

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

SOUTHEAST FOUNTAIN SCHOOL CORPORATION
FOUNTAIN COUNTY, INDIANA

July 1, 2013 to June 30, 2015



FILED

04/14/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Cynthia C. Alward	07-01-13 to 06-30-16
Superintendent of Schools	Douglas A. Allison	07-01-13 to 06-30-16
President of the School Board	Doug Davenport Eli Hoagland Nick Davis Donna J. Deel	01-01-13 to 12-31-13 01-01-14 to 12-31-14 01-01-15 to 12-31-15 01-01-16 to 12-31-16



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE SOUTHEAST FOUNTAIN SCHOOL
CORPORATION, FOUNTAIN COUNTY, INDIANA

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

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

Other Matters

Supplementary Information

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


Other Information

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated February 3, 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

February 3, 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 SOUTHEAST FOUNTAIN SCHOOL
CORPORATION, FOUNTAIN 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 Southeast Fountain School Corporation (School Corporation), which comprises the financial position and results of operations for the period of July 1, 2013 to June 30, 2015, and the related notes to the financial statement, and have issued our report thereon dated February 3, 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 a deficiency in internal control over financial reporting that we consider to be a material weakness.

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 deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2015-001 to be a material weakness.

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 2015-001.

Southeast Fountain 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

February 3, 2016

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

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

	Cash and Investments 07-01-13	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-14	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-15
General	\$ 1,674,260	\$ 7,199,674	\$ 7,120,435	\$ 20	\$ 1,753,519	\$ 7,179,255	\$ 7,100,154	\$ 296	\$ 1,832,916
Debt Service	477,148	690,805	716,109	-	451,844	702,780	718,196	-	436,428
Capital Projects	427,111	1,023,674	1,079,991	250	371,044	1,079,504	827,939	(76,000)	546,609
School Transportation	462,433	854,045	709,243	(138,000)	469,235	871,923	793,188	(44,000)	503,970
School Bus Replacement	222,486	221,618	278,300	-	165,804	234,941	241,568	-	159,177
Rainy Day	1,952,348	-	526,718	138,000	1,563,630	-	360,889	120,000	1,322,741
School Lunch	176,953	689,994	574,832	-	292,115	647,783	674,267	-	265,631
Textbook Rental	132,271	137,527	120,432	-	149,366	144,093	171,063	-	122,396
2013-14 Voc Ed Welding	-	105,001	82,153	1,013	23,861	-	22,265	(1,596)	-
2012-13 Voc Ed Welding	14,563	-	13,550	(1,013)	-	110,912	81,068	1,596	31,440
2013-14 Pharmacy Tech	-	9,420	7,970	580	2,030	-	-	(2,030)	-
2012-13 Pharmacy Tech	580	-	-	(580)	-	10,970	12,435	2,030	565
Educational License Plates	2,033	150	2,119	-	64	131	101	-	94
Early Intervention Grant	-	10,000	10,000	-	-	9,047	9,047	-	-
Waterford Labs Grant	-	7,000	7,000	-	-	3,000	226	-	2,774
Cultural Arts	592	5,000	5,480	-	112	5,000	3,048	-	2,064
German Exchange Program	1,915	20,500	19,546	-	2,869	25,000	18,167	-	9,702
Scholarships and Awards	101,273	330	1,500	-	100,103	725	500	-	100,328
David Sanders Scholarship Fund	1,239	-	-	-	1,239	-	-	-	1,239
Neal/Barbara Zick Scholarship	-	7,500	2,500	-	5,000	5,000	5,000	-	5,000
Elem Needy Children Fund	964	-	-	-	964	-	-	-	964
West IN Comm Foundation Grant	-	3,690	3,690	-	-	1,000	1,000	-	-
Elementary Pond Project	86	-	-	-	86	-	86	-	-
2012-13 High Ability Grant	-	-	-	-	-	29,722	29,323	-	399
2013-14 High Ability Grant	-	29,338	29,338	-	-	-	-	-	-
Drug Free Communities	180	-	-	-	180	-	100	-	80
Medicaid Reimbursement	-	-	-	-	-	1,765	403	(296)	1,066
Secured Schools Safety Grant	-	-	-	-	-	12,650	12,650	-	-
Non-English Speaking Programs P.L. 273-1999	-	2,454	2,454	-	-	1,741	1,741	-	-
School Technology	-	4,488	4,169	-	319	4,539	3,582	-	1,276
Senator David Ford Technology	-	-	-	-	-	12,479	13,272	-	(793)
Excess PTRC Distributions	2,626	-	2,626	-	-	-	-	-	-
2012-13 Title I	(9,441)	31,006	21,565	-	-	158,500	168,980	-	(10,480)
2013-14 Title I Grant	-	157,803	169,952	-	(12,149)	36,168	24,019	-	-
IDEA	(17,767)	72,993	55,226	-	-	194,689	213,651	-	(18,962)
2013-14 Spec Ed Fund	-	200,828	219,502	-	(18,674)	51,229	32,555	-	-
(IDEA, Part B) LEA Capacity Building (Sliver) Grants	-	5,512	5,512	-	-	3,879	3,879	-	-
Federal Assistance Educational Preschool Handicapped	(300)	300	-	-	-	12,351	12,351	-	-
2013-14 Fed Preschool Spec Ed	-	12,467	12,467	-	-	-	-	-	-
Medicaid Reimbursement - Federal	17,274	-	11,668	-	5,606	3,210	6,176	-	2,640
Improving Teaching Quality, No Child Left, Title II, Part A	(659)	36,884	36,555	-	(330)	6,768	6,438	-	-
2013-15 Title II, Part A Grant	-	-	-	-	-	36,822	37,467	-	(645)
Title III - Language Instruction	-	1,375	1,375	-	-	-	-	-	-
Clearing Fund	-	1,974,071	1,974,071	-	-	1,952,373	1,952,373	-	-
Totals	\$ 5,640,168	\$ 13,515,447	\$ 13,828,048	\$ 270	\$ 5,327,837	\$ 13,549,949	\$ 13,559,167	\$ -	\$ 5,318,619

