,233	57,425	-	-	-	-	16,201
Federal sources	-	340,877	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	3,253	-	-	-	-	-	-
Total receipts	<u>87,988</u>	<u>755,785</u>	<u>296,205</u>	<u>2,437,403</u>	<u>8,294</u>	<u>169</u>	<u>-</u>	<u>16,201</u>
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	-	-
Support services	-	18,034	269,473	-	-	-	356	6,156
Noninstructional services	-	676,004	-	-	-	-	-	-
Facilities acquisition and construction	34,130	24,860	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	25,112	-	2,945,644	-	-	-	-
Total disbursements	<u>34,130</u>	<u>744,010</u>	<u>269,473</u>	<u>2,945,644</u>	<u>-</u>	<u>-</u>	<u>356</u>	<u>6,156</u>
Excess (deficiency) of receipts over disbursements	<u>53,858</u>	<u>11,775</u>	<u>26,732</u>	<u>(508,241)</u>	<u>8,294</u>	<u>169</u>	<u>(356)</u>	<u>10,045</u>
Other financing sources (uses):								
Proceeds of long-term debt	700,000	-	-	-	-	-	-	-
Sale of capital assets	-	1,500	-	-	-	-	-	-
Transfers in	-	93,584	-	-	-	-	-	-
Transfers out	-	(93,584)	-	-	(26,741)	-	-	-
Total other financing sources (uses)	<u>700,000</u>	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>(26,741)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>753,858</u>	<u>13,275</u>	<u>26,732</u>	<u>(508,241)</u>	<u>(18,447)</u>	<u>169</u>	<u>(356)</u>	<u>10,045</u>
Cash and investments - ending	<u>\$ 761,338</u>	<u>\$ 519,850</u>	<u>\$ 405,218</u>	<u>\$ 467,407</u>	<u>\$ -</u>	<u>\$ 4,032</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Log Cabin Donations	Summer Arts - WHS	Tobacco-Free Grant	INSAI Grant - SWES	EMT Donations	Health Program	Eye Care Donation For Students	Whitley Cares
Cash and investments - beginning	\$ 2,839	\$ 1,001	\$ 3,794	\$ 26	\$ 12	\$ 1,795	\$ 187	\$ -
Receipts:								
Local sources	-	1,000	-	-	-	-	-	200
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200</u>
Disbursements:								
Current:								
Instruction	-	1,000	-	-	-	-	-	-
Support services	-	-	-	-	-	695	82	158
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>695</u>	<u>82</u>	<u>158</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(695)</u>	<u>(82)</u>	<u>42</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>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(695)</u>	<u>(82)</u>	<u>42</u>
Cash and investments - ending	<u>\$ 2,839</u>	<u>\$ 1,001</u>	<u>\$ 3,794</u>	<u>\$ 26</u>	<u>\$ 12</u>	<u>\$ 1,100</u>	<u>\$ 105</u>	<u>\$ 42</u>

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

	REMC - Northern Gases Donation	CBI Donation	Library Technology	Donald Love Scholarship	Driver Education	DEKKO Grant - Technology	Whitley County STEM	Hands Foundation
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 2,207	\$ 11,490	\$ 1,568	\$ 391	\$ 4,958
Receipts:								
Local sources	-	500	-	-	20,500	-	-	969
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	500	-	-	20,500	-	-	969
Disbursements:								
Current:								
Instruction	-	-	-	-	20,455	-	-	2,286
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	81	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	-	20,455	-	81	2,286
Excess (deficiency) of receipts over disbursements	-	500	-	-	45	-	(81)	(1,317)
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	-	500	-	-	45	-	(81)	(1,317)
Cash and investments - ending	\$ -	\$ 500	\$ -	\$ 2,207	\$ 11,535	\$ 1,568	\$ 310	\$ 3,641

