

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

GREENWOOD COMMUNITY  
SCHOOL CORPORATION  
JOHNSON COUNTY, INDIANA

July 1, 2012 to June 30, 2014



**FILED**  
03/02/2016



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Randy Burns Todd Pritchett Stephanie Porter	07-01-12 to 06-30-13 07-01-13 to 01-12-15 01-13-15 to 06-30-16
Superintendent of Schools	David E. Edds Kent DeKoninck	07-01-12 to 06-30-13 07-01-13 to 06-30-16
President of the School Board	Joseph W. Farley	07-01-12 to 06-30-16



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE GREENWOOD COMMUNITY  
SCHOOL CORPORATION, JOHNSON COUNTY, INDIANA

***Report on the Financial Statement***

We have audited the accompanying financial statement of the Greenwood 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, 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 July 16, 2015, except for the Schedule of Expenditures of Federal Awards, as to which the date is December 9, 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

July 16, 2015, except for the Schedule of Expenditures of Federal Awards,  
as to which the date is December 9, 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 GREENWOOD COMMUNITY  
SCHOOL CORPORATION, JOHNSON 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 Greenwood 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 July 16, 2015, except for the Schedule of Expenditures of Federal Awards, as to which the date is December 9, 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 item 2014-001 to be material weaknesses.

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

***Compliance and Other Matters***


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

***Greenwood 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

July 16, 2015, except for the Schedule of Expenditures of Federal Awards,  
as to which the date is December 9, 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.

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GREENWOOD 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		Other Financing Sources (Uses)		Cash and Investments 06-30-13		Other Financing Sources (Uses)		Cash and Investments 06-30-14	
	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements
General	\$ 1,547,349	\$ 23,538,720	\$ 23,805,576	\$ 28,301	\$ 1,308,794	\$ 23,526,665	\$ 24,273,511	\$ 22,799	\$ 584,747	
Debt Service	1,767,999	3,395,867	3,323,514	(69,040)	1,771,312	3,252,059	3,412,716	91,850	1,702,505	
Retirement/Severance Bond Debt Service	122,943	574,248	632,702	-	64,489	258,885	317,812	-	5,562	
Capital Projects	2,004,664	4,471,900	4,960,381	-	1,516,183	3,459,731	3,587,364	-	1,388,550	
School Transportation	185,066	1,561,968	1,496,347	-	250,687	1,568,579	1,541,744	-	277,522	
School Bus Replacement	50,975	119,278	189,986	19,733	-	283,829	301,120	17,290	(1)	
Rainy Day	3,393,428	-	-	-	3,393,428	-	99,182	-	3,294,246	
Retirement/Severance Bond	997,162	-	21,039	-	976,123	-	10,510	-	965,613	
Construction	342,642	-	558,245	4,324,668	4,109,065	47,900	3,762,231	-	394,734	
School Lunch	883,610	1,586,209	1,453,855	-	1,015,964	1,770,359	1,492,247	-	1,294,076	
Textbook Rental	546,602	362,993	234,196	-	675,399	352,079	459,243	-	568,235	
Educational License Plates	20,340	469	-	-	20,809	375	-	-	21,184	
Donations Gifts and Trust	125	-	-	-	125	-	-	-	125	
GW Sertoma Club Sponsorship	-	-	-	-	-	2,000	-	-	2,000	
GW Comm Foundation TCHR Grant 10-11	488	-	250	-	238	-	133	-	105	
GW Comm Foundation Drug Educ	-	520	-	-	520	-	52	-	468	
GW Comm Foundation TCHR Grant 11-12	546	-	-	-	546	-	-	-	546	
Oasis Grant-Spring 2012 Adcock	75	-	75	-	-	-	-	-	-	
Oasis Grant Fall 2012 Adcock	-	75	75	-	-	-	-	-	-	
Lilly Teacher Grant Gross WW	-	250	-	-	250	-	-	-	250	
Target Grant 2013/Ploutz-IC	-	700	700	-	-	-	-	-	-	
Donation -Kahn/NE	-	5,279	5,279	-	-	-	-	-	-	
Donation - Sertoma Club of GW	-	-	-	-	-	1,950	1,950	-	-	
Donations 2010 Pepsi-Cola	17,461	699	18,161	-	(1)	-	-	-	(1)	
Donations 2011 Pepsi-Cola	20,000	-	16,847	-	3,153	-	3,153	-	-	
Donations 2012 Pepsi-Cola	-	22,000	-	-	22,000	-	14,272	-	7,728	
Donations 2013 Pepsi-Cola	-	-	-	-	-	25,976	5,976	-	20,000	
Basic Grant	13,013	-	11,763	-	1,250	-	1,250	-	-	
Basic Grants 2006	-	-	-	-	-	565	-	-	565	
High Ability Grant 11-12	5,640	-	5,641	-	(1)	-	-	-	(1)	
High Ability Grant 2012/2013	-	38,841	28,951	-	9,890	-	9,892	-	(2)	
High Ability Grant 2013/2014	-	-	-	-	-	38,954	38,619	-	335	
Drug Free Community Grant 2013/2014	-	-	-	-	-	200	97	-	103	
Medicaid Reimbursement - State	9,132	19,170	-	(28,301)	1	46,721	-	(22,799)	23,923	
Non-English Speaking Program 2012/2013	-	21,751	10,853	-	10,898	-	10,898	-	-	
Non-English Speaking Program 2013/2014	-	-	-	-	-	19,892	10,798	-	9,094	
School Technology	247,232	145,576	225,490	-	167,318	106,783	176,135	-	97,966	
Excess PTRC Distributions	60,580	18,736	-	-	79,316	-	-	-	79,316	
Title I 2010-2011	(664)	3,983	3,319	-	-	-	-	-	-	
Title I 2011-2012	(88,346)	264,428	176,085	-	(3)	-	-	-	(3)	
Title I 2012/2013	-	577,512	630,227	52,718	3	288,235	235,517	(52,718)	3	
Title I 2013/2014	-	-	-	-	-	527,495	601,551	-	(74,056)	
Medicaid Reimbursement - Federal	146,633	35,763	6,586	-	175,810	86,555	14,119	-	248,246	
Title II Part A FY 2011	(628)	45,866	64,985	19,747	-	70,917	51,171	(19,747)	(1)	
Title II Part A FY 2010	(6,656)	151,778	145,121	-	1	-	-	-	1	
Title II 2012/2014	-	-	-	-	-	99,507	105,137	-	(5,630)	
Title II 2013/2015	-	-	-	-	-	2,236	2,236	-	-	
Title III-LTD Eng Prof 2012/2013	-	21,499	28,710	7,211	-	11,488	4,278	(7,211)	(1)	
Title III-LTD Eng Prof 2013/2015	-	-	-	-	-	1,526	1,527	-	(1)	
Title I - Grants to LEAs	-	360	360	-	-	-	-	-	-	
Education Jobs	-	14,876	14,876	-	-	-	-	-	-	
Payroll Withholding Clearing Account	62,086	5,549,324	5,543,624	-	67,786	6,102,416	5,910,206	-	259,996	
<b>Totals</b>	<b>\$ 12,349,497</b>	<b>\$ 42,550,638</b>	<b>\$ 43,613,819</b>	<b>\$ 4,355,037</b>	<b>\$ 15,641,353</b>	<b>\$ 41,953,877</b>	<b>\$ 46,456,647</b>	<b>\$ 29,464</b>	<b>\$ 11,168,047</b>	

