

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

LEBANON COMMUNITY SCHOOL CORPORATION  
BOONE 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	Melissa Moore	07-01-12 to 06-30-16
Business Manager	Charles L. Tait	07-01-12 to 06-30-16
Superintendent of Schools	Dr. Robert L. Taylor	07-01-12 to 06-30-16
President of the School Board	M. Michelle Thomas David Herr Thomas Merritt Michael Burtron	07-01-10 to 12-31-12 01-01-13 to 12-31-13 01-01-14 to 12-31-14 01-01-15 to 12-31-16



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE LEBANON COMMUNITY SCHOOL  
CORPORATION, BOONE COUNTY, INDIANA

***Report on the Financial Statement***

We have audited the accompanying financial statement of the Lebanon 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 January 28, 2016, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

  
Paul D. Joyce, CPA  
State Examiner

January 28, 2016



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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 LEBANON COMMUNITY SCHOOL  
CORPORATION, BOONE 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 Lebanon 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 January 28, 2016, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

***Internal Control Over Financial Reporting***

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

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

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

***Lebanon 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

January 28, 2016

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## FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

LEBANON 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	\$ 3,401,679	\$ 22,871,051	\$ 23,930,037	\$ 25,215	\$ 2,367,908	\$ 23,240,851	\$ 23,827,100	\$ 65,922	\$ 1,847,581
Debt Service	2,258,874	3,710,984	4,193,619	(36,503)	1,739,736	3,854,390	4,194,763	(42,063)	1,357,300
Retirement/Severance Bond Debt Service	107,940	255,556	307,002	-	56,494	293,921	305,554	-	44,861
Referendum Debt Exempt Capital	124,065	3,478,838	3,205,000	(200,000)	197,903	3,520,328	3,325,500	200,000	592,731
Capital Projects	2,058,344	3,015,555	4,680,358	16,316	409,857	2,993,065	2,940,023	14,389	477,288
School Transportation	1,459,948	1,584,091	1,824,641	(700,000)	519,398	1,532,978	1,943,924	-	108,452
School Bus Replacement	(62,703)	364,795	311,394	(98,800)	(108,102)	358,247	325,716	-	(75,571)
Rainy Day	4,381,700	-	-	1,000,000	5,381,700	-	1,601,350	(200,000)	3,580,350
Construction	3,503,006	10,684	983,420	3,900	2,534,170	3,436	2,142,014	-	395,592
School Lunch	239,618	1,784,191	1,900,018	-	123,791	1,956,117	1,953,310	-	126,598
Textbook Rental	(20,507)	368,774	539,168	11,311	(179,590)	408,485	209,942	10,507	29,460
Levy Excess	-	-	-	-	-	69,336	-	-	69,336
Joint Services and Supply - Special Education Cooperative	466,612	1,027,165	1,084,282	-	409,495	1,202,469	1,396,322	-	215,642
JT Services Shared Services	-	1,815	1,815	-	-	43,972	43,972	-	-
Perry/Worth Wetlands Project	299	-	299	-	-	-	-	-	-
Building Trades	(121,041)	83	192,557	104,982	(208,533)	710	250,680	363,076	(95,427)
Indiana Pathways/PLTW 2012	-	7,884	7,884	-	-	-	-	-	-
L.E.F. Grants Spring 2013	-	13,056	2,817	-	10,239	-	8,469	-	1,770
LEF Grants Fall 2013	-	-	-	-	-	6,682	4,868	-	1,814
LEF November 2011 Grant Awards & Spring 2014	2,333	-	1,655	(153)	525	9,026	4,276	384	5,659
L.E.F. Grants March 2011	186	-	103	(83)	-	-	-	-	-
LEF Grants 2011	1,213	-	580	(244)	389	-	389	-	-
LEF March 2012 Grants	7,775	-	6,462	-	1,313	-	1,255	(58)	-
LEF Grant October 2012	-	4,326	3,657	481	1,150	-	204	(327)	619
Go Build Indiana	-	-	-	-	-	-	75	-	(75)
Apple Computer Repair	-	-	-	-	-	7,458	2,583	-	4,875
Instructional Support Fund	43,239	71,266	58,402	(7,992)	48,111	93,506	103,106	(4,439)	34,072
LHS After School Program	1,785	3,000	3,083	-	1,702	3,000	3,550	-	1,152
LHS Convention Center	-	500,000	7,974	-	492,026	-	492,026	-	-
Read-up Program	-	-	-	-	-	2,250	1,623	-	627
Graduation Coach 2011-2012 & 2014-2015	3,349	-	48	(3,301)	-	20,717	-	-	20,717
Graduation Coach 2012-2013	25,600	19,000	56,605	12,005	-	-	4,564	4,564	-
Graduation Coach 2013-2014	-	31,210	-	-	31,210	35,440	53,013	-	13,637
LCSC Hosted Tech Training	-	500	-	-	500	7,095	4,269	-	3,326
Kat Program -- Stokes	54	-	-	-	54	-	-	-	54
Educational Support - LCSC	30,000	-	4,291	-	25,709	8,034	32,108	-	1,635
Lost Library Books	-	-	-	-	-	40	-	-	40
High Ability - Building Block	(14,258)	14,995	737	-	-	-	-	-	-