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

	DEKKO Grant	Afternoons Rock	Gifted And Talented 2011-12	Gifted And Talented 2012-13	Gifted And Talented 2013-14	School Technology	Performance Based Awards	SRO
Cash and investments - beginning	\$ 970	\$ 1,565	\$ 4,793	\$ -	\$ -	\$ 13,290	\$ -	\$ -
Receipts:								
Local sources	-	4,455	-	1,173	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	832	32,502	-	30,391	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>-</u>	<u>4,455</u>	<u>832</u>	<u>33,675</u>	<u>-</u>	<u>30,391</u>	<u>-</u>	<u>-</u>
Disbursements:								
Current:								
Instruction	19	5,694	5,625	19,506	-	-	-	-
Support services	-	-	-	1,479	-	37,593	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>19</u>	<u>5,694</u>	<u>5,625</u>	<u>20,985</u>	<u>-</u>	<u>37,593</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(19)</u>	<u>(1,239)</u>	<u>(4,793)</u>	<u>12,690</u>	<u>-</u>	<u>(7,202)</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>(19)</u>	<u>(1,239)</u>	<u>(4,793)</u>	<u>12,690</u>	<u>-</u>	<u>(7,202)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 951</u>	<u>\$ 326</u>	<u>\$ -</u>	<u>\$ 12,690</u>	<u>\$ -</u>	<u>\$ 6,088</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Technology Skills Assessment	Title I 2011-12	Title I 2012-13	Title I 2013-14	Title I Delinquent 2012-13	Title I Delinquent 2011-12	Title I Delinquent 2013-14
Cash and investments - beginning	\$ -	\$ (32,192)	\$ -	\$ -	\$ -	\$ (5,298)	\$ -
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	1,350	-	-	-	-	-	-
Federal sources	-	24,886	247,015	-	21,334	15,340	-
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>1,350</u>	<u>24,886</u>	<u>247,015</u>	<u>-</u>	<u>21,334</u>	<u>15,340</u>	<u>-</u>
Disbursements:							
Current:							
Instruction	1,350	(5,062)	211,210	-	29,228	10,042	-
Support services	-	(2,244)	100,656	-	-	-	-
Noninstructional services	-	-	2,251	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>1,350</u>	<u>(7,306)</u>	<u>314,117</u>	<u>-</u>	<u>29,228</u>	<u>10,042</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>32,192</u>	<u>(67,102)</u>	<u>-</u>	<u>(7,894)</u>	<u>5,298</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>-</u>	<u>32,192</u>	<u>(67,102)</u>	<u>-</u>	<u>(7,894)</u>	<u>5,298</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (67,102)</u>	<u>\$ -</u>	<u>\$ (7,894)</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Special Services Part B 2011-12	Special Services Part B	T.A. Grant FY 2014	Special Services Part B 2012-13	Special Services 2009-10 Carryover	Special Services Part B 2013-14	2011-12 Special Services Preschool
Cash and investments - beginning	\$ (381,123)	\$ (16,963)	\$ -	\$ -	\$ 95	\$ -	\$ (9,027)
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	406,986	16,963	-	288,443	-	-	6,235
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>406,986</u>	<u>16,963</u>	<u>-</u>	<u>288,443</u>	<u>-</u>	<u>-</u>	<u>6,235</u>
Disbursements:							
Current:							
Instruction	(10,337)	-	-	57,369	-	-	(1,317)
Support services	36,200	-	-	315,232	-	-	(692)
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	1,069	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>25,863</u>	<u>-</u>	<u>-</u>	<u>373,670</u>	<u>-</u>	<u>-</u>	<u>(2,009)</u>
Excess (deficiency) of receipts over disbursements	<u>381,123</u>	<u>16,963</u>	<u>-</u>	<u>(85,227)</u>	<u>-</u>	<u>-</u>	<u>8,244</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>381,123</u>	<u>16,963</u>	<u>-</u>	<u>(85,227)</u>	<u>-</u>	<u>-</u>	<u>8,244</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (85,227)</u>	<u>\$ 95</u>	<u>\$ -</u>	<u>\$ (783)</u>

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

	Special Education Preschool 2010-11	Special Services Preschool 2012-13	Special Services Preschool 2013-14	Medicaid Reimbursement - Federal	Non-English Speaking Program	Title II 2011-12	Title II Part A FY12
Cash and investments - beginning	\$ 1,440	\$ -	\$ -	\$ 157	\$ 880	\$ (24,389)	\$ -
Receipts:							
Local sources	-	1	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	9,407	-	-	18,180	-	-	-
Federal sources	-	5,503	-	-	668	37,450	18,242
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>9,407</u>	<u>5,504</u>	<u>-</u>	<u>18,180</u>	<u>668</u>	<u>37,450</u>	<u>18,242</u>
Disbursements:							
Current:							
Instruction	2,967	1,666	-	-	925	30	1,591
Support services	7,880	6,069	-	4,031	-	13,031	27,242
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	<u>10,847</u>	<u>7,735</u>	<u>-</u>	<u>4,031</u>	<u>925</u>	<u>13,061</u>	<u>28,833</u>
Excess (deficiency) of receipts over disbursements	<u>(1,440)</u>	<u>(2,231)</u>	<u>-</u>	<u>14,149</u>	<u>(257)</u>	<u>24,389</u>	<u>(10,591)</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>(1,440)</u>	<u>(2,231)</u>	<u>-</u>	<u>14,149</u>	<u>(257)</u>	<u>24,389</u>	<u>(10,591)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (2,231)</u>	<u>\$ -</u>	<u>\$ 14,306</u>	<u>\$ 623</u>	<u>\$ -</u>	<u>\$ (10,591)</u>