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

GREENWOOD 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.

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.

GREENWOOD COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

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:

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

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

GREENWOOD COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

**G. Fund Accounting**

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

**Note 2. Budgets**

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

**Note 3. Property Taxes**

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

**Note 4. Deposits and Investments**

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

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

GREENWOOD COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 5. Risk Management**

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

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

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

GREENWOOD COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*B. Teachers' Retirement Fund*

*Plan Description*

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

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

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

*Funding Policy and Annual Pension Cost*

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

**Note 7. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of funds being set up for reimbursable grants.

**Note 8. Holding Corporations**

The School Corporation has entered into a capital lease with Greenwood 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 2013 and 2014 totaled \$3,065,500 and \$3,064,500, respectively.

GREENWOOD COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

The School Corporation has entered into a capital lease with C-9 Holding 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 2013 and 2014 totaled \$152,372 and \$152,535, 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.

GREENWOOD 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	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	Construction
Cash and investments - beginning	\$ 1,547,349	\$ 1,767,999	\$ 122,943	\$ 2,004,664	\$ 185,066	\$ 50,975	\$ 3,393,428	\$ 997,162	\$ 342,642
Receipts:									
Local sources	201,840	3,395,867	574,248	3,234,696	1,484,457	119,278	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	23,291,060	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	1,236,945	-	-	-	-	-
Other	45,820	-	-	259	77,511	-	-	-	-
Total receipts	23,538,720	3,395,867	574,248	4,471,900	1,561,968	119,278	-	-	-
Disbursements:									
Current:									
Instruction	17,982,963	-	-	-	-	-	-	612	-
Support services	5,590,454	-	-	1,360,802	1,485,206	189,986	-	20,427	-
Noninstructional services	232,159	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	2,333,245	11,141	-	-	-	558,245
Debt services	-	3,323,514	632,702	1,266,334	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	23,805,576	3,323,514	632,702	4,960,381	1,496,347	189,986	-	21,039	558,245
Excess (deficiency) of receipts over disbursements	(266,856)	72,353	(58,454)	(488,481)	65,621	(70,708)	-	(21,039)	(558,245)
Other financing sources (uses):									
Proceeds of long-term debt	-	30,369	-	-	-	-	-	-	4,324,668
Transfers in	28,301	-	-	-	-	19,733	-	-	-
Transfers out	-	(99,409)	-	-	-	-	-	-	-
Total other financing sources (uses)	28,301	(69,040)	-	-	-	19,733	-	-	4,324,668
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(238,555)	3,313	(58,454)	(488,481)	65,621	(50,975)	-	(21,039)	3,766,423
Cash and investments - ending	\$ 1,308,794	\$ 1,771,312	\$ 64,489	\$ 1,516,183	\$ 250,687	\$ -	\$ 3,393,428	\$ 976,123	\$ 4,109,065