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

SOUTHEAST FOUNTAIN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

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

SOUTHEAST FOUNTAIN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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.

Non-instructional services include outflows for food service operations and community service operations.

Facilities acquisition and construction 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.

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

Interfund loans which include money temporarily transferred from one fund to a depleted fund for use in paying current operating expenses. Such advancement shall not be made for a period extending beyond the budget year.

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.

SOUTHEAST FOUNTAIN 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.

SOUTHEAST FOUNTAIN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

SOUTHEAST FOUNTAIN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of the funds being set up for reimbursable grants. The reimbursements for expenditures made by the School Corporation were not received by June 30, 2014, or June 30, 2015.

Note 8. Holding Corporations

The School Corporation has entered into a capital lease with Southeast Fountain Elementary Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments during the years 2013-2014 and 2014-2015 totaled \$705,000 and \$701,000, respectively.

SOUTHEAST FOUNTAIN SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 9. *Other Postemployment Benefits*

The School Corporation provides health insurance benefits to eligible retirees and their spouses. As authorized by Indiana Code 5-10-8, all employees who retire from the School Corporation on or after attaining age 55 with at least 10 years of service are eligible. Currently, 1 retiree meets those eligibility requirements. The School Corporation and retirees pay 54 percent and 46 percent, respectively, of these postemployment benefits. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation.

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OTHER INFORMATION - UNAUDITED

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

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

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

SOUTHEAST FOUNTAIN 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	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	School Lunch	Textbook Rental	2013-14 Voc Ed Welding
Cash and investments - beginning	\$ 1,674,260	\$ 477,148	\$ 427,111	\$ 462,433	\$ 222,486	\$ 1,952,348	\$ 176,953	\$ 132,271	\$ -
Receipts:									
Local sources	47,674	690,805	1,022,703	852,913	221,618	-	280,692	83,161	103,783
Intermediate sources	412	-	-	-	-	-	-	-	-
State sources	7,140,137	-	-	-	-	-	6,968	53,743	-
Federal sources	-	-	-	-	-	-	401,734	-	-
Other	11,451	-	971	1,132	-	-	600	623	1,218
Total receipts	7,199,674	690,805	1,023,674	854,045	221,618	-	689,994	137,527	105,001
Disbursements:									
Current:									
Instruction	4,851,481	-	-	-	-	-	-	-	82,153
Support services	2,118,003	-	762,653	709,243	278,300	-	600	120,432	-
Noninstructional services	147,844	-	-	-	-	-	574,232	-	-
Facilities acquisition and construction	-	-	317,338	-	-	526,718	-	-	-
Debt services	3,107	705,000	-	-	-	-	-	-	-
Nonprogrammed charges	-	11,109	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	7,120,435	716,109	1,079,991	709,243	278,300	526,718	574,832	120,432	82,153
Excess (deficiency) of receipts over disbursements	79,239	(25,304)	(56,317)	144,802	(56,682)	(526,718)	115,162	17,095	22,848
Other financing sources (uses):									
Sale of capital assets	20	-	250	-	-	-	-	-	-
Transfers in	-	-	-	-	-	138,000	-	-	1,013
Transfers out	-	-	-	(138,000)	-	-	-	-	-
Total other financing sources (uses)	20	-	250	(138,000)	-	138,000	-	-	1,013
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	79,259	(25,304)	(56,067)	6,802	(56,682)	(388,718)	115,162	17,095	23,861
Cash and investments - ending	\$ 1,753,519	\$ 451,844	\$ 371,044	\$ 469,235	\$ 165,804	\$ 1,563,630	\$ 292,115	\$ 149,366	\$ 23,861