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

	Title II 2013-14	ESL English Proficiency	Title I Stimulus Money	Education Jobs	Prepaid Food	Payroll Deductions	Totals
Cash and investments - beginning	\$ -	\$ (1,315)	\$ 4,675	\$ -	\$ 6,322	\$ 78,089	\$ 6,181,996
Receipts:							
Local sources	-	-	-	-	-	-	9,327,588
Intermediate sources	-	-	-	-	-	-	252
State sources	-	-	-	-	-	-	11,167,014
Federal sources	-	764	692	7,211	-	-	1,438,609
Temporary loans	-	-	-	-	-	-	810,464
Other	-	-	-	-	395,588	2,205,663	2,634,380
Total receipts	<u>-</u>	<u>764</u>	<u>692</u>	<u>7,211</u>	<u>395,588</u>	<u>2,205,663</u>	<u>25,378,307</u>
Disbursements:							
Current:							
Instruction	-	254	-	7,211	-	-	7,765,618
Support services	-	-	5,367	-	-	-	6,415,593
Noninstructional services	-	-	-	-	-	-	866,895
Facilities acquisition and construction	-	-	-	-	-	-	545,836
Debt services	-	-	-	-	-	-	4,071,981
Nonprogrammed charges	-	-	-	-	392,854	2,204,730	5,568,340
Total disbursements	<u>-</u>	<u>254</u>	<u>5,367</u>	<u>7,211</u>	<u>392,854</u>	<u>2,204,730</u>	<u>25,234,263</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>510</u>	<u>(4,675)</u>	<u>-</u>	<u>2,734</u>	<u>933</u>	<u>144,044</u>
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	700,000
Sale of capital assets	-	-	-	-	-	-	3,450
Transfers in	-	-	-	-	-	-	120,325
Transfers out	-	-	-	-	-	-	(120,325)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>703,450</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>-</u>	<u>510</u>	<u>(4,675)</u>	<u>-</u>	<u>2,734</u>	<u>933</u>	<u>847,494</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (805)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,056</u>	<u>\$ 79,022</u>	<u>\$ 7,029,490</u>

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

	General	Debt Service	School Pension Debt	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond
Cash and investments - beginning	\$ 1,230,969	\$ 1,950,575	\$ 239,846	\$ 824,743	\$ 424,720	\$ 93,593	\$ 20,134	\$ 109,861
Receipts:								
Local sources	114,766	2,930,732	202,952	1,668,963	927,534	229,548	-	276
Intermediate sources	169	-	-	-	-	-	-	-
State sources	10,490,025	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	433,152	266,340	118,600	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>10,604,960</u>	<u>2,930,732</u>	<u>202,952</u>	<u>2,102,115</u>	<u>1,193,874</u>	<u>348,148</u>	<u>-</u>	<u>276</u>
Disbursements:								
Current:								
Instruction	7,522,983	-	-	-	-	-	-	14,300
Support services	3,318,114	-	-	963,563	861,864	272,210	-	7,150
Noninstructional services	192,317	-	-	-	-	-	-	-
Facilities acquisition and construction	28,000	-	-	430,635	-	-	-	-
Debt services	-	3,074,623	422,342	437,325	218,987	117,351	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>11,061,414</u>	<u>3,074,623</u>	<u>422,342</u>	<u>1,831,523</u>	<u>1,080,851</u>	<u>389,561</u>	<u>-</u>	<u>21,450</u>
Excess (deficiency) of receipts over disbursements	<u>(456,454)</u>	<u>(143,891)</u>	<u>(219,390)</u>	<u>270,592</u>	<u>113,023</u>	<u>(41,413)</u>	<u>-</u>	<u>(21,174)</u>
Other financing sources (uses):								
Sale of capital assets	156	-	-	156	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>156</u>	<u>-</u>	<u>-</u>	<u>156</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(456,298)</u>	<u>(143,891)</u>	<u>(219,390)</u>	<u>270,748</u>	<u>113,023</u>	<u>(41,413)</u>	<u>-</u>	<u>(21,174)</u>
Cash and investments - ending	<u>\$ 774,671</u>	<u>\$ 1,806,684</u>	<u>\$ 20,456</u>	<u>\$ 1,095,491</u>	<u>\$ 537,743</u>	<u>\$ 52,180</u>	<u>\$ 20,134</u>	<u>\$ 88,687</u>