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

LEBANON 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
Education Technology	-	-	-	-	-	643,200	643,200	-	-
Medicaid Reimbursement	7,891	-	-	-	7,891	-	7,891	-	-
Secured Schools Safety Grant	-	-	-	-	-	33,953	-	(33,953)	-
Non-English Speaking 2013-2014	-	-	-	-	-	4,504	2,325	-	2,179
NESP 2011-2012 Grant	1,623	-	1,623	-	-	-	-	-	-
NESP 2012-2013	-	4,007	2,581	-	1,426	-	1,426	-	-
School Technology	10,414	6,786	-	-	17,200	6,924	13,902	-	10,222
Technology Grants [IC 20-40-15]	32,746	68,897	23,659	-	77,984	66,559	81,624	-	62,919
Performance Based Awards	-	-	-	-	-	-	13,392	-	(13,392)
Title I 2011-2012	(129,516)	174,034	44,518	-	-	-	-	-	-
Title I 2012-2013	-	274,612	334,442	-	(59,830)	149,458	89,628	-	-
Title I 2013-2014	-	-	-	-	-	262,102	281,554	-	(19,452)
Title I IUMCH 2011-2012	(38,865)	44,052	5,187	-	-	-	-	-	-
Title I Part D IUMCH 2012-2013	-	26,276	42,628	-	(16,352)	19,996	3,644	-	-
Title I IUMCH 2013-2014	-	-	-	-	-	33,129	37,624	-	(4,495)
Flow Through 2013-2014	-	-	-	-	-	19,245	19,245	-	-
SP ED Flow Through 2011-2012	(37,288)	101,904	64,616	-	-	-	-	-	-
Flow Through Lebanon 2012-2013	-	720,493	756,028	-	(35,535)	124,698	89,342	-	(179)
IDEA 611 Lebanon 2013-2014	-	-	-	-	-	675,720	724,485	-	(48,765)
IDEA 619 FY 2012 JT. Services	68,333	-	68,333	-	-	-	-	-	-
IDEA 611 FY 2012 JT. Services	272,160	-	272,160	-	-	-	-	-	-
IDEA-611 Flow Thru Jt. Services/Co-Op	(24,177)	2,083,435	2,059,258	-	-	2,026,930	2,027,398	-	(468)
IDEA TA Grant 13-14	-	-	-	-	-	49,326	49,326	-	-
619 Federal Pre-School Sp. Ed. 2012-2013 Lebanon	-	13,432	23,704	-	(10,272)	13,980	3,708	-	-
IDEA 619 Lebanon 2013-2014	-	-	-	-	-	12,569	21,250	-	(8,681)
619 Federal Pre-School Sp Ed Jt. Services/Co-Op	-	48,143	48,143	-	-	59,919	59,919	-	-
Medicaid Reimbursement - Federal	12,969	-	-	-	12,969	-	-	-	12,969
ERRP-Early Retiree Reins Prog	32,854	-	32,854	-	-	-	-	-	-
Title IIA 2010 2012	(35,192)	43,441	8,249	-	-	-	44,436	-	(44,436)
Title IIA 2011-2013	(59,047)	80,218	21,171	-	-	-	-	-	-
Title II 2012-2014	-	18,877	53,989	-	(35,112)	86,799	51,687	-	-
Title II, Part A Tech Conferen	-	-	-	-	-	16,000	16,000	-	-
Education Jobs	-	13,859	13,859	-	-	-	-	-	-
Prepaid Food	-	-	-	-	-	944,545	818,629	-	125,916
Clearing	91,342	6,433,151	6,312,503	-	211,990	6,796,954	6,949,292	-	59,652
<b>Totals</b>	<b>\$ 18,105,357</b>	<b>\$ 49,294,436</b>	<b>\$ 53,497,413</b>	<b>\$ 127,134</b>	<b>\$ 14,029,514</b>	<b>\$ 51,718,063</b>	<b>\$ 57,227,475</b>	<b>\$ 378,002</b>	<b>\$ 8,898,104</b>

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

LEBANON 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.

LEBANON 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.

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:

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.

LEBANON 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.

LEBANON 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. 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.

LEBANON COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*B. Additional Pension Plan*

The School Corporation also contributes to an additional pension plan unique to the School Corporation. Information regarding this plan may be obtained from the School Corporation.

**Note 7. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of the funds being set up for reimbursable grants. The reimbursements for expenditures made by the School Corporation were not received by June 30. The School Bus Replacement fund had a negative cash balance at June 30 due to the purchase of buses in June prior to the receipts of property taxes in July and December. The Textbook Rental fund also had a negative cash balance at June 30 due to the purchase of textbooks and laptops which were not fully reimbursed by parents. Other funds with negative cash balances were due to disbursements exceeding receipts.

**Note 8. Holding Corporation**

The School Corporation has entered into capital leases with the Lebanon Community School Corporation 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 ending June 30, 2013 and 2014, totaled \$7,265,500 and \$7,387,500, respectively.

**Note 9. Subsequent Events**

On April 2, 2015, the Lebanon Community School Corporation issued General Obligation Bonds of 2015 in the amount of \$2,000,000.

**Note 10. Other Postemployment Benefits**

The School Corporation provides to eligible retirees and their spouses the following benefits: medical, dental, vision, and life insurance. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation.

#### OTHER INFORMATION - UNAUDITED

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

LEBANON 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	Referendum Debt Exempt Capital	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction
Cash and investments - beginning	\$ 3,401,679	\$ 2,258,874	\$ 107,940	\$ 124,065	\$ 2,058,344	\$ 1,459,948	\$ (62,703)	\$ 4,381,700	\$ 3,503,006
Receipts:									
Local sources	345,507	3,710,984	255,556	3,478,838	2,975,005	1,584,091	364,795	-	10,684
Intermediate sources	14	-	-	-	-	-	-	-	-
State sources	22,525,530	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	40,550	-	-	-	-
Total receipts	<u>22,871,051</u>	<u>3,710,984</u>	<u>255,556</u>	<u>3,478,838</u>	<u>3,015,555</u>	<u>1,584,091</u>	<u>364,795</u>	<u>-</u>	<u>10,684</u>
Disbursements:									
Current:									
Instruction	15,571,295	-	-	-	-	-	-	-	-
Support services	7,909,110	-	-	-	2,371,662	1,739,467	311,394	-	-
Noninstructional services	449,632	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	2,308,696	85,174	-	-	983,420
Debt services	-	4,193,619	307,002	3,205,000	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	<u>23,930,037</u>	<u>4,193,619</u>	<u>307,002</u>	<u>3,205,000</u>	<u>4,680,358</u>	<u>1,824,641</u>	<u>311,394</u>	<u>-</u>	<u>983,420</u>
Excess (deficiency) of receipts over disbursements	<u>(1,058,986)</u>	<u>(482,635)</u>	<u>(51,446)</u>	<u>273,838</u>	<u>(1,664,803)</u>	<u>(240,550)</u>	<u>53,401</u>	<u>-</u>	<u>(972,736)</u>
Other financing sources (uses):									
Sale of capital assets	23	-	-	-	16,316	-	1,200	-	3,900
Transfers in	25,192	-	-	-	-	-	-	1,000,000	-
Transfers out	-	(36,503)	-	(200,000)	-	(700,000)	(100,000)	-	-
Total other financing sources (uses)	<u>25,215</u>	<u>(36,503)</u>	<u>-</u>	<u>(200,000)</u>	<u>16,316</u>	<u>(700,000)</u>	<u>(98,800)</u>	<u>1,000,000</u>	<u>3,900</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(1,033,771)</u>	<u>(519,138)</u>	<u>(51,446)</u>	<u>73,838</u>	<u>(1,648,487)</u>	<u>(940,550)</u>	<u>(45,399)</u>	<u>1,000,000</u>	<u>(968,836)</u>
Cash and investments - ending	<u>\$ 2,367,908</u>	<u>\$ 1,739,736</u>	<u>\$ 56,494</u>	<u>\$ 197,903</u>	<u>\$ 409,857</u>	<u>\$ 519,398</u>	<u>\$ (108,102)</u>	<u>\$ 5,381,700</u>	<u>\$ 2,534,170</u>