SOUTHEAST FOUNTAIN 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)

	2012-13 Voc Ed Welding	2013-14 Pharmacy Tech	2012-13 Pharmacy Tech	Educational License Plates	Early Intervention Grant	Waterford Labs Grant	Cultural Arts	German Exchange Program	Scholarships and Awards
Cash and investments - beginning	\$ 14,563	\$ -	\$ 580	\$ 2,033	\$ -	\$ -	\$ 592	\$ 1,915	\$ 101,273
Receipts:									
Local sources	-	9,420	-	-	-	7,000	5,000	12,500	330
Intermediate sources	-	-	-	150	-	-	-	-	-
State sources	-	-	-	-	10,000	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	8,000	-
Total receipts	-	9,420	-	150	10,000	7,000	5,000	20,500	330
Disbursements:									
Current:									
Instruction	13,396	7,970	-	-	-	7,000	5,480	19,546	-
Support services	154	-	-	2,119	10,000	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	1,500
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	13,550	7,970	-	2,119	10,000	7,000	5,480	19,546	1,500
Excess (deficiency) of receipts over disbursements	(13,550)	1,450	-	(1,969)	-	-	(480)	954	(1,170)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	580	-	-	-	-	-	-	-
Transfers out	(1,013)	-	(580)	-	-	-	-	-	-
Total other financing sources (uses)	(1,013)	580	(580)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(14,563)	2,030	(580)	(1,969)	-	-	(480)	954	(1,170)
Cash and investments - ending	\$ -	\$ 2,030	\$ -	\$ 64	\$ -	\$ -	\$ 112	\$ 2,869	\$ 100,103

SOUTHEAST FOUNTAIN 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)

	David Sanders Scholarship Fund	Neal/Barbara Zick Scholarship	Elem Needy Children Fund	West IN Comm Foundation Grant	Elementary Pond Project	2012-13 High Ability Grant	2013-14 High Ability Grant	Drug Free Communities	Medicaid Reimbursement
Cash and investments - beginning	\$ 1,239	\$ -	\$ 964	\$ -	\$ 86	\$ -	\$ -	\$ 180	\$ -
Receipts:									
Local sources	-	7,500	-	3,690	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	29,338	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	7,500	-	3,690	-	-	29,338	-	-
Disbursements:									
Current:									
Instruction	-	-	-	800	-	-	29,338	-	-
Support services	-	-	-	2,890	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	2,500	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	2,500	-	3,690	-	-	29,338	-	-
Excess (deficiency) of receipts over disbursements	-	5,000	-	-	-	-	-	-	-
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	-	5,000	-	-	-	-	-	-	-
Cash and investments - ending	\$ 1,239	\$ 5,000	\$ 964	\$ -	\$ 86	\$ -	\$ -	\$ 180	\$ -

SOUTHEAST FOUNTAIN 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)

	Secured Schools Safety Grant	Non-English Speaking Programs P.L. 273-1999	School Technology	Senator David Ford Technology	Excess PTRC Distributions	2012-13 Title I	2013-14 Title I Grant	IDEA	2013-14 Spec Ed Fund
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 2,626	\$ (9,441)	\$ -	\$ (17,767)	\$ -
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	2,454	4,488	-	-	-	-	-	-
Federal sources	-	-	-	-	-	31,006	157,803	72,993	200,828
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	2,454	4,488	-	-	31,006	157,803	72,993	200,828
Disbursements:									
Current:									
Instruction	-	2,454	-	-	-	16,864	137,537	45,440	165,586
Support services	-	-	4,169	-	-	4,701	32,392	9,786	53,916
Noninstructional services	-	-	-	-	-	-	23	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	2,626	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	2,454	4,169	-	2,626	21,565	169,952	55,226	219,502
Excess (deficiency) of receipts over disbursements	-	-	319	-	(2,626)	9,441	(12,149)	17,767	(18,674)
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	-	-	319	-	(2,626)	9,441	(12,149)	17,767	(18,674)
Cash and investments - ending	\$ -	\$ -	\$ 319	\$ -	\$ -	\$ -	\$ (12,149)	\$ -	\$ (18,674)