GREENWOOD 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)

	School Lunch	Textbook Rental	Educational License Plates	Donations Gifts and Trust	GW Sertoma Cub Sponsorship	GW Comm Foundation TCHR Grant 10-11	CW Comm Foundation Drug Educ	CW Comm Foundation TCHR Grant 11-12	Oasis Grant - Spring-2012 Adcock
Cash and investments - beginning	\$ 883,610	\$ 546,602	\$ 20,340	\$ 125	\$ -	\$ 488	\$ -	\$ 546	\$ 75
Receipts:									
Local sources	696,040	221,411	-	-	-	-	520	-	-
Intermediate sources	-	-	469	-	-	-	-	-	-
State sources	14,489	141,582	-	-	-	-	-	-	-
Federal sources	875,680	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	1,586,209	362,993	469	-	-	-	520	-	-
Disbursements:									
Current:									
Instruction	-	-	-	-	-	250	-	-	-
Support services	41,198	234,196	-	-	-	-	-	-	75
Noninstructional services	1,357,728	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	54,929	-	-	-	-	-	-	-	-
Total disbursements	1,453,855	234,196	-	-	-	250	-	-	75
Excess (deficiency) of receipts over disbursements	132,354	128,797	469	-	-	(250)	520	-	(75)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	132,354	128,797	469	-	-	(250)	520	-	(75)
Cash and investments - ending	\$ 1,015,964	\$ 675,399	\$ 20,809	\$ 125	\$ -	\$ 238	\$ 520	\$ 546	\$ -

GREENWOOD 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)

	Oasis Grant Fall 2012 Adcock	Lilly Teacher Grant Gross WW	Target Grant 2013/ Ploutz-IC	Donation - Kahn/NE	Donation - Sertoma Club of GW	Donations 2010 Pepsi-Cola	Donations 2011 Pepsi-Cola	Donations 2012 Pepsi-Cola	Donations 2013 Pepsi-Cola
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,461	\$ 20,000	\$ -	\$ -
Receipts:									
Local sources	75	250	700	5,279	-	699	-	22,000	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	75	250	700	5,279	-	699	-	22,000	-
Disbursements:									
Current:									
Instruction	-	-	700	5,279	-	1,122	-	-	-
Support services	75	-	-	-	-	17,039	15,347	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	1,500	-	-
Total disbursements	75	-	700	5,279	-	18,161	16,847	-	-
Excess (deficiency) of receipts over disbursements	-	250	-	-	-	(17,462)	(16,847)	22,000	-
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	250	-	-	-	(17,462)	(16,847)	22,000	-
Cash and investments - ending	\$ -	\$ 250	\$ -	\$ -	\$ -	\$ (1)	\$ 3,153	\$ 22,000	\$ -

GREENWOOD 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)

	Basic Grant	Basic Grants 2006	High Ability Grant 11-12	High Ability Grant 2012/2013	High Ability Grant 2013/2014	Drug Free Community Grant 2013/2014	Medicaid Reimbursement - State	Non-English Speaking Program 2012/2013	Non-English Speaking Program 2013/2014
Cash and investments - beginning	\$ 13,013	\$ -	\$ 5,640	\$ -	\$ -	\$ -	\$ 9,132	\$ -	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	38,841	-	-	19,170	21,751	-
Federal sources	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	38,841	-	-	19,170	21,751	-
Disbursements:									
Current:									
Instruction	-	-	5,641	28,951	-	-	-	9,069	-
Support services	11,763	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	1,784	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	11,763	-	5,641	28,951	-	-	-	10,853	-
Excess (deficiency) of receipts over disbursements	(11,763)	-	(5,641)	9,890	-	-	19,170	10,898	-
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(28,301)	-	-
Total other financing sources (uses)	-	-	-	-	-	-	(28,301)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(11,763)	-	(5,641)	9,890	-	-	(9,131)	10,898	-
Cash and investments - ending	\$ 1,250	\$ -	\$ (1)	\$ 9,890	\$ -	\$ -	\$ 1	\$ 10,898	\$ -

GREENWOOD 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)