LEBANON 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	Levy Excess	Joint Services and Supply - Special Education Cooperative	JT Services Shared Services	Perry/Worth Wetlands Project	Building Trades	Indiana Pathways/PLTW 2012	L.E.F. Grants Spring 2013
Cash and investments - beginning	\$ 239,618	\$ (20,507)	\$ -	\$ 466,612	\$ -	\$ 299	\$ (121,041)	\$ -	\$ -
Receipts:									
Local sources	963,092	253,391	-	1,027,165	1,815	-	83	7,884	13,056
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	19,000	115,383	-	-	-	-	-	-	-
Federal sources	802,099	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	1,784,191	368,774	-	1,027,165	1,815	-	83	7,884	13,056
Disbursements:									
Current:									
Instruction	-	-	-	22,550	-	-	192,557	-	2,817
Support services	5,527	539,168	-	1,061,732	1,815	-	-	7,884	-
Noninstructional services	1,878,084	-	-	-	-	-	-	-	-
Facilities acquisition and construction	16,407	-	-	-	-	299	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	1,900,018	539,168	-	1,084,282	1,815	299	192,557	7,884	2,817
Excess (deficiency) of receipts over disbursements	(115,827)	(170,394)	-	(57,117)	-	(299)	(192,474)	-	10,239
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	104,982	-	-
Transfers in	-	36,503	-	-	-	-	-	-	-
Transfers out	-	(25,192)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	11,311	-	-	-	-	104,982	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(115,827)	(159,083)	-	(57,117)	-	(299)	(87,492)	-	10,239
Cash and investments - ending	\$ 123,791	\$ (179,590)	\$ -	\$ 409,495	\$ -	\$ -	\$ (208,533)	\$ -	\$ 10,239

LEBANON 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)

	LEF Grants Fall 2013	LEF November 2011 Grant Awards & Spring 2014	L.E.F. Grants March 2011	LEF Grants 2011	LEF March 2012 Grants	LEF Grant October 2012	Go Build Indiana	Apple Computer Repair
Cash and investments - beginning	\$ -	\$ 2,333	\$ 186	\$ 1,213	\$ 7,775	\$ -	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	4,326	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	-	-	-	4,326	-	-
Disbursements:								
Current:								
Instruction	-	1,655	103	580	6,462	3,657	-	-
Support services	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	1,655	103	580	6,462	3,657	-	-
Excess (deficiency) of receipts over disbursements	-	(1,655)	(103)	(580)	(6,462)	669	-	-
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	481	-	-
Transfers out	-	(153)	(83)	(244)	-	-	-	-
Total other financing sources (uses)	-	(153)	(83)	(244)	-	481	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(1,808)	(186)	(824)	(6,462)	1,150	-	-
Cash and investments - ending	\$ -	\$ 525	\$ -	\$ 389	\$ 1,313	\$ 1,150	\$ -	\$ -

LEBANON 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)

	Instructional Support Fund	LHS After School Program	LHS Convention Center	Read-up Program	Graduation Coach 2011-2012 & 2014-2015	Graduation Coach 2012-2013	Graduation Coach 2013-2014	LCSC Hosted Tech Training
Cash and investments - beginning	\$ 43,239	\$ 1,785	\$ -	\$ -	\$ 3,349	\$ 25,600	\$ -	\$ -
Receipts:								
Local sources	65,182	3,000	500,000	-	-	19,000	31,210	500
Intermediate sources	6,084	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>71,266</u>	<u>3,000</u>	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>19,000</u>	<u>31,210</u>	<u>500</u>
Disbursements:								
Current:								
Instruction	2,824	3,083	-	-	48	56,605	-	-
Support services	55,578	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	7,974	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>58,402</u>	<u>3,083</u>	<u>7,974</u>	<u>-</u>	<u>48</u>	<u>56,605</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>12,864</u>	<u>(83)</u>	<u>492,026</u>	<u>-</u>	<u>(48)</u>	<u>(37,605)</u>	<u>31,210</u>	<u>500</u>
Other financing sources (uses):								
Sale of capital assets	713	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	12,005	-	-
Transfers out	<u>(8,705)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,301)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(7,992)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,301)</u>	<u>12,005</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>4,872</u>	<u>(83)</u>	<u>492,026</u>	<u>-</u>	<u>(3,349)</u>	<u>(25,600)</u>	<u>31,210</u>	<u>500</u>
Cash and investments - ending	<u>\$ 48,111</u>	<u>\$ 1,702</u>	<u>\$ 492,026</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,210</u>	<u>\$ 500</u>

LEBANON 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)

	Kat Program -- Stokes	Educational Support - LCSC	Lost Library Books	High Ability - Building Block	Education Technology	Medicaid Reimbursement	Secured Schools Safety Grant	Non-English Speaking 2013-2014
Cash and investments - beginning	\$ 54	\$ 30,000	\$ -	\$ (14,258)	\$ -	\$ 7,891	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	14,995	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	-	-	14,995	-	-	-	-
Disbursements:								
Current:								
Instruction	-	-	-	737	-	-	-	-
Support services	-	4,291	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	4,291	-	737	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	(4,291)	-	14,258	-	-	-	-
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	-	(4,291)	-	14,258	-	-	-	-
Cash and investments - ending	\$ 54	\$ 25,709	\$ -	\$ -	\$ -	\$ 7,891	\$ -	\$ -

LEBANON 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)

	NESP 2011-2012 Grant	NESP 2012-2013	School Technology	Technology Grants [IC 20-40-15]	Performance Based Awards	Title I 2011-2012	Title I 2012-2013	Title I 2013-2014
Cash and investments - beginning	\$ 1,623	\$ -	\$ 10,414	\$ 32,746	\$ -	\$ (129,516)	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	93	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	4,007	6,786	-	-	-	-	-
Federal sources	-	-	-	-	-	174,034	274,519	-
Other	-	-	-	68,897	-	-	-	-
Total receipts	-	4,007	6,786	68,897	-	174,034	274,612	-
Disbursements:								
Current:								
Instruction	1,623	2,581	-	8,352	-	7,675	210,371	-
Support services	-	-	-	15,307	-	26,390	42,124	-
Noninstructional services	-	-	-	-	-	10,453	81,947	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	1,623	2,581	-	23,659	-	44,518	334,442	-
Excess (deficiency) of receipts over disbursements	(1,623)	1,426	6,786	45,238	-	129,516	(59,830)	-
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	(1,623)	1,426	6,786	45,238	-	129,516	(59,830)	-
Cash and investments - ending	\$ -	\$ 1,426	\$ 17,200	\$ 77,984	\$ -	\$ -	\$ (59,830)	\$ -