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

	Construction	School Lunch	Textbook Rental	Self-Insurance	Levy Excess	Educational License Plates	Early Intervention 2010-11	Early Intervention 2011-12
Cash and investments - beginning	\$ 761,338	\$ 519,850	\$ 405,218	\$ 467,407	\$ -	\$ 4,032	\$ -	\$ -
Receipts:								
Local sources	2,409	393,512	248,520	3,443,958	-	-	-	-
Intermediate sources	-	-	-	-	-	188	-	-
State sources	-	7,729	54,761	-	-	-	-	-
Federal sources	-	401,438	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	618	-	-	-	-	-	-
Total receipts	<u>2,409</u>	<u>803,297</u>	<u>303,281</u>	<u>3,443,958</u>	<u>-</u>	<u>188</u>	<u>-</u>	<u>-</u>
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	-	-
Support services	-	14,714	354,201	-	-	-	-	-
Noninstructional services	-	661,566	-	-	-	-	-	-
Facilities acquisition and construction	1,552,516	115,689	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	25,000	-	3,119,209	-	-	-	-
Total disbursements	<u>1,552,516</u>	<u>816,969</u>	<u>354,201</u>	<u>3,119,209</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(1,550,107)</u>	<u>(13,672)</u>	<u>(50,920)</u>	<u>324,749</u>	<u>-</u>	<u>188</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):								
Sale of capital assets	12,500,000	50	-	-	-	-	-	-
Transfers in	-	72,761	-	-	-	-	-	-
Transfers out	-	(72,761)	-	-	-	-	-	-
Total other financing sources (uses)	<u>12,500,000</u>	<u>50</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>10,949,893</u>	<u>(13,622)</u>	<u>(50,920)</u>	<u>324,749</u>	<u>-</u>	<u>188</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 11,711,231</u>	<u>\$ 506,228</u>	<u>\$ 354,298</u>	<u>\$ 792,156</u>	<u>\$ -</u>	<u>\$ 4,220</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Log Cabin Donations	Summer Arts - WHS	Tobacco-Free Grant	INSAI Grant - SWES	EMT Donations	Health Program	Eye Care Donation For Students	Whitley Cares
Cash and investments - beginning	\$ 2,839	\$ 1,001	\$ 3,794	\$ 26	\$ 12	\$ 1,100	\$ 105	\$ 42
Receipts:								
Local sources	-	-	-	500	1,038	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	-	500	1,038	-	-	-
Disbursements:								
Current:								
Instruction	-	1,000	-	-	1,050	-	-	-
Support services	-	-	-	-	-	1,033	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	1,000	-	-	1,050	1,033	-	-
Excess (deficiency) of receipts over disbursements	-	(1,000)	-	500	(12)	(1,033)	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(1,000)	-	500	(12)	(1,033)	-	-
Cash and investments - ending	\$ 2,839	\$ 1	\$ 3,794	\$ 526	\$ -	\$ 67	\$ 105	\$ 42

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

	REMC - Northern Gases Donation	CBI Donation	Library Technology	Donald Love Scholarship	Driver Education	DEKKO Grant - Technology	Whitley County STEM	Hands Foundation
Cash and investments - beginning	\$ -	\$ 500	\$ -	\$ 2,207	\$ 11,535	\$ 1,568	\$ 310	\$ 3,641
Receipts:								
Local sources	2,000	500	-	-	19,000	-	-	8,573
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	2,000	500	-	-	19,000	-	-	8,573
Disbursements:								
Current:								
Instruction	917	-	-	-	12,868	-	-	6,410
Support services	-	-	43	-	-	-	-	1,542
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	100	-	-	-	-
Total disbursements	917	-	43	100	12,868	-	-	7,952
Excess (deficiency) of receipts over disbursements	1,083	500	(43)	(100)	6,132	-	-	621
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,083	500	(43)	(100)	6,132	-	-	621
Cash and investments - ending	\$ 1,083	\$ 1,000	\$ (43)	\$ 2,107	\$ 17,667	\$ 1,568	\$ 310	\$ 4,262