SOUTHEAST FOUNTAIN 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, Part B) LEA Capacity Building (Sliver) Grants	Federal Assistance Educational Preschool Handicapped	2013-14 Fed Preschool Spec Ed	Medicaid Reimbursement - Federal	Improving Teaching Quality, No Child Left, Title II, Part A	2013-15, Title II Part A Grant	Title III - Language Instruction	Clearing Fund	Totals
Cash and investments - beginning	\$ -	\$ (300)	\$ -	\$ 17,274	\$ (659)	\$ -	\$ -	\$ -	\$ 5,640,168
Receipts:									
Local sources	-	-	-	-	1,920	-	-	-	3,350,709
Intermediate sources	-	-	-	-	-	-	-	-	562
State sources	-	-	-	-	-	-	-	-	7,247,128
Federal sources	5,512	300	12,467	-	34,964	-	1,375	-	918,982
Other	-	-	-	-	-	-	-	1,974,071	1,998,066
Total receipts	5,512	300	12,467	-	36,884	-	1,375	1,974,071	13,515,447
Disbursements:									
Current:									
Instruction	5,512	-	12,467	11,642	-	-	1,375	-	5,416,041
Support services	-	-	-	26	36,555	-	-	-	4,145,939
Noninstructional services	-	-	-	-	-	-	-	-	722,099
Facilities acquisition and construction	-	-	-	-	-	-	-	-	844,056
Debt services	-	-	-	-	-	-	-	-	708,107
Nonprogrammed charges	-	-	-	-	-	-	-	-	17,735
Interfund loans	-	-	-	-	-	-	-	1,974,071	1,974,071
Total disbursements	5,512	-	12,467	11,668	36,555	-	1,375	1,974,071	13,828,048
Excess (deficiency) of receipts over disbursements	-	300	-	(11,668)	329	-	-	-	(312,601)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	270
Transfers in	-	-	-	-	-	-	-	-	139,593
Transfers out	-	-	-	-	-	-	-	-	(139,593)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	270
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	300	-	(11,668)	329	-	-	-	(312,331)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 5,606	\$ (330)	\$ -	\$ -	\$ -	\$ 5,327,837

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

	General	Debt Service	Capital Projects	School Transportation	School Bus Replacement	Rainy Day	School Lunch	Textbook Rental	2013-14 Voc Ed Welding
Cash and investments - beginning	\$ 1,753,519	\$ 451,844	\$ 371,044	\$ 469,235	\$ 165,804	\$ 1,563,630	\$ 292,115	\$ 149,366	\$ 23,861
Receipts:									
Local sources	47,776	702,780	1,071,317	869,369	234,941	-	269,876	85,888	-
Intermediate sources	412	-	-	-	-	-	-	-	-
State sources	7,121,130	-	-	-	-	-	6,557	57,605	-
Federal sources	-	-	-	-	-	-	370,750	-	-
Other	9,937	-	8,187	2,554	-	-	600	600	-
Total receipts	<u>7,179,255</u>	<u>702,780</u>	<u>1,079,504</u>	<u>871,923</u>	<u>234,941</u>	<u>-</u>	<u>647,783</u>	<u>144,093</u>	<u>-</u>
Disbursements:									
Current:									
Instruction	4,760,427	-	-	-	-	-	-	-	22,265
Support services	2,179,466	-	643,024	793,188	241,568	-	600	171,063	-
Noninstructional services	156,896	-	-	-	-	-	673,667	-	-
Facilities acquisition and construction	-	-	184,915	-	-	360,889	-	-	-
Debt services	3,365	702,000	-	-	-	-	-	-	-
Nonprogrammed charges	-	16,196	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	<u>7,100,154</u>	<u>718,196</u>	<u>827,939</u>	<u>793,188</u>	<u>241,568</u>	<u>360,889</u>	<u>674,267</u>	<u>171,063</u>	<u>22,265</u>
Excess (deficiency) of receipts over disbursements	<u>79,101</u>	<u>(15,416)</u>	<u>251,565</u>	<u>78,735</u>	<u>(6,627)</u>	<u>(360,889)</u>	<u>(26,484)</u>	<u>(26,970)</u>	<u>(22,265)</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	296	-	-	-	-	120,000	-	-	-
Transfers out	-	-	(76,000)	(44,000)	-	-	-	-	(1,596)
Total other financing sources (uses)	<u>296</u>	<u>-</u>	<u>(76,000)</u>	<u>(44,000)</u>	<u>-</u>	<u>120,000</u>	<u>-</u>	<u>-</u>	<u>(1,596)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>79,397</u>	<u>(15,416)</u>	<u>175,565</u>	<u>34,735</u>	<u>(6,627)</u>	<u>(240,889)</u>	<u>(26,484)</u>	<u>(26,970)</u>	<u>(23,861)</u>
Cash and investments - ending	<u>\$ 1,832,916</u>	<u>\$ 436,428</u>	<u>\$ 546,609</u>	<u>\$ 503,970</u>	<u>\$ 159,177</u>	<u>\$ 1,322,741</u>	<u>\$ 265,631</u>	<u>\$ 122,396</u>	<u>\$ -</u>