LEBANON 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 I IUMCH 2011-2012	Title I Part D IUMCH 2012-2013	Title I IUMCH 2013-2014	Flow Through 2013-2014	SP ED Flow Through 2011-2012	Flow Through Lebanon 2012-2013	IDEA 611 Lebanon 2013-2014	IDEA 619 FY 2012 JT. Services
Cash and investments - beginning	\$ (38,865)	\$ -	\$ -	\$ -	\$ (37,288)	\$ -	\$ -	\$ 68,333
Receipts:								
Local sources	-	-	-	-	350	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	44,052	26,276	-	-	101,554	720,493	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>44,052</u>	<u>26,276</u>	<u>-</u>	<u>-</u>	<u>101,904</u>	<u>720,493</u>	<u>-</u>	<u>-</u>
Disbursements:								
Current:								
Instruction	5,187	42,628	-	-	64,616	719,410	-	68,333
Support services	-	-	-	-	-	36,618	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>5,187</u>	<u>42,628</u>	<u>-</u>	<u>-</u>	<u>64,616</u>	<u>756,028</u>	<u>-</u>	<u>68,333</u>
Excess (deficiency) of receipts over disbursements	<u>38,865</u>	<u>(16,352)</u>	<u>-</u>	<u>-</u>	<u>37,288</u>	<u>(35,535)</u>	<u>-</u>	<u>(68,333)</u>
Other financing sources (uses):								
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>38,865</u>	<u>(16,352)</u>	<u>-</u>	<u>-</u>	<u>37,288</u>	<u>(35,535)</u>	<u>-</u>	<u>(68,333)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (16,352)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (35,535)</u>	<u>\$ -</u>	<u>\$ -</u>

LEBANON 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)

	IDEA 611 FY 2012 JT. Services	IDEA-611 Flow Thru Jt. Services/Co-Op	IDEA TA Grant 13-14	619 Federal Pre-School Sp. Ed. 2012-2013 Lebanon	IDEA 619 Lebanon 2013-2014	619 Federal Pre-School Sp Ed Jt. Services/Co-Op	Medicaid Reimbursement - Federal	EERP- Early Retiree Reins Prog
Cash and investments - beginning	\$ 272,160	\$ (24,177)	\$ -	\$ -	\$ -	\$ -	\$ 12,969	\$ 32,854
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	2,083,435	-	13,432	-	48,143	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	2,083,435	-	13,432	-	48,143	-	-
Disbursements:								
Current:								
Instruction	272,160	-	-	23,704	-	-	-	32,854
Support services	-	2,059,258	-	-	-	48,143	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	272,160	2,059,258	-	23,704	-	48,143	-	32,854
Excess (deficiency) of receipts over disbursements	(272,160)	24,177	-	(10,272)	-	-	-	(32,854)
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	(272,160)	24,177	-	(10,272)	-	-	-	(32,854)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ (10,272)	\$ -	\$ -	\$ 12,969	\$ -

LEBANON 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 IIA 2010-2012	Title IIA 2011-2013	Title II 2012-2014	Title II, Part A Tech Conferen	Education Jobs	Prepaid Food	Clearing	Totals
Cash and investments - beginning	\$ (35,192)	\$ (59,047)	\$ -	\$ -	\$ -	\$ -	\$ 91,342	\$ 18,105,357
Receipts:								
Local sources	-	-	-	-	-	-	-	15,615,607
Intermediate sources	-	-	-	-	-	-	-	6,098
State sources	-	-	-	-	-	-	-	22,685,701
Federal sources	43,441	80,218	18,877	-	13,859	-	-	4,444,432
Other	-	-	-	-	-	-	6,433,151	6,542,598
Total receipts	<u>43,441</u>	<u>80,218</u>	<u>18,877</u>	<u>-</u>	<u>13,859</u>	<u>-</u>	<u>6,433,151</u>	<u>49,294,436</u>
Disbursements:								
Current:								
Instruction	8,249	21,171	36,995	-	13,859	-	-	17,404,741
Support services	-	-	16,994	-	-	-	-	16,252,462
Noninstructional services	-	-	-	-	-	-	-	2,420,116
Facilities acquisition and construction	-	-	-	-	-	-	-	3,401,970
Debt services	-	-	-	-	-	-	-	7,705,621
Nonprogrammed charges	-	-	-	-	-	-	6,312,503	6,312,503
Total disbursements	<u>8,249</u>	<u>21,171</u>	<u>53,989</u>	<u>-</u>	<u>13,859</u>	<u>-</u>	<u>6,312,503</u>	<u>53,497,413</u>
Excess (deficiency) of receipts over disbursements	<u>35,192</u>	<u>59,047</u>	<u>(35,112)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>120,648</u>	<u>(4,202,977)</u>
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	127,134
Transfers in	-	-	-	-	-	-	-	1,074,181
Transfers out	-	-	-	-	-	-	-	(1,074,181)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>127,134</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>35,192</u>	<u>59,047</u>	<u>(35,112)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>120,648</u>	<u>(4,075,843)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (35,112)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 211,990</u>	<u>\$ 14,029,514</u>

LEBANON 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	Referendum Debt Exempt Capital	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	Construction
Cash and investments - beginning	\$ 2,367,908	\$ 1,739,736	\$ 56,494	\$ 197,903	\$ 409,857	\$ 519,398	\$ (108,102)	\$ 5,381,700	\$ 2,534,170
Receipts:									
Local sources	295,890	3,854,390	293,921	3,520,328	2,991,925	1,527,789	358,247	-	3,436
Intermediate sources	30	-	-	-	-	-	-	-	-
State sources	22,944,931	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	1,140	5,189	-	-	-
Total receipts	<u>23,240,851</u>	<u>3,854,390</u>	<u>293,921</u>	<u>3,520,328</u>	<u>2,993,065</u>	<u>1,532,978</u>	<u>358,247</u>	<u>-</u>	<u>3,436</u>
Disbursements:									
Current:									
Instruction	15,551,221	-	-	-	-	-	-	-	-
Support services	7,814,395	-	-	-	2,259,463	1,842,399	325,716	350,288	-
Noninstructional services	461,484	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	680,560	101,525	-	1,251,062	2,142,014
Debt services	-	4,194,763	305,554	3,325,500	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	<u>23,827,100</u>	<u>4,194,763</u>	<u>305,554</u>	<u>3,325,500</u>	<u>2,940,023</u>	<u>1,943,924</u>	<u>325,716</u>	<u>1,601,350</u>	<u>2,142,014</u>
Excess (deficiency) of receipts over disbursements	<u>(586,249)</u>	<u>(340,373)</u>	<u>(11,633)</u>	<u>194,828</u>	<u>53,042</u>	<u>(410,946)</u>	<u>32,531</u>	<u>(1,601,350)</u>	<u>(2,138,578)</u>
Other financing sources (uses):									
Sale of capital assets	413	-	-	-	14,389	-	-	-	-
Transfers in	65,509	-	-	200,000	-	-	-	-	-
Transfers out	-	(42,063)	-	-	-	-	-	(200,000)	-
Total other financing sources (uses)	<u>65,922</u>	<u>(42,063)</u>	<u>-</u>	<u>200,000</u>	<u>14,389</u>	<u>-</u>	<u>-</u>	<u>(200,000)</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(520,327)</u>	<u>(382,436)</u>	<u>(11,633)</u>	<u>394,828</u>	<u>67,431</u>	<u>(410,946)</u>	<u>32,531</u>	<u>(1,801,350)</u>	<u>(2,138,578)</u>
Cash and investments - ending	<u>\$ 1,847,581</u>	<u>\$ 1,357,300</u>	<u>\$ 44,861</u>	<u>\$ 592,731</u>	<u>\$ 477,288</u>	<u>\$ 108,452</u>	<u>\$ (75,571)</u>	<u>\$ 3,580,350</u>	<u>\$ 395,592</u>