	School Technology	Excess PTRC Distributions	Title I 2010/2011	Title I 2011/2012	Title I 2012/2013	Title I 2013/2014	Medicaid Reimbursement - Federal	Title II Part A FY 2011	Title II Part A FY 2010
Cash and investments - beginning	\$ 247,232	\$ 60,580	\$ (664)	\$ (88,346)	\$ -	\$ -	\$ 146,633	\$ (628)	\$ (6,656)
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	18,736	-	-	-	-	-	-	-
Federal sources	-	-	3,983	264,428	577,512	-	35,763	45,866	151,778
Temporary loans	-	-	-	-	-	-	-	-	-
Other	145,576	-	-	-	-	-	-	-	-
Total receipts	145,576	18,736	3,983	264,428	577,512	-	35,763	45,866	151,778
Disbursements:									
Current:									
Instruction	-	-	1,810	163,413	562,452	-	6,586	42,588	47,344
Support services	49,535	-	1,509	10,321	44,840	-	-	22,397	97,777
Noninstructional services	-	-	-	2,351	22,935	-	-	-	-
Facilities acquisition and construction	175,955	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	225,490	-	3,319	176,085	630,227	-	6,586	64,985	145,121
Excess (deficiency) of receipts over disbursements	(79,914)	18,736	664	88,343	(52,715)	-	29,177	(19,119)	6,657
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	52,718	-	-	19,747	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	52,718	-	-	19,747	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(79,914)	18,736	664	88,343	3	-	29,177	628	6,657
Cash and investments - ending	\$ 167,318	\$ 79,316	\$ -	\$ (3)	\$ 3	\$ -	\$ 175,810	\$ -	\$ 1

GREENWOOD 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 2012/2014	Title II 2013/2015	Title III LTD Eng Prof 2012/2013	Title III LTD Eng Prof 2013/2015	Title I Grants to LEAs	Education Jobs	Payroll Withholding Clearing Accounts	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,086	\$ 12,349,497
Receipts:								
Local sources	-	-	-	-	-	-	-	9,957,360
Intermediate sources	-	-	-	-	-	-	-	469
State sources	-	-	21,499	-	-	-	-	23,567,128
Federal sources	-	-	-	-	360	14,876	-	1,970,246
Temporary loans	-	-	-	-	-	-	-	1,236,945
Other	-	-	-	-	-	-	5,549,324	5,818,490
Total receipts	-	-	21,499	-	360	14,876	5,549,324	42,550,638
Disbursements:								
Current:								
Instruction	-	-	-	-	360	14,876	-	18,874,016
Support services	-	-	28,710	-	-	-	-	9,221,657
Noninstructional services	-	-	-	-	-	-	-	1,616,957
Facilities acquisition and construction	-	-	-	-	-	-	-	3,078,586
Debt services	-	-	-	-	-	-	-	5,222,550
Nonprogrammed charges	-	-	-	-	-	-	5,543,624	5,600,053
Total disbursements	-	-	28,710	-	360	14,876	5,543,624	43,613,819
Excess (deficiency) of receipts over disbursements	-	-	(7,211)	-	-	-	5,700	(1,063,181)
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	4,355,037
Transfers in	-	-	7,211	-	-	-	-	127,710
Transfers out	-	-	-	-	-	-	-	(127,710)
Total other financing sources (uses)	-	-	7,211	-	-	-	-	4,355,037
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	5,700	3,291,856
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,786	\$ 15,641,353