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

	DEKKO Grant	Afternoons Rock	Gifted And Talented 2011-12	Gifted And Talented 2012-13	Gifted And Talented 2013-14	School Technology	Performance Based Awards	SRO
Cash and investments - beginning	\$ 951	\$ 326	\$ -	\$ 12,690	\$ -	\$ 6,088	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	31,638	8,290	-	-
Federal sources	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	31,638	8,290	-	-
Disbursements:								
Current:								
Instruction	1,219	326	-	10,994	17,127	-	10,159	-
Support services	628	-	-	522	2,637	25,185	-	11,352
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	1,847	326	-	11,516	19,764	25,185	10,159	11,352
Excess (deficiency) of receipts over disbursements	(1,847)	(326)	-	(11,516)	11,874	(16,895)	(10,159)	(11,352)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,847)	(326)	-	(11,516)	11,874	(16,895)	(10,159)	(11,352)
Cash and investments - ending	\$ (896)	\$ -	\$ -	\$ 1,174	\$ 11,874	\$ (10,807)	\$ (10,159)	\$ (11,352)

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

	Technology Skills Assessment	Title I 2011-12	Title I 2012-13	Title I 2013-14	Title I Delinquent 2012-13	Title I Delinquent 2011-12	Title I Delinquent 2013-14
Cash and investments - beginning	\$ -	\$ -	\$ (67,102)	\$ -	\$ (7,894)	\$ -	\$ -
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	143,173	234,010	16,511	-	42,094
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	143,173	234,010	16,511	-	42,094
Disbursements:							
Current:							
Instruction	-	-	52,308	198,396	8,617	-	55,222
Support services	-	-	24,494	65,247	-	-	7,879
Noninstructional services	-	-	100	1,445	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	-	76,902	265,088	8,617	-	63,101
Excess (deficiency) of receipts over disbursements	-	-	66,271	(31,078)	7,894	-	(21,007)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	66,271	(31,078)	7,894	-	(21,007)
Cash and investments - ending	\$ -	\$ -	\$ (831)	\$ (31,078)	\$ -	\$ -	\$ (21,007)

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

	Special Services Part B 2011-12	Special Services Part B	T.A. Grant FY 2014	Special Services Part B 2012-13	Special Services 2009-10 Carryover	Special Services Part B 2013-14	2011-12 Special Services Preschool
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (85,227)	\$ 95	\$ -	\$ (783)
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	4,345	-	-	-	-
Federal sources	-	-	-	118,967	-	218,279	1,588
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	-	4,345	118,967	-	218,279	1,588
Disbursements:							
Current:							
Instruction	-	-	-	5,327	-	52,841	-
Support services	-	-	5,556	29,090	-	280,050	805
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	-	5,556	34,417	-	332,891	805
Excess (deficiency) of receipts over disbursements	-	-	(1,211)	84,550	-	(114,612)	783
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(1,211)	84,550	-	(114,612)	783
Cash and investments - ending	\$ -	\$ -	\$ (1,211)	\$ (677)	\$ 95	\$ (114,612)	\$ -

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

	Special Education Preschool 2010-11	Special Services Preschool 2012-13	Special Services Preschool 2013-14	Medicaid Reimbursement - Federal	Non-English Speaking Program	Title II 2011-12	Title II Part A FY12
Cash and investments - beginning	\$ -	\$ (2,231)	\$ -	\$ 14,306	\$ 623	\$ -	\$ (10,591)
Receipts:							
Local sources	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	4,613	44,438	-	-	-
Federal sources	-	2,918	-	-	636	-	53,415
Temporary loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	2,918	4,613	44,438	636	-	53,415
Disbursements:							
Current:							
Instruction	-	134	7,550	-	623	-	542
Support services	-	600	-	10,152	-	-	42,693
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total disbursements	-	734	7,550	10,152	623	-	43,235
Excess (deficiency) of receipts over disbursements	-	2,184	(2,937)	34,286	13	-	10,180
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	2,184	(2,937)	34,286	13	-	10,180
Cash and investments - ending	<u>\$ -</u>	<u>\$ (47)</u>	<u>\$ (2,937)</u>	<u>\$ 48,592</u>	<u>\$ 636</u>	<u>\$ -</u>	<u>\$ (411)</u>