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

	2012-13 Voc Ed Welding	2013-14 Pharmacy Tech	2012-13 Pharmacy Tech	Educational License Plates	Early Intervention Grant	Waterford Labs Grant	Cultural Arts	German Exchange Program	Scholarships and Awards
Cash and investments - beginning	\$ -	\$ 2,030	\$ -	\$ 64	\$ -	\$ -	\$ 112	\$ 2,869	\$ 100,103
Receipts:									
Local sources	108,703	-	10,970	-	-	3,000	5,000	13,000	725
Intermediate sources	-	-	-	131	-	-	-	-	-
State sources	-	-	-	-	9,047	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Other	2,209	-	-	-	-	-	-	12,000	-
Total receipts	<u>110,912</u>	<u>-</u>	<u>10,970</u>	<u>131</u>	<u>9,047</u>	<u>3,000</u>	<u>5,000</u>	<u>25,000</u>	<u>725</u>
Disbursements:									
Current:									
Instruction	81,068	-	12,435	-	-	226	3,048	18,167	-
Support services	-	-	-	101	9,047	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	500
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	<u>81,068</u>	<u>-</u>	<u>12,435</u>	<u>101</u>	<u>9,047</u>	<u>226</u>	<u>3,048</u>	<u>18,167</u>	<u>500</u>
Excess (deficiency) of receipts over disbursements	<u>29,844</u>	<u>-</u>	<u>(1,465)</u>	<u>30</u>	<u>-</u>	<u>2,774</u>	<u>1,952</u>	<u>6,833</u>	<u>225</u>
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	1,596	-	2,030	-	-	-	-	-	-
Transfers out	-	(2,030)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>1,596</u>	<u>(2,030)</u>	<u>2,030</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>31,440</u>	<u>(2,030)</u>	<u>565</u>	<u>30</u>	<u>-</u>	<u>2,774</u>	<u>1,952</u>	<u>6,833</u>	<u>225</u>
Cash and investments - ending	<u>\$ 31,440</u>	<u>\$ -</u>	<u>\$ 565</u>	<u>\$ 94</u>	<u>\$ -</u>	<u>\$ 2,774</u>	<u>\$ 2,064</u>	<u>\$ 9,702</u>	<u>\$ 100,328</u>

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

	David Sanders Scholarship Fund	Neal/Barbara Zick Scholarship	Elem Needy Children Fund	West IN Comm Foundation Grant	Elementary Pond Project	2012-13 High Ability Grant	2013-14 High Ability Grant	Drug Free Communities	Medicaid Reimbursement
Cash and investments - beginning	\$ 1,239	\$ 5,000	\$ 964	\$ -	\$ 86	\$ -	\$ -	\$ 180	\$ -
Receipts:									
Local sources	-	5,000	-	1,000	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	29,722	-	-	1,765
Federal sources	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	-	5,000	-	1,000	-	29,722	-	-	1,765
Disbursements:									
Current:									
Instruction	-	-	-	1,000	86	29,323	-	-	-
Support services	-	-	-	-	-	-	-	100	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	5,000	-	-	-	-	-	-	403
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	5,000	-	1,000	86	29,323	-	100	403
Excess (deficiency) of receipts over disbursements	-	-	-	-	(86)	399	-	(100)	1,362
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	(296)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	(296)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	(86)	399	-	(100)	1,066
Cash and investments - ending	\$ 1,239	\$ 5,000	\$ 964	\$ -	\$ -	\$ 399	\$ -	\$ 80	\$ 1,066