GREENWOOD 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	Retirement/ Severance Bond Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Retirement/ Severance Bond	Construction
Cash and investments - beginning	\$ 1,308,794	\$ 1,771,312	\$ 64,489	\$ 1,516,183	\$ 250,687	\$ -	\$ 3,393,428	\$ 976,123	\$ 4,109,065
Receipts:									
Local sources	112,779	3,252,059	258,885	3,454,364	1,515,616	283,829	-	-	47,900
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	23,364,776	-	-	-	-	-	-	-	-
Federal sources	1,233	-	-	-	-	-	-	-	-
Other	47,877	-	-	5,367	52,963	-	-	-	-
Total receipts	<u>23,526,665</u>	<u>3,252,059</u>	<u>258,885</u>	<u>3,459,731</u>	<u>1,568,579</u>	<u>283,829</u>	<u>-</u>	<u>-</u>	<u>47,900</u>
Disbursements:									
Current:									
Instruction	18,177,286	-	-	-	-	-	-	-	-
Support services	5,854,936	-	-	1,183,575	1,535,418	301,120	99,182	10,510	-
Noninstructional services	241,289	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	1,396,542	6,326	-	-	-	3,762,231
Debt services	-	3,412,716	317,812	1,007,247	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	<u>24,273,511</u>	<u>3,412,716</u>	<u>317,812</u>	<u>3,587,364</u>	<u>1,541,744</u>	<u>301,120</u>	<u>99,182</u>	<u>10,510</u>	<u>3,762,231</u>
Excess (deficiency) of receipts over disbursements	<u>(746,846)</u>	<u>(160,657)</u>	<u>(58,927)</u>	<u>(127,633)</u>	<u>26,835</u>	<u>(17,291)</u>	<u>(99,182)</u>	<u>(10,510)</u>	<u>(3,714,331)</u>
Other financing sources (uses):									
Proceeds of long-term debt	-	29,464	-	-	-	-	-	-	-
Transfers in	22,799	99,409	-	-	-	37,023	-	-	-
Transfers out	-	(37,023)	-	-	-	(19,733)	-	-	-
Total other financing sources (uses)	<u>22,799</u>	<u>91,850</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,290</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(724,047)</u>	<u>(68,807)</u>	<u>(58,927)</u>	<u>(127,633)</u>	<u>26,835</u>	<u>(1)</u>	<u>(99,182)</u>	<u>(10,510)</u>	<u>(3,714,331)</u>
Cash and investments - ending	<u>\$ 584,747</u>	<u>\$ 1,702,505</u>	<u>\$ 5,562</u>	<u>\$ 1,388,550</u>	<u>\$ 277,522</u>	<u>\$ (1)</u>	<u>\$ 3,294,246</u>	<u>\$ 965,613</u>	<u>\$ 394,734</u>

GREENWOOD 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)

	School Lunch	Textbook Rental	Educational License Plates	Donations Gifts and Trust	GW Sertoma Cub Sponsorship	GW Comm Foundation TCHR Grant 10-11	CW Comm Foundation Drug Educ	CW Comm Foundation TCHR Grant 11-12	Oasis Grant - Spring 2012 Adcock
Cash and investments - beginning	\$ 1,015,964	\$ 675,399	\$ 20,809	\$ 125	\$ -	\$ 238	\$ 520	\$ 546	\$ -
Receipts:									
Local sources	670,336	216,016	-	-	2,000	-	-	-	-
Intermediate sources	-	-	375	-	-	-	-	-	-
State sources	13,508	136,063	-	-	-	-	-	-	-
Federal sources	1,086,515	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	<u>1,770,359</u>	<u>352,079</u>	<u>375</u>	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	-	-	-	-	-	133	52	-	-
Support services	22,647	459,243	-	-	-	-	-	-	-
Noninstructional services	1,469,600	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	<u>1,492,247</u>	<u>459,243</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>133</u>	<u>52</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>278,112</u>	<u>(107,164)</u>	<u>375</u>	<u>-</u>	<u>2,000</u>	<u>(133)</u>	<u>(52)</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>278,112</u>	<u>(107,164)</u>	<u>375</u>	<u>-</u>	<u>2,000</u>	<u>(133)</u>	<u>(52)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,294,076</u>	<u>\$ 568,235</u>	<u>\$ 21,184</u>	<u>\$ 125</u>	<u>\$ 2,000</u>	<u>\$ 105</u>	<u>\$ 468</u>	<u>\$ 546</u>	<u>\$ -</u>

GREENWOOD 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)

	Oasis Grant Fall 2012 Adcock	Lilly Teacher Grant Gross WW	Target Grant 2013/ Ploutz-IC	Donation - Kahn/NE	Donation - Sertoma Club of GW	Donations 2010 Pepsi-Cola	Donations 2011 Pepsi-Cola	Donations 2012 Pepsi-Cola	Donations 2013 Pepsi-Cola
Cash and investments - beginning	\$ -	\$ 250	\$ -	\$ -	\$ -	\$ (1)	\$ 3,153	\$ 22,000	\$ -
Receipts:									
Local sources	-	-	-	-	1,950	-	-	-	25,976
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	1,950	-	-	-	25,976
Disbursements:									
Current:									
Instruction	-	-	-	-	1,950	-	702	-	-
Support services	-	-	-	-	-	-	2,085	12,629	4,476
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	366	1,643	1,500
Total disbursements	-	-	-	-	1,950	-	3,153	14,272	5,976
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	(3,153)	(14,272)	20,000
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	(3,153)	(14,272)	20,000
Cash and investments - ending	\$ -	\$ 250	\$ -	\$ -	\$ -	\$ (1)	\$ -	\$ 7,728	\$ 20,000

GREENWOOD 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)