LEBANON 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	Levy Excess	Joint Services and Supply - Special Education Cooperative	JT Services Shared Services	Perry/Worth Wetlands Project	Building Trades	Indiana Pathways/PLTW 2012	L.E.F. Grants Spring 2013
Cash and investments - beginning	\$ 123,791	\$ (179,590)	\$ -	\$ 409,495	\$ -	\$ -	\$ (208,533)	\$ -	\$ 10,239
Receipts:									
Local sources	920,032	286,609	-	1,202,469	43,972	-	710	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	18,635	121,876	69,336	-	-	-	-	-	-
Federal sources	1,017,450	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	1,956,117	408,485	69,336	1,202,469	43,972	-	710	-	-
Disbursements:									
Current:									
Instruction	-	-	-	243,120	-	-	250,680	-	8,469
Support services	31,419	209,942	-	1,153,202	43,972	-	-	-	-
Noninstructional services	1,904,186	-	-	-	-	-	-	-	-
Facilities acquisition and construction	17,705	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Total disbursements	1,953,310	209,942	-	1,396,322	43,972	-	250,680	-	8,469
Excess (deficiency) of receipts over disbursements	2,807	198,543	69,336	(193,853)	-	-	(249,970)	-	(8,469)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	363,076	-	-
Transfers in	-	42,063	-	-	-	-	-	-	-
Transfers out	-	(31,556)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	10,507	-	-	-	-	363,076	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,807	209,050	69,336	(193,853)	-	-	113,106	-	(8,469)
Cash and investments - ending	\$ 126,598	\$ 29,460	\$ 69,336	\$ 215,642	\$ -	\$ -	\$ (95,427)	\$ -	\$ 1,770

LEBANON 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)

	LEF Grants Fall 2013	LEF November 2011 Grant Awards & Spring 2014	L.E.F. Grants March 2011	LEF Grants 2011	LEF March 2012 Grants	LEF Grant October 2012	Go Build Indiana	Apple Computer Repair
Cash and investments - beginning	\$ -	\$ 525	\$ -	\$ 389	\$ 1,313	\$ 1,150	\$ -	\$ -
Receipts:								
Local sources	6,682	9,026	-	-	-	-	-	7,458
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>6,682</u>	<u>9,026</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,458</u>
Disbursements:								
Current:								
Instruction	4,868	4,276	-	389	1,255	204	-	2,583
Support services	-	-	-	-	-	-	75	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>4,868</u>	<u>4,276</u>	<u>-</u>	<u>389</u>	<u>1,255</u>	<u>204</u>	<u>75</u>	<u>2,583</u>
Excess (deficiency) of receipts over disbursements	<u>1,814</u>	<u>4,750</u>	<u>-</u>	<u>(389)</u>	<u>(1,255)</u>	<u>(204)</u>	<u>(75)</u>	<u>4,875</u>
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	384	-	-	-	-	-	1,201
Transfers out	-	-	-	-	(58)	(327)	-	(1,201)
Total other financing sources (uses)	<u>-</u>	<u>384</u>	<u>-</u>	<u>-</u>	<u>(58)</u>	<u>(327)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>1,814</u>	<u>5,134</u>	<u>-</u>	<u>(389)</u>	<u>(1,313)</u>	<u>(531)</u>	<u>(75)</u>	<u>4,875</u>
Cash and investments - ending	<u>\$ 1,814</u>	<u>\$ 5,659</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 619</u>	<u>\$ (75)</u>	<u>\$ 4,875</u>

LEBANON 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)

	Instructional Support Fund	LHS After School Program	LHS Convention Center	Read-up Program	Graduation Coach 2011-2012 & 2014-2015	Graduation Coach 2012-2013	Graduation Coach 2013-2014	LCSC Hosted Tech Training
Cash and investments - beginning	\$ 48,111	\$ 1,702	\$ 492,026	\$ -	\$ -	\$ -	\$ 31,210	\$ 500
Receipts:								
Local sources	93,506	3,000	-	2,250	20,717	-	35,440	7,095
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	<u>93,506</u>	<u>3,000</u>	<u>-</u>	<u>2,250</u>	<u>20,717</u>	<u>-</u>	<u>35,440</u>	<u>7,095</u>
Disbursements:								
Current:								
Instruction	14,472	3,550	-	1,623	-	4,564	53,013	-
Support services	88,634	-	-	-	-	-	-	4,269
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	492,026	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	<u>103,106</u>	<u>3,550</u>	<u>492,026</u>	<u>1,623</u>	<u>-</u>	<u>4,564</u>	<u>53,013</u>	<u>4,269</u>
Excess (deficiency) of receipts over disbursements	<u>(9,600)</u>	<u>(550)</u>	<u>(492,026)</u>	<u>627</u>	<u>20,717</u>	<u>(4,564)</u>	<u>(17,573)</u>	<u>2,826</u>
Other financing sources (uses):								
Sale of capital assets	125	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	4,564	-	-
Transfers out	<u>(4,564)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(4,439)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,564</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(14,039)</u>	<u>(550)</u>	<u>(492,026)</u>	<u>627</u>	<u>20,717</u>	<u>-</u>	<u>(17,573)</u>	<u>2,826</u>
Cash and investments - ending	<u>\$ 34,072</u>	<u>\$ 1,152</u>	<u>\$ -</u>	<u>\$ 627</u>	<u>\$ 20,717</u>	<u>\$ -</u>	<u>\$ 13,637</u>	<u>\$ 3,326</u>