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

	Secured Schools Safety Grant	Non-English Speaking Programs P.L. 273-1999	School Technology	Senator David Ford Technology	Excess PTRC Distributions	2012-13 Title I	2013-14 Title I Grant	IDEA	2013-14 Spec Ed Fund
Cash and investments - beginning	\$ -	\$ -	\$ 319	\$ -	\$ -	\$ -	\$ (12,149)	\$ -	\$ (18,674)
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	12,650	1,741	4,539	12,479	-	-	-	-	-
Federal sources	-	-	-	-	-	158,500	36,168	194,689	51,229
Other	-	-	-	-	-	-	-	-	-
Total receipts	12,650	1,741	4,539	12,479	-	158,500	36,168	194,689	51,229
Disbursements:									
Current:									
Instruction	-	1,741	-	-	-	156,928	18,809	159,135	23,643
Support services	12,650	-	3,582	13,272	-	12,052	5,210	54,516	8,912
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	12,650	1,741	3,582	13,272	-	168,980	24,019	213,651	32,555
Excess (deficiency) of receipts over disbursements	-	-	957	(793)	-	(10,480)	12,149	(18,962)	18,674
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	-	-	957	(793)	-	(10,480)	12,149	(18,962)	18,674
Cash and investments - ending	\$ -	\$ -	\$ 1,276	\$ (793)	\$ -	\$ (10,480)	\$ -	\$ (18,962)	\$ -

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

	(IDEA, Part B) LEA Capacity Building (Sliver) Grants	Federal Assistance Educational Preschool Handicapped	2013-14 Fed Preschool Spec Ed	Medicaid Reimbursement - Federal	Improving Teaching Quality, No Child Left, Title II, Part A	2013-15, Title II Part A Grant	Title III - Language Instruction	Clearing Fund	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 5,606	\$ (330)	\$ -	\$ -	\$ -	\$ 5,327,837
Receipts:									
Local sources	-	-	-	-	-	-	-	-	3,429,345
Intermediate sources	-	-	-	-	-	-	-	-	543
State sources	-	-	-	-	-	-	-	-	7,257,235
Federal sources	3,879	12,351	-	3,210	6,768	36,822	-	-	874,366
Other	-	-	-	-	-	-	-	1,952,373	1,988,460
Total receipts	3,879	12,351	-	3,210	6,768	36,822	-	1,952,373	13,549,949
Disbursements:									
Current:									
Instruction	3,879	12,351	-	5,895	-	-	-	-	5,310,426
Support services	-	-	-	281	6,438	37,467	-	-	4,192,537
Noninstructional services	-	-	-	-	-	-	-	-	830,563
Facilities acquisition and construction	-	-	-	-	-	-	-	-	545,804
Debt services	-	-	-	-	-	-	-	-	705,365
Nonprogrammed charges	-	-	-	-	-	-	-	-	22,099
Interfund loans	-	-	-	-	-	-	-	1,952,373	1,952,373
Total disbursements	3,879	12,351	-	6,176	6,438	37,467	-	1,952,373	13,559,167
Excess (deficiency) of receipts over disbursements	-	-	-	(2,966)	330	(645)	-	-	(9,218)
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	123,922
Transfers out	-	-	-	-	-	-	-	-	(123,922)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	(2,966)	330	(645)	-	-	(9,218)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 2,640	\$ -	\$ (645)	\$ -	\$ -	\$ 5,318,619

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SOUTHEAST FOUNTAIN SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2015

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 186,458</u>	<u>\$ -</u>

SOUTHEAST FOUNTAIN SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2015

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities:				
GE Capital Information	Lease on 3 Copy Machines	\$ 16,286	7/1/2011	7/1/2016
GE Capital Information	Lease on 1 Copy Machine	1,001	2/1/2015	2/1/2020
Southeast Fountain Elementary Building Corporation	Elementary Remodel	<u>702,273</u>	7/15/2013	1/15/2025
Total of annual lease payments		<u>\$ 719,560</u>		

SOUTHEAST FOUNTAIN SCHOOL CORPORATION
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2015

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

	Ending Balance
Governmental activities:	
Land	\$ 36,000
Buildings	22,060,267
Improvements other than buildings	2,730,608
Machinery, equipment, and vehicles	5,448,979
Construction in progress	7,225
 Total capital assets	 \$ 30,283,079

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE SOUTHEAST FOUNTAIN SCHOOL
CORPORATION, FOUNTAIN COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the period of July 1, 2013 to June 30, 2015.