	Basic Grant	Basic Grants 2006	High Ability Grant 11-12	High Ability Grant 2012/2013	High Ability Grant 2013/2014	Drug Free Community Grant 2013/2014	Medicaid Reimbursement - State	Non-English Speaking Program 2012/2013	Non-English Speaking Program 2013/2014
Cash and investments - beginning	\$ 1,250	\$ -	\$ (1)	\$ 9,890	\$ -	\$ -	\$ 1	\$ 10,898	\$ -
Receipts:									
Local sources	-	565	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	38,954	200	46,721	-	19,892
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	565	-	-	38,954	200	46,721	-	19,892
Disbursements:									
Current:									
Instruction	-	-	-	9,892	38,619	97	-	10,099	9,268
Support services	1,250	-	-	-	-	-	-	-	1,471
Noninstructional services	-	-	-	-	-	-	-	799	59
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	1,250	-	-	9,892	38,619	97	-	10,898	10,798
Excess (deficiency) of receipts over disbursements	(1,250)	565	-	(9,892)	335	103	46,721	(10,898)	9,094
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(22,799)	-	-
Total other financing sources (uses)	-	-	-	-	-	-	(22,799)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,250)	565	-	(9,892)	335	103	23,922	(10,898)	9,094
Cash and investments - ending	\$ -	\$ 565	\$ (1)	\$ (2)	\$ 335	\$ 103	\$ 23,923	\$ -	\$ 9,094

GREENWOOD 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)

	School Technology	Excess PTRC Distributions	Title I 2010-2011	Title I 2011-2012	Title I 2012/2013	Title I 2013/2014	Medicaid Reimbursement - Federal	Title II Part A FY 2011	Title II Part A FY 2010
Cash and investments - beginning	\$ 167,318	\$ 79,316	\$ -	\$ (3)	\$ 3	\$ -	\$ 175,810	\$ -	\$ 1
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	288,235	527,495	86,555	70,917	-
Other	106,783	-	-	-	-	-	-	-	-
Total receipts	106,783	-	-	-	288,235	527,495	86,555	70,917	-
Disbursements:									
Current:									
Instruction	-	-	-	-	221,423	537,820	14,119	11,381	-
Support services	118,814	-	-	-	10,203	43,309	-	39,790	-
Noninstructional services	-	-	-	-	3,891	20,422	-	-	-
Facilities acquisition and construction	57,321	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	176,135	-	-	-	235,517	601,551	14,119	51,171	-
Excess (deficiency) of receipts over disbursements	(69,352)	-	-	-	52,718	(74,056)	72,436	19,746	-
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(52,718)	-	-	(19,747)	-
Total other financing sources (uses)	-	-	-	-	(52,718)	-	-	(19,747)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(69,352)	-	-	-	-	(74,056)	72,436	(1)	-
Cash and investments - ending	\$ 97,966	\$ 79,316	\$ -	\$ (3)	\$ 3	\$ (74,056)	\$ 248,246	\$ (1)	\$ 1

GREENWOOD 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 2012-2014	Title II 2013/2015	Title III LTD Eng Prof 2012/2013	Title III LTD Eng Prof 2013/2015	Title I - Grants to LEAs	Education Jobs	Payroll Withholding Clearing Accounts	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,786	\$ 15,641,353
Receipts:								
Local sources	-	-	-	-	-	-	-	9,842,275
Intermediate sources	-	-	-	-	-	-	-	375
State sources	-	-	11,488	1,526	-	-	-	23,633,128
Federal sources	99,507	2,236	-	-	-	-	-	2,162,693
Other	-	-	-	-	-	-	6,102,416	6,315,406
Total receipts	<u>99,507</u>	<u>2,236</u>	<u>11,488</u>	<u>1,526</u>	<u>-</u>	<u>-</u>	<u>6,102,416</u>	<u>41,953,877</u>
Disbursements:								
Current:								
Instruction	47,355	-	-	525	-	-	-	19,080,721
Support services	57,782	2,236	4,278	1,002	-	-	-	9,765,956
Noninstructional services	-	-	-	-	-	-	-	1,736,060
Facilities acquisition and construction	-	-	-	-	-	-	-	5,222,420
Debt services	-	-	-	-	-	-	-	4,737,775
Nonprogrammed charges	-	-	-	-	-	-	5,910,206	5,913,715
Total disbursements	<u>105,137</u>	<u>2,236</u>	<u>4,278</u>	<u>1,527</u>	<u>-</u>	<u>-</u>	<u>5,910,206</u>	<u>46,456,647</u>
Excess (deficiency) of receipts over disbursements	<u>(5,630)</u>	<u>-</u>	<u>7,210</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>192,210</u>	<u>(4,502,770)</u>
Other financing sources (uses):								
Proceeds of long-term debt	-	-	-	-	-	-	-	29,464
Transfers in	-	-	-	-	-	-	-	159,231
Transfers out	-	-	(7,211)	-	-	-	-	(159,231)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(7,211)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,464</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(5,630)</u>	<u>-</u>	<u>(1)</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>192,210</u>	<u>(4,473,306)</u>
Cash and investments - ending	<u>\$ (5,630)</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 259,996</u>	<u>\$ 11,168,047</u>

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SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

TO: THE OFFICIALS OF THE GREENWOOD COMMUNITY  
SCHOOL CORPORATION, JOHNSON COUNTY, INDIANA

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

We have audited the Greenwood 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.