LEBANON 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)

	Kat Program -- Stokes	Educational Support - LCSC	Lost Library Books	High Ability - Building Block	Education Technology	Medicaid Reimbursement	Secured Schools Safety Grant	Non-English Speaking 2013-2014
Cash and investments - beginning	\$ 54	\$ 25,709	\$ -	\$ -	\$ -	\$ 7,891	\$ -	\$ -
Receipts:								
Local sources	-	8,034	40	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	643,200	-	33,953	4,504
Federal sources	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	8,034	40	-	643,200	-	33,953	4,504
Disbursements:								
Current:								
Instruction	-	-	-	-	-	-	-	2,325
Support services	-	32,108	-	-	643,200	7,891	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	32,108	-	-	643,200	7,891	-	2,325
Excess (deficiency) of receipts over disbursements	-	(24,074)	40	-	-	(7,891)	33,953	2,179
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(33,953)	-
Total other financing sources (uses)	-	-	-	-	-	-	(33,953)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(24,074)	40	-	-	(7,891)	-	2,179
Cash and investments - ending	\$ 54	\$ 1,635	\$ 40	\$ -	\$ -	\$ -	\$ -	\$ 2,179

LEBANON 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)

	NESP 2011-2012 Grant	NESP 2012-2013	School Technology	Technology Grants [IC 20-40-15]	Performance Based Awards	Title I 2011-2012	Title I 2012-2013	Title I 2013-2014
Cash and investments - beginning	\$ -	\$ 1,426	\$ 17,200	\$ 77,984	\$ -	\$ -	\$ (59,830)	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	169
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	6,924	-	-	-	-	-
Federal sources	-	-	-	-	-	-	149,458	261,933
Other	-	-	-	66,559	-	-	-	-
Total receipts	-	-	6,924	66,559	-	-	149,458	262,102
Disbursements:								
Current:								
Instruction	-	1,426	-	1,300	13,392	-	63,160	154,504
Support services	-	-	13,902	80,324	-	-	12,761	57,506
Noninstructional services	-	-	-	-	-	-	13,707	69,544
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	1,426	13,902	81,624	13,392	-	89,628	281,554
Excess (deficiency) of receipts over disbursements	-	(1,426)	(6,978)	(15,065)	(13,392)	-	59,830	(19,452)
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	-	(1,426)	(6,978)	(15,065)	(13,392)	-	59,830	(19,452)
Cash and investments - ending	\$ -	\$ -	\$ 10,222	\$ 62,919	\$ (13,392)	\$ -	\$ -	\$ (19,452)

LEBANON 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 I IUMCH 2011-2012	Title I Part D IUMCH 2012-2013	Title I IUMCH 2013-2014	Flow Through 2013-2014	SP ED Flow Through 2011-2012	Flow Through Lebanon 2012-2013	IDEA 611 Lebanon 2013-2014	IDEA 619 FY 2012 JT. Services
Cash and investments - beginning	\$ -	\$ (16,352)	\$ -	\$ -	\$ -	\$ (35,535)	\$ -	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	170	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	19,996	33,129	19,245	-	124,698	675,550	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	19,996	33,129	19,245	-	124,698	675,720	-
Disbursements:								
Current:								
Instruction	-	3,644	37,624	19,245	-	85,072	675,636	-
Support services	-	-	-	-	-	4,270	48,849	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	3,644	37,624	19,245	-	89,342	724,485	-
Excess (deficiency) of receipts over disbursements	-	16,352	(4,495)	-	-	35,356	(48,765)	-
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	-	16,352	(4,495)	-	-	35,356	(48,765)	-
Cash and investments - ending	\$ -	\$ -	\$ (4,495)	\$ -	\$ -	\$ (179)	\$ (48,765)	\$ -

LEBANON 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)

	IDEA 611 FY 2012 JT. Services	IDEA-611 Flow Thru Jt. Services/Co-Op	IDEA TA Grant 13-14	619 Federal Pre-School Sp. Ed. 2012-2013 Lebanon	IDEA 619 Lebanon 2013-2014	619 Federal Pre-School Sp Ed Jt. Services/Co-Op	Medicaid Reimbursement - Federal	EERP- Early Retiree Reins Prog
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (10,272)	\$ -	\$ -	\$ 12,969	\$ -
Receipts:								
Local sources	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-
Federal sources	-	2,026,930	49,326	13,980	12,569	59,919	-	-
Other	-	-	-	-	-	-	-	-
Total receipts	-	2,026,930	49,326	13,980	12,569	59,919	-	-
Disbursements:								
Current:								
Instruction	-	-	-	3,708	21,250	-	-	-
Support services	-	2,027,398	49,326	-	-	59,919	-	-
Noninstructional services	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total disbursements	-	2,027,398	49,326	3,708	21,250	59,919	-	-
Excess (deficiency) of receipts over disbursements	-	(468)	-	10,272	(8,681)	-	-	-
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	-	(468)	-	10,272	(8,681)	-	-	-
Cash and investments - ending	\$ -	\$ (468)	\$ -	\$ -	\$ (8,681)	\$ -	\$ 12,969	\$ -

LEBANON 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 IIA 2010-2012	Title IIA 2011-2013	Title II 2012-2014	Title II, Part A Tech Conferen	Education Jobs	Prepaid Food	Clearing	Totals
Cash and investments - beginning	\$ -	\$ -	\$ (35,112)	\$ -	\$ -	\$ -	\$ 211,990	\$ 14,029,514
Receipts:								
Local sources	-	-	-	-	-	-	-	15,493,305
Intermediate sources	-	-	-	-	-	-	-	30
State sources	-	-	-	-	-	-	-	23,843,359
Federal sources	-	-	86,799	16,000	-	-	-	4,566,982
Other	-	-	-	-	-	944,545	6,796,954	7,814,387
Total receipts	-	-	86,799	16,000	-	944,545	6,796,954	51,718,063
Disbursements:								
Current:								
Instruction	30,059	-	48,117	-	-	-	-	17,304,749
Support services	14,377	-	3,570	16,000	-	-	-	17,195,175
Noninstructional services	-	-	-	-	-	-	-	2,448,921
Facilities acquisition and construction	-	-	-	-	-	-	-	4,684,892
Debt services	-	-	-	-	-	-	-	7,825,817
Nonprogrammed charges	-	-	-	-	-	818,629	6,949,292	7,767,921
Total disbursements	44,436	-	51,687	16,000	-	818,629	6,949,292	57,227,475
Excess (deficiency) of receipts over disbursements	(44,436)	-	35,112	-	-	125,916	(152,338)	(5,509,412)
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	378,003
Transfers in	-	-	-	-	-	-	-	313,721
Transfers out	-	-	-	-	-	-	-	(313,722)
Total other financing sources (uses)	-	-	-	-	-	-	-	378,002
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(44,436)	-	35,112	-	-	125,916	(152,338)	(5,131,410)
Cash and investments - ending	\$ (44,436)	\$ -	\$ -	\$ -	\$ -	\$ 125,916	\$ 59,652	\$ 8,898,104