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

Report on Internal Control Over Compliance


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

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2015-002 to be a material weakness.

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

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


Paul D. Joyce, CPA
State Examiner

February 3, 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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SOUTHEAST FOUNTAIN SCHOOL CORPORATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2014 and 2015

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-14	Total Federal Awards Expended 06-30-15
<u>Department of Agriculture</u>					
Child Nutrition Cluster					
School Breakfast Program	Indiana Department of Education	10.553	FY13-14 FY14-15	\$ 96,143 -	\$ - 89,344
Total - School Breakfast Program				<u>96,143</u>	<u>89,344</u>
National School Lunch Program	Indiana Department of Education	10.555	FY13-14 FY14-15	353,124 -	- 323,207
Total - National School Lunch Program				<u>353,124</u>	<u>323,207</u>
Total - Department of Agriculture				<u>449,267</u>	<u>412,551</u>
<u>Department of Education</u>					
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010	SY12-13 SY13-14 SY14-15	31,006 157,803 -	- 36,168 158,500
Total - Title I Grants to Local Educational Agencies				<u>188,809</u>	<u>194,668</u>
Special Education Cluster					
Special Education - Grants to States	Indiana Department of Education	84.027	14213-076-PN01 14214-076-PN01 14215-076-PN01 99914-076-TA01	72,992 200,828 - 5,512	55 51,229 194,634 3,879
Total - Special Education - Grants to States				<u>279,332</u>	<u>249,797</u>
Special Education - Preschool Grants	Indiana Department of Education	84.173	45713-076-PN01 45714-076-PN01 45715-076-PN01	300 12,467 -	- - 12,351
Total - Special Education - Preschool Grants				<u>12,767</u>	<u>12,351</u>
Total - Special Education Cluster				<u>292,099</u>	<u>262,148</u>
English Language Acquisition State Grants	Wabash Valley Education Center	84.365	2013-14	1,375	-
Improving Teacher Quality State Grants	Indiana Department of Education	84.367	12-2455 13-2455	34,964 -	6,768 36,822
Total - Improving Teacher Quality State Grants				<u>34,964</u>	<u>43,590</u>
Total - Department of Education				<u>517,247</u>	<u>500,406</u>
Total federal awards expended				<u>\$ 966,514</u>	<u>\$ 912,957</u>

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

SOUTHEAST FOUNTAIN SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

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

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

Note 2. Noncash Assistance

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

Program Title	Federal CFDA Number	2014	2015
National School Lunch Program	10.555	\$ 47,533	\$ 41,801

SOUTHEAST FOUNTAIN SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
84.010	Child Nutrition Cluster Title I Grants to Local Educational Agencies 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 2015-001 - 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.

SOUTHEAST FOUNTAIN SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

During the audit of the SEFA, we noted the following errors for the year ended June 30, 2014:

1. The School Breakfast Program was understated by \$95,863.
2. The National School Lunch Program was understated by \$72,249.
3. The Special Education Program was understated by \$72,992.
4. The Special Education Preschool Program was understated by \$300.
5. The Title I Grants to Local Educational Agencies Program was understated by \$31,006.
6. The Improving Teacher Quality State Grants Program was overstated by \$1,920.

We also noted that the National School Lunch Program was understated by \$41,801 for the year ended June 30, 2015. Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA presented in this report.

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

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

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

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

SOUTHEAST FOUNTAIN SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (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 . . . "

Section III - Federal Award Findings and Questioned Costs

FINDING 2015-002 - ALLOWABLE COSTS/COST PRINCIPLES

Federal Agency: Department of Education
Federal Program: Title I Grant to Local Educational Agencies
CFDA Number: 84.010
Federal Award Years: SY12-13, SY13-14, SY14-15
Pass-Through Entity: Indiana Department of Education

Management of the School Corporation has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the Allowable Costs/Cost Principles compliance requirements.

The School Corporation has not designed or implemented adequate policies and procedures to ensure that funds are expended in compliance with the Allowable Costs/Cost Principles requirements of the program. There were not adequate controls over time and effort reporting to ensure that all teachers who worked full-time in the program were included on the semi-annual certifications. There was no segregation of duties, such as an oversight, review or approval process.

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

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

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

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

We recommended that the School Corporation's management establish controls, including segregation of duties related to the grant agreement and the Allowable Costs/Cost Principles compliance requirements.

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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.