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

	Title II 2013-14	ESL English Proficiency	Title I Stimulus Money	Education Jobs	Prepaid Food	Payroll Deductions	Totals
Cash and investments - beginning	\$ -	\$ (805)	\$ -	\$ -	\$ 9,056	\$ 79,022	\$ 7,029,490
Receipts:							
Local sources	-	-	-	-	-	-	10,194,781
Intermediate sources	-	-	-	-	-	-	357
State sources	-	-	-	-	-	-	10,645,839
Federal sources	16,110	-	-	-	-	-	1,249,139
Temporary loans	-	-	-	-	-	-	818,092
Other	-	-	-	-	383,271	2,237,904	2,621,793
Total receipts	<u>16,110</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>383,271</u>	<u>2,237,904</u>	<u>25,530,001</u>
Disbursements:							
Current:							
Instruction	-	(58)	-	-	-	-	7,980,855
Support services	43,563	-	-	-	-	-	6,344,887
Noninstructional services	-	-	-	-	-	-	855,428
Facilities acquisition and construction	-	-	-	-	-	-	2,126,840
Debt services	-	-	-	-	-	-	4,270,628
Nonprogrammed charges	-	-	-	-	386,884	2,230,999	5,762,192
Total disbursements	<u>43,563</u>	<u>(58)</u>	<u>-</u>	<u>-</u>	<u>386,884</u>	<u>2,230,999</u>	<u>27,340,830</u>
Excess (deficiency) of receipts over disbursements	<u>(27,453)</u>	<u>58</u>	<u>-</u>	<u>-</u>	<u>(3,613)</u>	<u>6,905</u>	<u>(1,810,829)</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	12,500,362
Transfers in	-	-	-	-	-	-	72,761
Transfers out	-	-	-	-	-	-	(72,761)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,500,362</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(27,453)</u>	<u>58</u>	<u>-</u>	<u>-</u>	<u>(3,613)</u>	<u>6,905</u>	<u>10,689,533</u>
Cash and investments - ending	<u><u>\$ (27,453)</u></u>	<u><u>\$ (747)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 5,443</u></u>	<u><u>\$ 85,927</u></u>	<u><u>\$ 17,719,023</u></u>

WHITKO COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF PAYABLES AND RECEIVABLES  
June 30, 2014

<u>Government</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 502,478</u>	<u>\$ -</u>

WHITKO COMMUNITY SCHOOL CORPORATION  
 SCHEDULE OF LEASES AND DEBT  
 June 30, 2014

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Whitko High School Building Corp	Additions and Renovations	\$ 2,473,500	06-30-07	12-31-19
Whitko High School Building Corp	Elementary Renovations and Construction	<u>345,000</u>	11-18-13	11-18-34
Total of annual lease payments		<u>\$ 2,818,500</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	GO Bonds 2013	\$ 565,000	\$ 283,435
Tax anticipation warrants	Tax Anticipation Loan	<u>758,792</u>	<u>764,078</u>
Totals		<u>\$ 1,323,792</u>	<u>\$ 1,047,513</u>

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WHITKO COMMUNITY SCHOOL CORPORATION  
 SCHEDULE OF CAPITAL ASSETS  
 June 30, 2014

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

	Ending Balance
Governmental activities:	
Land	\$ 142,800
Infrastructure	408,108
Buildings	35,738,230
Improvements other than buildings	879,732
Machinery, equipment, and vehicles	3,170,939
 Total capital assets	 \$ 40,339,809