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

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 964,726</u>	<u>\$ -</u>

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

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Lebanon Community School Corporation Holding Corporation	2011 MS Building Lease	\$ 3,446,000	1/10/2012	1/10/2024
Lebanon Community School Corporation Holding Corporation	2000/2001 MS Building Project	2,140,000	7/10/2007	1/10/2021
Lebanon Community School Corporation Holding Corporation	1995 Stokes Elementary	1,926,000	7/5/1998	1/5/2018
Apple Financial Services	Laptops for High School Students	<u>295,536</u>	5/16/2013	11/16/2016
Total of annual lease payments		<u>\$ 7,807,536</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	Pension Bond - Indiana Bond Bank	\$ 1,415,000	\$ 308,338
Notes and loans payable	Common School Loan Technology	323,300	326,234
Notes and loans payable	Common School Loan Technology	<u>319,900</u>	<u>323,500</u>
Totals		<u>\$ 2,058,200</u>	<u>\$ 958,072</u>

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LEBANON 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.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 1,150,000
Improvements other than buildings	1,145,879
Buildings	84,867,834
Machinery, equipment, and vehicles	<u>9,627,770</u>
Total capital assets	<u>\$ 96,791,483</u>

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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 LEBANON COMMUNITY SCHOOL  
CORPORATION, BOONE COUNTY, INDIANA

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

We have audited the Lebanon 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

January 28, 2016

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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.

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LEBANON 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	FY 2013, FY 2014	\$ 181,048	\$ 218,911
National School Lunch Program		10.555	FY 2013, FY 2014	710,150	881,001
Summer Food Service Program for Children		10.559	FY 2013, FY 2014	16,031	19,954
Total - Department of Agriculture				<u>907,229</u>	<u>1,119,866</u>
<u>Department of Education</u>					
Title I, Part A Cluster					
Title I Grants to Local Educational Agencies	Indiana Department of Education				
Title I Basic Grant		84.010	FY 2013, FY 2014	448,554	411,391
Title I - Delinquent Grant			FY 2013, FY 2014	70,328	53,125
Total - Title I, Part A Cluster				<u>518,882</u>	<u>464,516</u>
Special Education Cluster					
Special Education_Grants to States	Indiana Department of Education				
IDEA Part B 619		84.027	14214-099-PN01	846,224	799,960
IDEA TA Grant			99914-099-TA01	-	19,246
Total - Special Education_Grants to States				<u>846,224</u>	<u>819,206</u>
Special Education_Preschool Grants	Indiana Department of Education				
IDEA Part B 619		84.173	45714-099-PN01	13,432	26,549
Total - Special Education Cluster				<u>859,656</u>	<u>845,755</u>
Improving Teacher Quality State Grants	Indiana Department of Education				
Title II		84.367	13-0665	142,536	86,800
Title II - Tech Grant From State			FY 2014	-	16,000
Total - Improving Teacher Quality State Grants				<u>142,536</u>	<u>102,800</u>
Education Jobs Fund	Indiana Department of Education	84.410	FY 2013	13,859	-
Total - Department of Education				<u>1,534,933</u>	<u>1,413,071</u>
Total federal awards expended				<u>\$ 2,442,162</u>	<u>\$ 2,532,937</u>

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

LEBANON COMMUNITY SCHOOL CORPORATION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Note 1. Basis of Presentation**

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

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

**Note 2. Special Education Cooperative**

The School Corporation is a member of a Special Education Cooperative and serves as the fiscal agent for it. As a result, some activity for the Special Education Cluster that is presented as receipts and disbursements in the financial statement is not presented on the SEFA for the School Corporation. This activity is reported on the SEFAs of the member school corporations as appropriate.

**Note 3. Noncash Assistance**

The School Corporation expended the following amount of noncash assistance for the years ended 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	\$ 105,130	\$ 102,416

LEBANON 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

Child Nutrition Cluster  
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. The School Corporation has no control in place to ensure that the SEFA prepared by the Business Manager was accurate.

During the audit of the SEFA, we noted that a state grant was included in error and that two federal awards were omitted, including the programs in the Child Nutrition Cluster. These errors resulted in the SEFA presented for audit being understated by \$2,037,791. Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA presented in this report.

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

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

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 in part:

"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.  
. . ."

***FINDING 2014-002 - 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. The School Corporation has not separated incompatible activities related to receipts. The controls that had been designed and implemented by the School Corporation for processing, recording, and reporting receipts did not provide evidence of a review or approval process to ensure that material misstatements will be prevented, or detected and corrected, in a timely manner.

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.

LEBANON 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)

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

No matters are reportable.

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#### AUDITEE PREPARED DOCUMENTS

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



**Administration Center – Office of the Superintendent**

1810 North Grant Street  
LEBANON, INDIANA 46052

Phone: (765) 482-0380

Fax: (765) 483-3053

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

***FINDING 2012-1 Internal Controls over Financial Transactions and Reporting***

Original Assigned SBA Audit Report Number: B41984  
Report Period: July 1, 2010 to June 30, 2014  
Pass-Through Entity or Federal Grantor Agency: n/a  
Contact Person Responsible for Corrective Action: Charles L. Tait  
Contact Phone Number: 765-482-0380 ext. 31809

Status of Audit Finding:

In January 2011 LCSC implemented the following:

**DEPOSITS** – Deposits are prepared by designated employees. Funds are accounted for specifically with each deposit slip. Deposits are secured in sealable numbered bank envelopes and logged into the safe. The courier then will sign for each bag from each building. The bank teller then signs for each numbered deposit bag. The bank will count and reconcile each deposit. Any discrepancies are reported. Upon received the bank receipts the Corporation bookkeeper notes any discrepancies with the deposit slips submitted and the actual recorded deposit.

**INVOICES AND CLAIMS** – All purchase orders are submitted and approved by the building principal. All purchase orders are then reviewed by the Assistant Superintendent – approved or denied.

All invoices and all claims are reviewed by the Assistant Superintendent before they are submitted for payment to the Accounts Payable. Any billing discrepancies are reviewed and corrected by the Assistant Superintendent and the Accounts Payable staff. A detailed report of claims is submitted to the Assistant Superintendent, Superintendent, and the School Board for review and approval at the monthly School Board meeting.