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2014-002 to be material weaknesses.

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

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

  
Paul D. Joyce, CPA  
State Examiner

July 16, 2015, except for the Special Education Cluster and Finding 2014-002, as to which the date is December 9, 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.

GREENWOOD 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
Department of Agriculture Child Nutrition Cluster School Breakfast Program School Breakfast Program	Indiana Department of Education	10.553	FY 2013 FY 2014	\$ 166,565 -	\$ - 213,319
Total - School Breakfast Program				<u>166,565</u>	<u>213,319</u>
National School Lunch Program	Indiana Department of Education	10.555	FY 2013 FY 2014	817,384 -	- 979,081
Total National School Lunch Program				<u>817,384</u>	<u>979,081</u>
Total - Child Nutrition Cluster				<u>983,949</u>	<u>1,192,400</u>
Total - Department of Agriculture				<u>983,949</u>	<u>1,192,400</u>
Department of Education Title I, Part A Cluster Title I - Grants to Local Educational Agencies	Indiana Department of Education	84.010	12-4245 13-4245 14-4245	264,428 577,512 -	- 288,235 527,495
Total - Title I Grants to Local Educational Agencies				<u>841,941</u>	<u>815,730</u>
ARRA - Title I Basic School Improvement Grant, Recovery Act	Indiana Department of Education	84.010A	FY 2011/2012	<u>3,983</u>	-
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	Indiana Department of Education	84.389A	11-4245	<u>360</u>	-
Total - Title I, Part A Cluster				<u>846,283</u>	<u>815,730</u>
Special Education Cluster Special Education - Grants to States Special Education - Grants to States SY 2010-2011 Special Education - Grants to States SY 2011-2012 Special Education - Grants to States SY 2012-2013 Special Education - Grants to States SY 2013-2014 FY 2014 Technical Assistance	Indiana Department of Education	84.027	14211-033-PN01 14212-033-PN01 14213-033-PN01 14214-033-PN01 99914-033-TA01	415 273,365 597,905 - -	- 220 240,404 605,135 9,462
Total - Special Education - Grants to States				<u>871,685</u>	<u>855,221</u>

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

GREENWOOD 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
Department of Education (continued)					
Special Education Cluster (continued)					
Special Education - Preschool Grants					
Special Education - Preschool Grants SY 2011-2012	Indiana Department of Education	84.173	45712-033-PN01	90	-
Special Education - Preschool Grants SY 2012-2013			45713-033-PN01	17,614	363
Special Education - Preschool Grants SY 2013-2014			45714-033-PN01	-	11,781
Total - Special Education - Preschool Grants				<u>17,704</u>	<u>12,144</u>
Total - Special Education Cluster				<u>889,389</u>	<u>867,365</u>
English Language Acquisition State Grants					
English Language Acquisition State Grants	Indiana Department of Education	84.365	2011-13 2013-15	21,499 -	- 1,526
Total - English Language Acquisition State Grants				<u>21,499</u>	<u>1,526</u>
Improving Teacher Quality State Grants					
P.L. 107-110					
Title II Part A/FFY 2010	Indiana Department of Education	84.367	FFY 2011	151,778	-
Title II Part A/FFY 2011			FFY 2012	45,866	70,917
Title II Part A/FFY 2012			FFY 2013	-	100,740
Title II Part A/FFY 2013			FFY 2014	-	2,236
Total - Improving Teacher Quality State Grants				<u>197,644</u>	<u>173,893</u>
Education Jobs Fund					
Education Jobs Fund FY 2012-2013	Indiana Department of Education	84.410	FY2013	14,876	-
Total - Department of Education				<u>1,969,691</u>	<u>1,858,514</u>
Total federal awards expended				<u>\$ 2,953,640</u>	<u>\$ 3,050,914</u>

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

GREENWOOD 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	2013	2014
National School Lunch Program	10.555	<u>\$ 108,269.46</u>	<u>\$ 105,885.17</u>

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
84.367	Title I, Part A Cluster Improving Teacher Quality State Grants Special Education Cluster

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 - 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. A lack of segregation of duties within an internal control system could allow material misstatements of the SEFA to remain undetected.

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

During the audit of the SEFA, we noted the following errors: the programs for the Child Nutrition Cluster for both school years were not included on the SEFA; in school year 2012-2013, the programs for the Title I, Part A Cluster, English Language Acquisition State Grants, Improving Teacher Quality State Grants, and Education Jobs Fund were not included on the SEFA; in school year 2013-2014, the Title II was not included on the SEFA. Audit adjustments 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.

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

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

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

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

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.
- (4) Include notes that describe the significant accounting policies used in preparing the schedule.
- (5) To the extent practical, pass-through entities should identify in the schedule the total amount provided to subrecipients from each Federal program.