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE WHITKO COMMUNITY SCHOOL  
CORPORATION, KOSCIUSKO COUNTY, INDIANA

***Report on Compliance for Each Major Federal Program***

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

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

***Opinion on Each Major Federal Program***

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

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


***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.

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

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

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

May 18, 2015

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-13	Total Federal Awards Expended 06-30-14
<u>Department of Agriculture</u>					
Child Nutrition Cluster					
School Breakfast Program	Indiana Department of Education	10.553	FY12-13	\$ 49,663	\$ -
			FY13-14	-	57,851
Total - School Breakfast Program				<u>49,663</u>	<u>57,851</u>
National School Lunch Program	Indiana Department of Education	10.555	FY12-13	341,543	-
			FY13-14	-	396,379
Total - National School Lunch Program				<u>341,543</u>	<u>396,379</u>
Summer Food Service Program for Children	Indiana Department of Education	10.559	FY12-13	4,181	-
Total - Child Nutrition Cluster				<u>395,387</u>	<u>454,230</u>
Total - Department of Agriculture				<u>395,387</u>	<u>454,230</u>
<u>Department of Education</u>					
Title I, Part A Cluster					
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010	12-4455	24,886	-
Title I Regular			12-4455	15,340	-
Title I Delinquent			13-4455	247,015	143,173
Title I Regular			13-4455	21,334	16,511
Title I Delinquent			14-4455	-	234,010
Title I Regular			14-4455	-	42,094
Title I Delinquent				<u>-</u>	<u>42,094</u>
Total - Title I Grants to Local Educational Agencies				<u>308,575</u>	<u>435,788</u>
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	Indiana Department of Education	84.389	FY12-13	692	-
Total - Title I, Part A Cluster				<u>309,267</u>	<u>435,788</u>
Special Education Cluster (IDEA)					
Special Education - Grants to States	Indiana Department of Education	84.027	14211-045-PN01	16,963	-
			14212-045-PN01	406,986	-

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

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-13	Total Federal Awards Expended 06-30-14
<u>Department of Education (continued)</u>					
Special Education Cluster (IDEA) (continued)					
Special Education - Grants to States (continued)	Indiana Department of Education	84.027	14213-045-PN01	288,443	118,967
			14214-045-PN01	-	218,279
			99914-045-TA01	-	4,345
				<u>712,392</u>	<u>341,591</u>
Total - Special Education - Grants to States					
Special Education - Preschool Grants	Indiana Department of Education	84.173	45711-045-PN01	9,407	-
			45712-045-PN01	6,235	1,588
			45713-045-PN01	5,504	2,918
			45714-045-PN01	-	4,613
				<u>21,146</u>	<u>9,119</u>
Total - Special Education - Preschool Grants					
Total - Special Education Cluster (IDEA)				<u>733,538</u>	<u>350,710</u>
English Language Acquisition State Grants	Bremen Public Schools	84.365	01112-066-PN01	764	-
Improving Teacher Quality State Grants	Indiana Department of Education	84.367	FY11-12	37,450	-
			FY12-13	18,242	53,415
			FY13-14	-	16,110
				<u>55,692</u>	<u>69,525</u>
Total - Improving Teacher Quality State Grants					
Education Jobs Fund	Indiana Department of Education	84.410	FY12-13	7,211	-
Total - Department of Education				<u>1,106,472</u>	<u>856,023</u>
<u>Department of Health and Human Services</u>					
Block Grants for Prevention and Treatment of Substance Abuse	Geminus Corporation	93.959	FY12-13	5,694	-
			FY13-14	-	326
				<u>5,694</u>	<u>326</u>
Total - Block Grants for Prevention and Treatment of Substance Abuse					
Total - Department of Health and Human Services				<u>5,694</u>	<u>326</u>
Total federal awards expended				<u>\$ 1,507,553</u>	<u>\$ 1,310,579</u>

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

WHITKO COMMUNITY SCHOOL CORPORATION  
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 School Corporation and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

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

**Note 2. Noncash Assistance**

The School Corporation expended the following amount of noncash assistance for the years ending June 30, 2013 and 2014. This noncash assistance is also included in the federal expenditures presented in the schedule.

Program Title	Federal CFDA Number	For the Year Ended June 30, 2013	For the Year Ended June 30, 2014
Child Nutrition Cluster:			
Food commodities:			
National School Lunch Program	10.555	\$ 54,510	\$ 52,792

WHITKO COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I - Summary of Auditor's Results**

Financial Statement:

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

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	no

Identification of Major Programs:

Name of Federal Program or Cluster

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

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

Auditee qualified as low-risk auditee? no

**Section II - Financial Statement Findings**

**FINDING 2014-001 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING**

We noted a deficiency in the internal control system of the School Corporation related to financial transactions and reporting. We believe the following deficiency constitutes a material weakness.