**PAYROLL** – For hourly staff the Building Administration reviews and submits final approval to the payroll department for hourly staff. The payroll staff reviews the submissions for any errors, edits, etc. The Assistant Superintendent randomly reviews the detailed employee/hourly submission. Hourly pay is entered by the payroll staff on the Komputrol payroll system.

For salaried staff, the payroll department enters the salary using the Komputrol software to compute the compensation per pay period. The Assistant Superintendent reviews the payroll distribution report for each payroll. A detailed report with names and individual pay information is reviewed by the Assistant Superintendent upon request.

The School Board reviews and approves each payroll at the monthly School Board meeting.

**Charles L. Tait**  
Business/Assistant Superintendent

**Bob J. Ross**  
Director of Resource and Operation

**Robert L. Taylor**  
Superintendent

**Kari K. Ottinger**  
Director of Assessment

**Chad A. Martin**  
Director of Technology

**Diane Lee Scott**  
Director of Instruction



**Administration Center – Office of the Superintendent**

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Phone: (765) 482-0380

Fax: (765) 483-3053

MONTHLY BANK STATEMENTS AND REPORTS – The Corporation Treasurer reviews and balances monthly bank statements with the School Corporation accounting balances. The Extra-Curricular Treasurer reviews both and initials the balanced reports.

The Corporation Extra-Curricular Treasurer reviews and balances monthly bank statements with the School Corporation Extra-Curricular accounts. The Corporation Treasurer reviews both and initials the balanced reports.

Monthly reports of revenue and expenditures are submitted to the Assistant Superintendent, Superintendent, and each School Board member.

***FINDING 2012-2 Internal Control/Eligibility***

Original Assigned SBA Audit Report Number: B41984

Report Period: July 1, 2010 to June 30, 2014

Pass-Through Entity or Federal Grantor Agency: Indiana Department of Education

Contact Person Responsible for Corrective Action: Charles L. Tait

Contact Phone Number: 765-482-0380 ext. 31809

Status of Audit Finding:

The Food Service Director and Assistant Superintendent review and initial all reports submitted, Eligibility Determination and Applications.

***FINDING 2012-3 Internal Control/Cash Management and Reporting***

Original Assigned SBA Audit Report Number: B41984

Report Period: July 1, 2010 to June 30, 2014

Pass-Through Entity or Federal Grantor Agency: Indiana Department of Education

Contact Person Responsible for Corrective Action: Charles L. Tait

Contact Phone Number: 765-482-0380 ext. 31809

Status of Audit Finding:

The Food Service Director and Assistant Superintendent review and initial all reports submitted. The Student Services Software and the Food Service Software is used to generate reports and then are cross referenced with the Corporation Financial Software reports regarding revenue and expenditures.

**Charles L. Tait**  
Business/Assistant Superintendent

**Bob J. Ross**  
Director of Resource and Operation

**Robert L. Taylor**  
Superintendent

**Kari K. Ottinger**  
Director of Assessment

**Diane Lee Scott**  
Director of Instruction

**Chad A. Martin**  
Director of Technology



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***FINDING 2012-4 Cash Management***

Original Assigned SBA Audit Report Number: B41984

Report Period: July 1, 2010 to June 30, 2014


Pass-Through Entity or Federal Grantor Agency: Indiana Department of Education

Contact Person Responsible for Corrective Action: Charles L. Tait


Contact Phone Number: 765-482-0380 ext. 31809

Status of Audit Finding:

Request for reimbursement follows the end-of-month reports for expenditures and is filed accordingly by the Assistant Superintendent.

  
\_\_\_\_\_  
(Signature)

  
\_\_\_\_\_  
(Title)

  
\_\_\_\_\_  
(Date)

(Note to Officials: To determine what audit findings are required to be reported in the Summary Schedule of Prior Audit Findings, please see U.S. Office of Management and Budget (OMB), Circular A-133, Subpart C, section .315(b).)

**Charles L. Tait**  
Business/Assistant Superintendent

**Bob J. Ross**  
Director of Resource and Operation

**Robert L. Taylor**  
Superintendent

**Kari K. Ottinger**  
Director of Assessment

**Diane Lee Scott**  
Director of Instruction

**Chad A. Martin**  
Director of Technology



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Phone: (765) 482-0380

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**CORRECTIVE ACTION PLAN**

***FINDING 2014-001 PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS***

Contact Person Responsible for Corrective Action: CHARLES TAIT  
Contact Phone Number: 765-482-0380

Description of Corrective Action Plan:

Asst. Supt. Failed to include the Food Service Program in the report.  
That has since been corrected.

Asst. Supt. For the initial filing of this report requests "expenditures." I understood that to be the expended dollar amount.  
Explanation from the audit indicates that in reality it is the "receipted/reimbursed" dollar amount for the grant at that time.

The report has been corrected and will be entered accordingly in the future.

Anticipated Completion Date: ALREADY CORRECTED

*Charles Tait*

(Signature)

*ASST-Supt*

(Title)

*4-1-15*

(Date)

**Charles L. Tait**  
**Business/Assistant Superintendent**

**Bob J. Ross**  
**Director of Resource and Operation**

**Robert L. Taylor**  
**Superintendent**

**Kari K. Ottinger**  
**Director of Assessment**

**Diane Lee Scott**  
**Director of Instruction**

**Chad A. Martin**  
**Director of Technology**



**Administration Center – Office of the Superintendent**

1810 North Grant Street  
LEBANON, INDIANA 46052

Phone: (765) 482-0380

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**CORRECTIVE ACTION PLAN**

***FINDING 2014-002 INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING***

Contact Person Responsible for Corrective Action: CHARLES TAIT  
Contact Phone Number: 765-482-0380

Description of Corrective Action Plan:

Current practice is that the Corporation Treasurer prepares the receipts and the accounts payable/receivable staff member enters them. Thus, two people are ultimately responsible for the accuracy. This is our internal control procedure.

The receipts are also cross referenced with the bank statements and the receipts from the bank.

Anticipated Completion Date: The accounts payable/receivable staff member will begin to initial the receipts prepared by the treasurer as she enters the receipts to our software financial. Implementation will begin immediately 4/1/2015.

Charles Tait  
(Signature)

Asst. Supt.  
(Title)

4-1-2015  
(Date)

**Charles L. Tait**  
Business/Assistant Superintendent

**Bob J. Ross**  
Director of Resource and Operation

**Robert L. Taylor**  
Superintendent

**Kari K. Ottinger**  
Director of Assessment

**Diane Lee Scott**  
Director of Instruction

**Chad A. Martin**  
Director of Technology

#### 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/>.