Southwest Fountain School Corporation

744 East U.S. Highway 136
Weedersburg, Indiana 47987-9783

Mr. Douglas A. Allison, Superintendent

Phone: (765) 294-2254

FAX: (765) 294-3200

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2013-003

Original Assigned SBA Audit Report Number: B43376
Report Period: 07-01-11 to 06-30-13
Pass-Through Entity or Federal Grantor Agency: Indiana Department of Education
Contact Person Responsible for Corrective Action: Cindy Alward & Carla Whitehead
Contact Phone Number: 765-294-2254

Status of Audit Finding:

- Cash Management and Reporting: Reimbursement requests prepared by the school lunch director are approved by another person prior to submission.
- Procurement, Suspension and Debarment: The deputy treasurer pulls a search from the SAMS website to determine if Aramark has any exclusions or delinquent federal debt.
- Equipment and Real Property Management: The treasurer maintains an inventory of equipment purchased by federal grants monthly.
- Eligibility and Verification of Free & Reduced Price Applications: Free and Reduced applications are reviewed by a different person than the State Assistance clerk.
- Program Income: The Food Service Director is reviewing the line report and comparing it to the deposits. Variances are explained.

FINDING 2013-004

Original Assigned SBA Audit Report Number: B43376
Report Period: 07-01-11 to 06-30-13
Pass-Through Entity or Federal Grantor Agency: Indiana Department of Education
Contact Person Responsible for Corrective Action: Cindy Alward
Contact Phone Number: 765-294-2254

Status of Audit Finding:

- Equipment and Real Property Management: The treasurer maintains an inventory of equipment purchased by federal grants monthly.

FINDING 2013-005

Original Assigned SBA Audit Report Number: B43376
Report Period: 07-01-11 to 06-30-13
Pass-Through Entity or Federal Grantor Agency: Indiana Department of Education
Contact Person Responsible for Corrective Action: Darren Haas
Contact Phone Number: 765-294-2216

Status of Audit Finding:

- Eligibility and Verification of Free & Reduced Price Applications: Free and Reduced applications are reviewed by a different person than the State Assistance clerk.

FINDING 2013-006

Original Assigned SBA Audit Report Number: B43376
Report Period: 07-01-11 to 06-30-13
Pass-Through Entity or Federal Grantor Agency: Indiana Department of Education
Contact Person Responsible for Corrective Action: Cindy Alward & Darren Haas
Contact Phone Number: 765-294-2254

Status of Audit Finding:

- Activities Allowed or Unallowed/Allowable Cost/Cost Principles: Payroll clerk prepares and superintendent reviews payroll check register to ensure accuracy of which staff is to be paid by federal grants.
- Cash Management: The treasurer prepares reimbursement requests and the superintendent approves request prior to submission.
- Eligibility: The Free and Reduced applications are reviewed by a different person than the State Assistance clerk.
- Special Test and Provisions: Payroll clerk has implemented a checkoff list to verify that newly hired teachers are "highly qualified".



(Signature)

Treasurer
(Title)

1/11/16
(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).)

Southwest Fountain School Corporation

744 East U.S. Hwy. 136
Deedersburg, Indiana 47987

Mr. Douglas A. Allison,
Superintendent

Ph: 765-294-2254

Fax: 765-294-3200

SOUTHEAST FOUNTAIN SCHOOL CORPORATION CORRECTIVE ACTION PLAN

FINDING 2015-001

Contact Person Responsible for Corrective Action: Cynthia C. Alward, Treasurer
Contact Phone Number: 765-294-2254

Description of Corrective Action Plan:

Control - We intend to use a checklist designed to be verified by a second person to insure that all data is included on the SEFA report.

Plan – Every grant file will be reviewed and if applicable, entered on the Expenditure of Federal Awards. The Revenue history report will be reviewed to insure the correct amount of receipts for the fiscal year is included.

Anticipated Completion Date: Immediately

FINDING 2015-002

Federal Agency: Department of Education
Federal Program: Title I Grant to Local Educational Agencies
CFDA Number: 84.010
Federal Award Number and Year: SY2012-13, SY2013-14, SY2014-15
Pass Through Entity: Indiana Department of Education

Contact Person Responsible for Corrective Action: Darren Haas & Carmine Akers
Contact Phone Number: 765-294-2216

Description of Corrective Action Plan:

Control and Plan – The Allowable Cost report will be prepared by Title I administrator and reviewed by a second administrative person to insure that all qualified Title I paid personnel (certified and non-certified) are included on the report.

Anticipated Completion Date: Immediately



(Signature)

Treasurer
(Title)

1/28/16
(Date)

OTHER REPORTS

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