Preparing the Financial Statement: Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the School Corporation's audited financial statement and then determining how those identified risks should be managed. The School Corporation has not identified risks to the preparation of a reliable financial statement and, as a result, has failed to design effective controls over the preparation of the financial statement to prevent, or detect and correct, material misstatements, including notes to the financial statement.

WHITKO COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

During the audit of the financial statement, we noted that the School Corporation had omitted \$7,500,000 in receipts for the fiscal year ending June 30, 2014. The omitted receipt was the result of the School Corporation selling the Pierceton Elementary School building to the Whitko High School Building Holding Corporation. Funds were wired to the School Corporation's bank account on June 11, 2014, but the actual posting of the receipt was not made to the records until July 31, 2014. Therefore, the financial statement presented for audit was not reflective of the financial activity of the School Corporation for the fiscal year ending June 30, 2014. An audit adjustment was proposed, accepted by the School Corporation, and made to the financial statement presented in this report in order to more accurately reflect the financial activity of the School Corporation.

All documents and entries to records should be done in a timely manner to ensure that accurate financial information is available to allow the governmental unit to make informed management decisions and to help ensure compliance with IC 5-15-1-1 et seq., commonly referred to as the Public Records Law. (Accounting and Uniform Compliance Guidelines for Indiana Public School Corporations, Chapter 9)

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

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

***FINDING 2014-002 - INTERNAL CONTROLS OVER THE PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS***

The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The School Corporation should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected.

During the audit of the SEFA, we noted the School Corporation had overstated the Child Nutrition Cluster grants and omitted four other grants during the fiscal year ending June 30, 2013. Four grants were also omitted during the fiscal year ending June 30, 2014. Audit adjustments netting \$20,363 and \$786,545 during the fiscal years ending June 30, 2013 and 2014, respectively, were proposed, accepted by the School Corporation, and made to the SEFA presented in this report.

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.

WHITKO COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(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 Indiana Public School Corporations, Chapter 9)

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

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

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

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

***Section III - Federal Award Findings and Questioned Costs***

No matters are reportable.

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AUDITEE PREPARED DOCUMENT

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

# WHITKO COMMUNITY SCHOOL CORPORATION

710 N SR 5, Suite B, Larwill, IN 46764

Phone (574) 594-2658 or (260) 327-3677

Fax (574) 594-2326

www.whitko.org

Mr. Steven R. Clason — Superintendent



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## CORRECTIVE ACTION PLAN

### ***FINDING 2014-001 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING***

Contact Person Responsible for Corrective Action: Tom McFarland, Director of Financial Operations

Contact Phone Number: 574-594-2658

Description of Corrective Action Plan:

Previously, there was a one month delay in reconciling the bank statement that included the proceeds from the bond sale due to untimely receipt of the bank statement. Currently, the corporation has enrolled in online statements for this account. This account is reconciled on a monthly basis and verified with the bank statement. The reconciliation is sent and reviewed by the Superintendent and approved by the School Board at the next monthly meeting.

Anticipated Completion Date: January 31, 2015

### ***FINDING 2014-002 - INTERNAL CONTROLS OVER THE PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS***

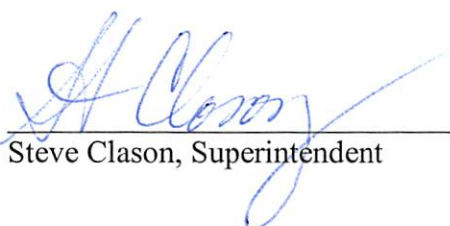
Contact Person Responsible for Corrective Action: Tom McFarland, Director of Financial Operations

Contact Phone Number: 574-594-2658

Description of Corrective Action Plan:

Upon receiving more guidance and training, the Director of Financial Operations, has a better understanding of how to more accurately prepare the Schedule of Federal Awards. The Deputy Treasurer will prepare a list of federal awards that pertain to the current period. The Director of Financial Operations will review the list to verify all awards are included and prepare the schedule. Upon completion, the Director of Financial Operations will review the schedule with the Deputy Treasurer to verify accuracy. The schedule will be submitted online and the online report will be reviewed by the Superintendent to be sure nothing was omitted.

Anticipated Completion Date: July 31, 2015

  
\_\_\_\_\_  
Steve Clason, Superintendent

May 18, 2015  
Date

#### OTHER REPORT

In addition to this report, a Supplemental Compliance Report has been issued for the School Corporation. That report can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.