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

- (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**

**FINDING 2014-002 - CASH MANAGEMENT, REPORTING,  
LEVEL OF EFFORT, AND PERIOD OF AVAILABILITY**

Federal Agency: Department of Education

Federal Program: Special Education - Grants to States, Special Education - Preschool Grants

CFDA Number: 84.027, 84.173

Federal Award Number and Year (or Other Identifying Number): 14211-033-PN01; 14212-033-PN01;  
14213-033-PN01; 14214-033-PN01;  
99914-033-TA01; 45712-033-PN01;  
45713-033-PN01; 45714-033-PN01

Pass-Through Entity: Indiana Department of Education

Management of the School Corporation has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the following compliance requirements: Cash Management, Reporting, Level of Effort, and Period of Availability.

Cash Management and Reporting: The School Corporation has not designed or implemented adequate policies or procedures to ensure that requests for reimbursement or required reports were accurately prepared. One person was responsible for preparing and submitting the requests and reports. There was no evidence of segregation of duties, such as an oversight, review, or approval process or another compensating control.

Level of Effort: The School Corporation prepared the Excess Cost Calculator and Maintenance of Effort worksheets required for the Level of Effort requirements. Based on inquiry with the School Corporation's Financial Manager, these worksheets are prepared by one employee and there are no policies in place to ensure that these worksheets are reviewed by someone other than preparer.

Period of Availability: The Treasurer was aware of the Period of Availability compliance requirement and there was evidence that this had been communicated to the other business office staff, however, there was no evidence that the expenditures had been reviewed for compliance prior to payment.

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

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

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

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

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

The failure to establish internal controls could enable material noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal funds to the School Corporation.

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

#### AUDITEE PREPARED DOCUMENTS

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

# Greenwood Community School Corporation

605 West Smith Valley Road  
Greenwood, IN 46142



Telephone: (317) 889-4060  
Fax: (317) 889-4068

## Summary Schedule of Prior Audit Findings

### SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS FINDING 2012-2, INTERNAL CONTROLS OVER ALLOWABLE COSTS/COST PRINCIPLES

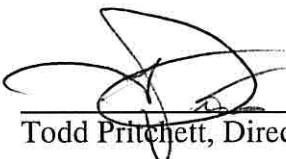
Fiscal Year: 2012  
Auditee Contact Person: Todd Pritchett  
Title of Contact Person: Director of Fiscal Services  
Phone Number: 317-889-4060

Status of Findings:

**Approval of Payroll Claims:** All payroll claims are submitted to the school board for approval.

  
\_\_\_\_\_  
Kent DeKoninck, Superintendent

4-28-15  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Todd Pritchett, Director of Fiscal Services

4-28-15  
\_\_\_\_\_  
Date

# Greenwood Community School Corporation

605 West Smith Valley Road  
Greenwood, IN 46142



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## Summary Schedule of Audit Findings

### FINDING 2014-001, PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Fiscal Year: 2012-13, 2013-14  
Auditee Contact Person: Todd Pritchett  
Title of Contact Person: Assistant Superintendent  
Phone Number: 317-889-4060

#### CORRECTIVE ACTION

ERRORS IN REPORTING EXPENDTURES ON SEFA: Will be addressed through internal controls. After SEFA is prepared, the report will receive a secondary review by either the Treasurer or Deputy Treasurer.

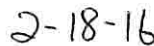
### FINDING 2014-002, CASH MANAGEMENT, REPORTING, LEVEL OF EFFORT AND PERIOD OF AVAILABILITY

Fiscal Year: 2012-13, 2013-14  
Federal Agency: DOE  
Program: Special Education Cluster  
CFDA Number: 84.027, 84.173

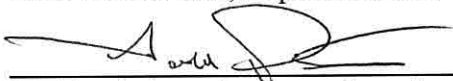
CORRECTIVE ACTION: CASH MANAGEMENT, REPORTING, LEVEL OF EFFORT AND PERIOD OF AVAILABILITY: The corporation has established communication with the Special Education Cluster, Special Services Johnson County and Surrounding Schools and participating schools to address these findings. Internal controls have been established for review at the Special Services Office in addition to financial reports and grant period of availability information being sent to school corporations' business offices on a monthly basis for individual school review. Greenwood will have the treasurer review and a secondary review by the business manager for these documents in addition to preparing the MOE and Level of Effort reports and supporting documentation to the Co-op which will also receive review by someone other than the preparer. This review is planned to be inclusive of all funds and programs including Federal grants.



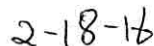
Kent DeKoninck, Superintendent



Date



Todd Pritchett, Assistant Superintendent



Date

#### OTHER REPORTS

In addition to this report, other reports may have been issued for the School Corporation. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.